



**Equinor Canada Ltd. 2024
Exploration Drilling Program**

**Executive Summary - EA Decision Statement
Conditions Closure Report**

January 2025

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1 Project Description

In 2024 Equinor Canada Ltd. (ECL) carried out a two (2) well exploration drilling program on exploration licence (EL) 1156 and Significant Discovery Licence (SDL) 1159 in the Flemish Pass area of the Newfoundland and Labrador (NL) offshore area, approximately 450 km east of St. John's. The Sitka C-02 well, located on EL1156, was drilled in a water depth of 848 m and the Cappahayden C-85 well, located on SDL 1159, was drilled in a water depth of 907 m. The wells were drilled by the Odfjell Drilling Ltd. "Hercules" Mobile Offshore Drilling Unit (MODU) under Operations Authorisation (OA) 25020-020-OA05. Drilling commenced on July 10, 2024, and was completed on October 25, 2024. Figure 1-1 illustrates the location of the wells.

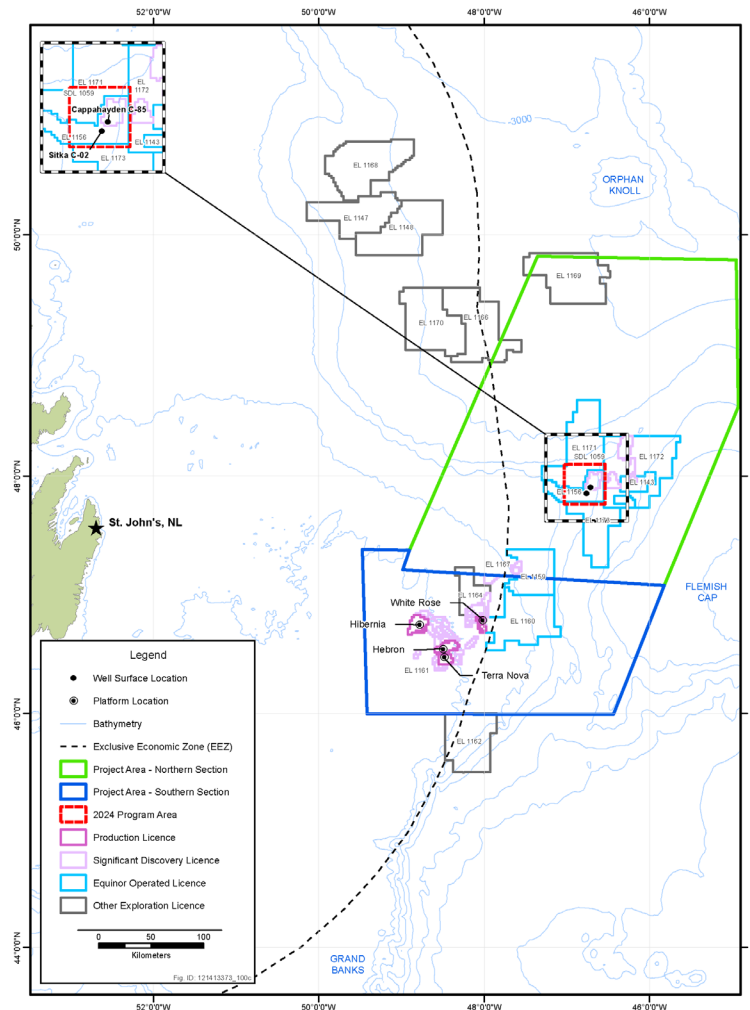


Figure 1-1 2024 Exploration drilling program well locations

The Flemish Pass Exploration Drilling Program Environmental Impact Statement (EIS), which addresses the scope of the 2024 exploration drilling program, was released from the environmental assessment (EA) process on April 17, 2019, with a formal decision (the EA Decision Statement) by the Minister of Environment and Climate Change Canada (ECCC), concluding that with the implementation of applicable conditions, the Designated Project is not likely to result in significant adverse environmental effects. Per EA Condition 2.7, Equinor Canada Ltd. is required to submit a close-out report within 90 days of the completion of the well. The EA Closure report outlines the activities undertaken to comply with the conditions of the EA Decision report, namely:

- Engagement and communications with Indigenous groups and commercial fishers

- Fish and Fish habitat protection and follow-up monitoring
- Marine mammal and sea turtle follow-up monitoring
- Migratory bird follow-up monitoring
- Additional Mitigations

2 Engagement and Communications

ECL recognizes the importance of communication and engagement with Indigenous groups, fishers and stakeholders and has been engaging with Indigenous groups in Atlantic Canada since 2017.

ECL has maintained an ongoing information exchange with Indigenous groups and fishers, including monthly operational updates, updates on proposed and ongoing exploration, regular outreach, and to provide opportunity to comment on plans and to address any concerns they may have. Communications Plans were developed for Indigenous groups and commercial fishers. These plans outlined communications protocols and processes to be used leading up to and during drilling operations.

3 Fish and Fish Habitat Protection and Follow-up Monitoring

Mitigation and monitoring measures implemented for the protection of fish and fish habitat included the following

- Pre-drilling seabed survey
- Post-drilling seabed survey
- Discharge management and monitoring
- Monitoring of synthetic-based oil on cuttings

3.1 Pre-drilling seabed survey

Pursuant to EA Condition 3.6, ECL undertook a coral and sponge survey in 2023 of the proposed well site areas to evaluate the presence and distribution of corals and sponges. The survey was carried out in accordance with DFO guidance using a remote-operated-vehicle (ROV) equipped with high-definition cameras to identify corals and sponges in the vicinity of the well site and the predicted cuttings depositional area.

Upon review of the data, DFO advised that the sea pen fields observed at Sitka and Cappahayden represent aggregations of habitat-forming sea pens and indicated that the seafloor environment in the vicinity of the Sitka and Cappahayden wellsites meets the criteria for a Vulnerable Marine Ecosystem (VME) for sea pens. Survey results are posted to the Equinor Canada [website](#).

As it was determined that the well site locations for Sitka and Cappahayden represented aggregations of habitat-forming sea pens, ECL assessed the feasibility of the following options: moving the well head at Sitka and Cappahayden and using a cuttings transfer system (CTS) to direct cutting away from aggregations of habitat forming sea pens. Due to technical limitations, the well site at Sitka could not be moved. At Cappahayden, the well site was moved approximately 30 m to reduce impact to nearby aggregations of habitat forming seapens. Regarding the use of CTS, it was determined that there are technical limitations to use of an ROV-based system. In addition, based on the distribution of seapens at Cappahayden and Sitka, impacts could not be avoided with the use of a CTS. Therefore, it was determined that CTS was not technically feasible for either well location. This assessment was accepted by the C-NLOPB.

3.2 Post-drilling seabed survey

The post-drill survey was carried out at each well site after drilling was completed. A final report of the results will be submitted to the C-NLOPB within 60-days of the end of the drilling program. Based on the data collected during the post-drilling seabed survey, the cuttings extent and thickness were generally within the area predicted by the drill cuttings model, with some accumulation of cuttings to the south and south-west of the well location outside the predicted modelled extent of cuttings deposition. Benthic fauna showed a decrease in abundance and distribution as predicted in the EIS. A post-drilling survey report was submitted to the C-NLOPB.

3.3 Discharge management and monitoring

ECL's Environmental Protection and Compliance Monitoring Plan (EPCMP) outlines the various waste streams, sampling, analysis and reporting requirements for regulated wastes discharged during routine drilling operations. The EPCMP addresses the requirements of the Offshore Waste Treatment Guidelines.

3.4 Monitoring of synthetic-based oil on cuttings

Per Condition 3.12.1, ECL was required to measure the concentration of synthetic-based drilling fluids retained on discharged drill cuttings. ECL's EPCMP outlines the monitoring and reporting requirements for the 2024 drilling program to address this requirement. As outlined in the plan, the remaining synthetic-oil-on-cuttings (SOC) were measured and mass of cuttings drilled and released were recorded.

ECL reported the discharged SOC results to the C-NLOPB on a monthly basis. ECL performance target for SOC discharged to sea based is based on the Offshore Waste Treatment Guidelines "not exceeding 6.9g/100g oil on wet solid". This target was maintained for the duration of the campaign; 5.96g/100g of wet solids was the highest record SOC level throughout the campaign.

4 Migratory Bird Monitoring

Pursuant to Condition 4.3, daily observations of marine birds and daily searches of stranded seabirds were carried out by the Seabird Observer onboard the Hercules drilling installation. Observations were carried out as detailed in ECL's WR3063 Seabird Survey, Handling and Observation Protocol. Daily observations were logged and submitted to the Environment and Climate Change Canada (ECCC) "Eastern Canada Seabirds at Sea" database. Stranded seabird search logs were sent to ECL's Environment Lead and will be submitted as part of the reporting for the Seabird Handling Permit for ECL. A total of 458 daily observations were undertaken, for a total of 26,454 birds observed. 184 stranded seabird searches were conducted for a total of 105 stranded birds found on the drilling installation. Nine deceased Leaches Storm Petrels were sent to shore to ECCC.

Each supply vessel was also tasked carrying out daily searches for stranded seabirds. No stranded birds were found on any of the vessels.

5 Marine Mammals and Sea Turtle Follow-up Monitoring

A marine mammal and monitoring plan was prepared as part of the follow-up monitoring requirements per EA Condition 3.9. However, vertical seismic profiling (VSP) surveys were not carried out at either wellsite. There were also no sightings of marine mammals injured, dead or stranded marine mammals from supply vessels supporting the drilling program.

6 Additional Mitigations

ECL oil spill response plan, well control and relief well plans, were submitted to the C-NLOPB to support the OA for drilling operations. as part of the OA amendment package. These include strategies for maintaining well control on the drilling installation, disconnect strategies in the event of weather or an emergency, as well as details on how a relief well would be drilled in the unlikely event a loss of well control is encountered. ECL prepared a spill impact mitigation assessment (SIMA) in 2020 for exploration drilling operations to support contingency planning for exploration drilling operations in the Flemish Pass area. There were no environmental accidents or incidents which required the activation of any ECL's spill response plan.