



**Public Statement on Environmental Management Systems
and
Environmental Performance 2010**



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1 EXECUTIVE SUMMARY

1.1 Introduction

This statement has been prepared in fulfilment of the Department of Energy and Climate Change (DECC) requirement under OSPAR recommendation 2003/5 for operators who have an Environmental Management System (EMS) which is not accredited to international standards such as ISO 14001:2004 or EMAS to produce an annual EMS performance statement.

In line with the OSPAR recommendation the EnQuest EMS was externally verified in December 2010. Accreditation through the ISO 14001:2004 standard is an objective for Q4 2011.

The data in this report relates to the period 01/01/2010 – 31/12/2010. It should be noted that the reporting includes data for the period 01/01/2010 – 04/04/2010 when the assets Heather and Thistle were operated by Lundin North Sea BV and the Northern Producer was operated by Petrofac Energy Developments Limited (PEDL)

Heather, Thistle and Northern Producer became EnQuest assets as a result of Lundin demerging their North Sea assets Heather and Thistle, and PEDL demerging the Northern Producer. This formally happened on 05/04/2010

Enquest are committed to minimising the impact of their operations on the environment and seek to continually improve operational practices to reduce their impact on the environment.

1.2 Performance Summary

During 2010 performance versus consent for oil in produced water was within consent limits for all parameters on Northern Producer and Thistle. Heather experienced intermittent problems with oil in water performance, and consequently their oil mass emissions were 1% above permitted limits. Heather will complete the commissioning of a hydrocyclone package in 2011 which will provide a significant improvement in oil in produced water treatment.

Oil in Produced Water Summary			
	Avg mg/L	Volume	Mass
Heather			
Thistle			
Northern Producer			

Emissions to air are measured against with respect to flare rates and total CO2 emissions. Individual assets' flare consents are in place which detail quantities of gas which may be flared; CO2 emissions are measured against allocations made under the European Union Emissions Trading Scheme. As a 'New Entrant' to the scheme the Northern Producer allocation is not based on historic emissions, but is instead allocated from the 'ring fenced' New Entrant Reserve. This has resulted in a proportionally lower allocation to Northern Producer in comparison to installations that have been in the EUETS for all of the Phase 2 period (2008 – 2012)

Air Emissions Summary		
	Flare	Total CO2
Heather		
Thistle		
Northern Producer		

Planned chemical discharges from the platforms are measured against PON15D chemical permits, and declared usages within them. During 2010 Heather and Thistle complied with declared discharged. Northern Producer had one substance which exceeded the declared consumption rate

Chemical Discharge Summary	
Heather	
Thistle	
Northern Producer	



1.3 Environmental Management

Enquest have in place a verified Environmental Management System (EMS) and have interface arrangements in place with key contractors' and Duty Holder's Environmental Management Systems.

The company's Environmental Policy Statement, endorsed by the Chief Executive, sets out the company's commitment to complying with all regulatory requirements, reducing its impact, committing to a continual improvement process and setting meaningful goals and objectives. The policy also states that all contractors meet Enquest's policy requirements and standards.

Environmental Key Performance Indicators are in place for all operated assets and are used as a basis to measure progress towards continual improvement targets. Performance against these objectives and targets is reviewed by management on a minimum of a monthly basis.



2 ENQUEST INTRODUCTORY INFORMATION

EnQuest PLC is an independent oil & gas development and production company focused on the UK Continental Shelf ('UKCS').

In April 2010 the newly incorporated independent entity EnQuest PLC acquired the demerged UK North Sea assets of Petrofac Limited and Lundin Petroleum AB respectively.

EnQuest believes that the UKCS represents a significant hydrocarbon basin in a low risk region which benefits from an extensive installed infrastructure base and skilled labour. The 2010 Oil & Gas UK Economic Report estimated that the projected reserves and resources still to be recovered from the UKCS were between 15.5 and 24 billion barrels of oil equivalent.

EnQuest's assets include working interests in the following producing oilfields:-

- Thistle & Deveron (99%)
- Heather (100%)
- Broom (55%)
- West Don (44.95%)
- Don Southwest (60%)

EnQuest also has development opportunities in the Ardmore, Crawford, Southwest Heather, Peik & Burdock, Elke & Pilot, Scolty and Cairngorm discoveries. EnQuest has interests in 26 production licences covering 34 blocks or part blocks in the UKCS; EnQuest is the operator of 21 of these licences.

EnQuest's assets, at 31 December 2010, as independently certified, had total net proved plus probable oil and NGL reserves of 88.5 MMboe. In terms of contingent resources, the net oil and gas best estimates (2C) for individual assets were assessed by the Group's internal reservoir engineers; as at 31 December 2010 these came to a net total of 105.1 MMboe.

EnQuest has offices in Aberdeen and London and is listed on the London Stock Exchange (FTSE 250 index) and the Nasdaq OMX Stockholm (OMX Nordix Index) with the stock code ENQ.

The above data is as at the end of December 2010. The values presented here include some licences offered to the Group in October 2010 which had not legally commenced as at 31 December 2010.

2.1 EnQuest UKCS Activities

EnQuest's principal assets as at the end of 2010 were its interests in the Heather, Broom, Thistle, Deveron, West Don and Don Southwest producing oilfields and further development opportunities in the Ardmore, Crawford, Southwest Heather, Peik & Burdock, Elke & Pilot, Scolty and Cairngorm discoveries. EnQuest has working interests in 26 production licences covering 34 blocks or part blocks in the UKCS, including those licences offered to EnQuest in 2010 as part of the 26th licensing round. EnQuest is the operator of 21 of its 26 licences.



No.	Licence	Blocks	Respective EnQuest Working Interest (%)	Name
1	P1487	21/1a, 2a & 3a	60	
2	P1269	21/18c	50	
3	P1455	21/17	50	
4	P1751 (26th round)	3/1c	100	
5	P902	2/4a	55	Broom
6	P242	2/5	55, 100, 55 & 55	Broom, Heather, SW Heather & Ivy
7	P1200	21/13b	50*	West Don
8	P236	21/18a	40*, 60, 60, 99 & 99	West Don, Don SW, Area 26, Thistle & Deveron
9	P475	21/19a	99	Thistle
10	P1608	3/11a	100	
11	P1753 (26th round)	3/17	33.33	
12	P1645	9/8b	60	
13	P090	9/10b & 15a	85 & 33.33**	Peik & Burdock
14	P209	9/28a	19	Crawford
15	P1214	16/2b	100	Cairngorm
16	P1465	15/23c, 24a, 28a & 29a	15	
17	P1463	14/30a	20	
18	P1413	21/7a	40	
19	P1582	20/15a	100	
20	P1614	15/30b	33.33	
21	P1107	21/8a	40	Scolty
22	P1414	21/13b	40	
23	P1790 (26th round)	21/27a & 28/2a	100	Pilot
24	P995	28/3a	70	Elke
25	P1825 (26th round)	30/24b	100	Ardmore Area
26	P1765 (26th round)	30/24c & 25c	100	Ardmore

* EnQuest's unutilised equity for West Don as of 31 December 2010 is 44.95%.
 ** EnQuest's unutilised equity for Peik as of 31 December 2010 is 17.66%.

2.1.1 Thistle

The Thistle oil field is located in the south eastern portion of Block 211/18a and marginally in Block 211/19a. Situated in the northern sector of the UK North Sea, Thistle was discovered in 1973 by Well 211/18-2a. A single steel jacket platform was installed in 1976 and oil production began in February 1978.



Fig 1 - Thistle Platform

Although the field was originally developed and operated by BNOC, the intervening years have seen a number of operator changes culminating in the current arrangement wherein EnQuest is the Licence Holder and Petrofac Facilities Management, which operates the facilities on behalf of EnQuest, is the official Duty Holder. Since discovery of the original Thistle field in 1973, an additional five satellite fields have been found, three of which are tied back to the Thistle production facilities. These are:

- Deveron, adjacent to Thistle in an easterly direction
- Area 6 adjacent to Thistle in a northerly direction
- Don, located 18km north east of Thistle (decommissioned January 2009)

Deveron and Area 6 have been developed by step-out drilling from Thistle, while Don has been drilled locally with subsea tieback lines to Thistle.

The Don Field is owned by BP and was operated from the Thistle platform. All wells were shut-in in 2003 and the pipelines subsequently purged and isolated. The field is currently non-operational and the pipeline has been decommissioned.

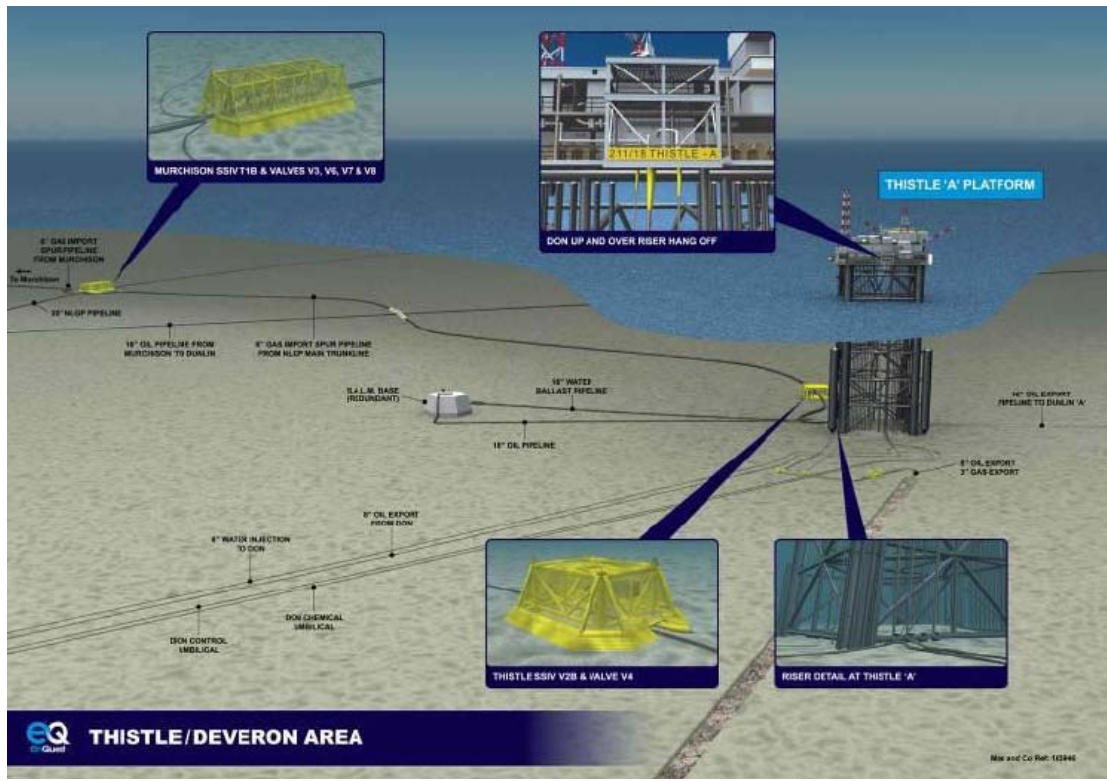


Fig 2 - Thistle / Deveron Area Infrastructure

The Deveron field is a separate small accumulation, approximately 3km to the west of Thistle in Block 211/18a. Deveron is produced via three wells drilled from the Thistle platform. The field commenced production in September 1984 but has been in decline since 1987. Oil is exported directly through the Brent pipeline system to Sullom Voe in Shetland via the Dunlin and Cormorant South platforms.

2.1.2 Northern Producer

The Don Fields are located in the East of Shetland basin of the UK sector of the North Sea. The Don Field Development Project consists of Don South West and West Don.

The Don Fields are located in water depth of 570 feet, approximately 150km to the Northeast of the Shetland Islands. The West Don Field is located approximately 2.9km from the Northern Producer Floating Production Facility (FPF), whilst the Don South West field is located some 4.7km away from the Northern Producer FPF.

Oil was discovered in the sandstone of the Middle Jurassic Brent Group by the Burmah 211/18-9 well in 1975. The discovery was subsequently appraised by Shell/Esso in 1976 and BP in 1990. Field life is expected to be up to 15 years; however the addition of production from surrounding fields could extend production life.



Fig 3 – Northern Producer

The development consists of two sub-sea developments Don South West (SW) and West Don (WD), tied back to the Northern Producer FPF via production, water injection and gas lift pipelines. Don SW consists of a phased eight well sub-sea development; Phase one consisting of two high angle gas-lift oil producers and two water injectors. West Don consists of three development wells (two high angle gas-lift oil producers and one water injector) with the potential for a further producer pair. Sub-sea well heads have been tied to the pipelines with rigid spool pieces

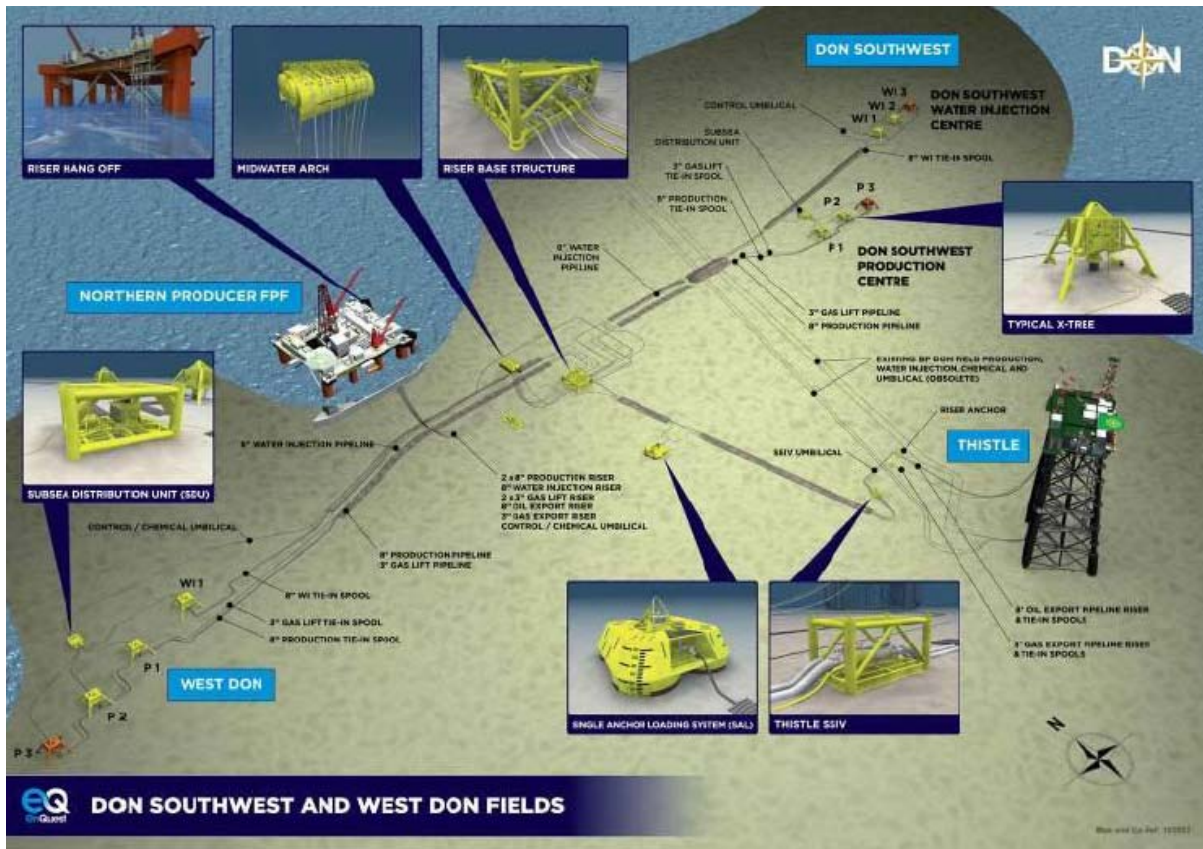


Fig 4- West Don and Don Southwest pipeline export via Thistle

The West Don and Don South West fields are located in UKCS Block 211/13b. The West Don field is located approximately 2.9km from the Northern Producer FPF, whilst the Don South West field is located some 4.7km away from the Northern Producer FPF.

From early 2010, oil and gas export was via the Thistle platform which is 17km away from the Northern Producer FPF. Direct oil export was installed on Thistle in 2008 and the Crude Oil Storage Tank (COST) system taken out of service.

2.1.3 Heather

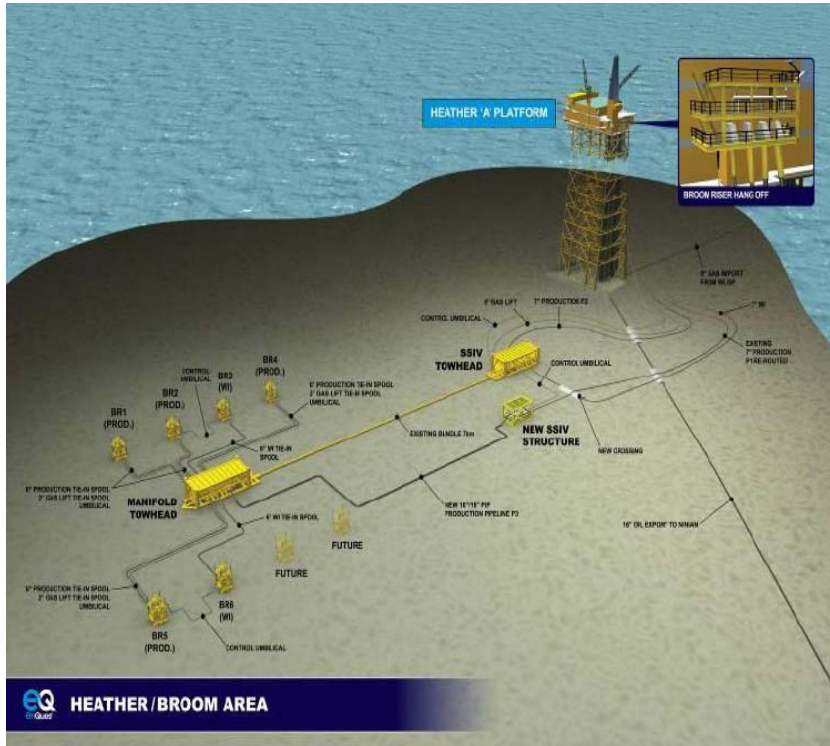
The Heather field lies in the East Shetland Basin to the west of the North Viking Graben. It is one of the most westerly of the fields in the Brent Province and close to the East Shetland Platform.

The Heather oil field is located in Block 2/5 approximately 120km north east of the Shetland Islands in the UK Sector of the northern North Sea. The field was discovered in 1973.

Development of Heather began in 1977 with a single steel platform (Fig 4). The platform has been in operation since 1978.



Fig 5 – Heather Platform



Oil is currently produced from 20 production wells, using gas lift.

Oil is exported from the platform to the Ninian pipeline system and thence to the Sullom Voe Terminal. Gas is imported from the Western Leg gas pipeline, part of the FLAGS gas gathering system via a 6" spur line.

Fig 6 – Heather / Broom Area Infrastructure

The Heather platform acts as the host for the nearby Broom field sub-sea development providing services to the Broom wells and processing the produced fluids.



3 ENQUEST EMS

The EnQuest EMS sits within the EnQuest Business Management System. It forms part of the EnQuest Business Management System (BMS) and is overseen by the Head of HSEQ.

The EMS covers:

- Offshore production facilities and operations in the northern North Sea (Heather, Northern Producer and Thistle installations)
- Broom tie-in to EnQuest Britain limited operated facility (Heather installation)
- Drilling activities in the UKCS

EnQuest have assigned the management and control of topside oil and gas operations of their North Sea assets to their alliance partner Petrofac Facilities Management. Petrofac are the duty holders for the Heather, Northern Producer and Thistle facilities, and in addition to physical operation of the platforms, their duty includes the provision of environmental assistance in order to ensure applicable legislative compliance and continual improvement in line with their own and the EnQuest EMS.

EnQuest remain the operators of the Heather Northern producer and Thistle installations and, are therefore, ultimately accountable for environmental compliance. This is overseen and controlled via the process maps and procedures in the EnQuest EMS. These are centrally held controlled documents accessed via the EnQuest Intranet. These documents are aligned with the procedures in the Petrofac EMS to ensure consistent, reliable environmental management. This is affected by means of a Petrofac interface document which is under continual review. The Petrofac EMS is accredited to ISO 14001:2004 and therefore has been independently verified as having all necessary controls and feedback mechanisms in place.

The EnQuest EMS is subject to annual review.

The EMS contains all of the elements required by ISO 14001:2004 namely:

- Operator / duty holder alignment
- Environmental policy
- Environmental aspects
- Legal and other requirements
- Objectives, targets and programmes
- Resources, roles and responsibilities
- Competence, training and awareness
- Communication



- Documentation, control of documents and control of records
- Operational control
- Emergency preparedness and response
- Monitoring and measurement
- Evaluation of compliance
- Control and preventive action
- EMS audit
- Management review

Communication is particularly emphasised as most of the operational environmental functions are devolved to Petrofac. The procedure detailing environmental communications (both internal and external) with regard to EnQuest environmental aspects and EMS, is defined in the HSE Communications Process Map. It is the policy of EnQuest to communicate openly about environmental matters with stakeholders.

Environmental related information is communicated via a number of routes including:

- Meetings
- Audit reports
- Management reviews
- Notice board postings
- EnQuest Britain Business Management System

The Head of HSEQ acts as the focal point for personnel and external stakeholders requiring clarification on environmental issues.

3.1 Monitoring and Measurement

EnQuest has a documented procedure for environmental measurement and monitoring. This also includes the monitoring of conformity with environmental objectives and targets, policy requirements, and legal compliance. Results are analysed and used to determine areas where improvement is needed.

EnQuest carries out annual legal and environmental compliance checks, and the annual evaluation of compliance with environmental legislation is included in the Audit Programme and records are held in the form of audit reports. Action tracking is overseen by the Head of Health, Safety and Environment.

Although much functional environmental management is devolved to Petrofac, EnQuest remain the Licensed Operator and are ultimately accountable for environmental impacts from their activities. There is an interface arrangement in place, by which EnQuest assure themselves that environmental issues are being reliably managed by Petrofac.

Petrofac are ISO 14001 accredited and have their own audit schedule to maintain this.



4 ENQUEST ENVIRONMENTAL POLICY

EnQuest is fully committed to meeting the requirements of its Environmental policy. This ensures EnQuest will make best endeavours to provide a safe and accident free workplace and protect the environment by the prevention of pollution, and comply with all applicable environmental legislation.

The Environmental Policy is appropriate to the nature, scale and environmental impacts of its activities and contains commitment to:

- Compliance with legal and other, including corporate, requirements relevant to the environmental aspects
- Assessment of environmental impacts
- Efficient use of resources
- Continual improvement and the prevention of pollution
- Provide the framework for setting and reviewing environmental objectives and targets

The Environmental Policy is communicated to all employees through notice board postings and the business management system (BMS), and may be inspected by the public on request.

Reviewed and approved by the Chief Executive, the main elements of the EnQuest Environmental policy are:

- Adhering to an effective Business Management System
- Defining personal responsibilities and accountabilities
- Providing suitable resources to meet obligations and commitments

This is supported by:

- Assessing all work activities to eliminate hazards and minimise risks
- Setting objectives and targets and preparing action plans that maintain compliance and support continuous performance improvement
- Provide suitable training to develop and sustain appropriate competency and skills
- Specifying standards for the selection and management of contractors
- Reviewing Environmental performance, investigating incidents and implementing lessons learned
- Periodic auditing of the business management (including environmental) system

Alliance partners are required perform their role as duty holder to the standard of reasonable and prudent duty holder where responsibilities are transferred.

All employees, contractors and subcontractors have responsibilities for working safely and ensuring compliance with Corporate, Company, legislative and other relevant requirements.



5 ENVIRONMENTAL PERFORMANCE

The functioning of the EnQuest EMS is monitored through internal and external audits, and actions and improvements fed back via HSEQ meetings. Environmental performance data is fed back onshore to EnQuest and Petrofac via daily reports from each facility. Environmental performance, compliance, actions and improvements are covered in the EnQuest / Petrofac Alliance annual and quarterly reviews. The result of the years HSE internal and external HSE audits are reviewed, and subsequently new Key Performance Indicators (KPIs), objectives and targets for the following year set. Actions arising from non conformances are tracked by the Head of HSEQ and lessons learned are recorded.

EnQuest is committed to continuous improvement in environmental performance. Objectives and targets are established and maintained to ensure that continuous improvement in the overall environmental performance takes place in line with the EnQuest Environmental policy with measurable objectives and targets.

Documented objectives and targets are included in the HSE Management Plan and are implemented at each relevant function and level within the organisation.

Environmental objectives and targets are set by the Head of Health, Safety and Environment in consultation with the relevant Department Manager.

The EnQuest HSE Programme is the mechanism for achieving the objectives and targets. The programme specifies the necessary resources and responsibilities, timescales and actions required to achieve the objectives and targets. The programme is implemented and monitored by the Head of HSEQ through regular EnQuest HSE Management committee meetings and annual Management reviews.

The environmental objectives and targets are communicated to Petrofac to ensure alignment with the Petrofac Environmental Management Programmes. Monthly performance contract review meetings between EnQuest and Petrofac are held to discuss (amongst other topics) environmental performance.

The information contained within this report is based on the end of year (2010) submission to the Environmental Emissions Monitoring System and to annual European Emissions Trading Scheme (EU ETS) reporting. A summary of the asset environmental performance is provided in the following sections.

5.1 Non-Conformance With Permit Conditions

5.1.1 Thistle Platform

Thistle had 10 incidents that required notification to regulators during 2010 comprising :-

- 2 Chemical PON1 notifications
 - Oil based mud (10kg)
 - Hydraulic oil leak (3.5 kg)
- 4 oil related PON1 notifications
 - Siphoning from produced water system (2.5 kg)
 - Leak from grease nipple (4kg)
 - Sheen caused by cleaning operation (1.0 kg)
 - Release of oil contaminated water from equipment being removed (3kg)
 - Level control issues in produced water system (125 – 1250 kg)

5.1.2 Northern Producer

Northern Producer had 11 incidents that required notification to regulators during 2010 comprising :-

- 3 Chemical PON1 notifications
 - Discharge of chemical through produced water system (654 kg)
 - 2 discharges of water based hydraulic fluid (124 kg & 290 kg)
- 1 oil related PON1 notification
 - Permitted discharge notification (0.56 – 5.75 T)
- 2 OPPC non conformances
 - 1 month average concentration > 30 mg/L
 - 1 incident of instantaneous release of > 100 mg/l
- 2 Offshore Chemical Regulations Non Compliances
 - 1 use of chemical exceeding that stated in PON15D permit (related to 2009 consumption)
 - 1 use of chemical not on PON15D
- 3 instances of late reporting of EEMS data

5.1.3 Heather

Heather had 35 incidents that required notification to regulators during 2010. The majority of these were related to oil in produced water treatment and were short term incidents. Individual notifications comprised :-

- 1 PON1 Chemical
 - Subsea leak of water based hydraulic fluid
- 4 PON1 permitted discharge

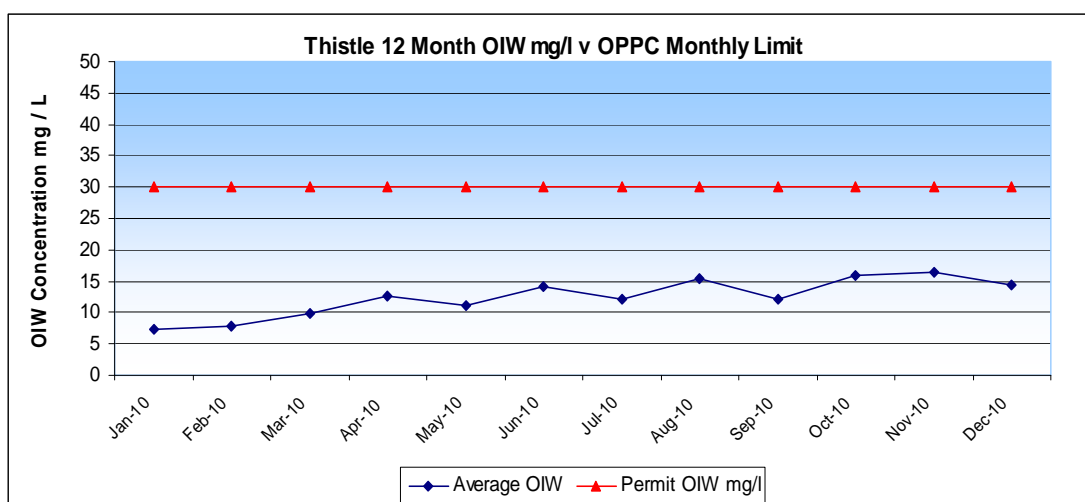
- Oil sheen > 500 M zone due to oil in water performance
- 29 OPPC Non conformances
 - 9 month average concentration > 30 mg/L
 - 20 incidents of instantaneous release of > 100 mg/l
- 1 Offshore Chemical regulations Non Compliance
 - Use of chemical into January 2010 which had been removed from PON15D on 31/12/2009

5.2 Oil Pollution Prevention and Control

5.2.1 Oil in Water (OIW) Discharge Thistle OPPC Permit L00113.21 :-

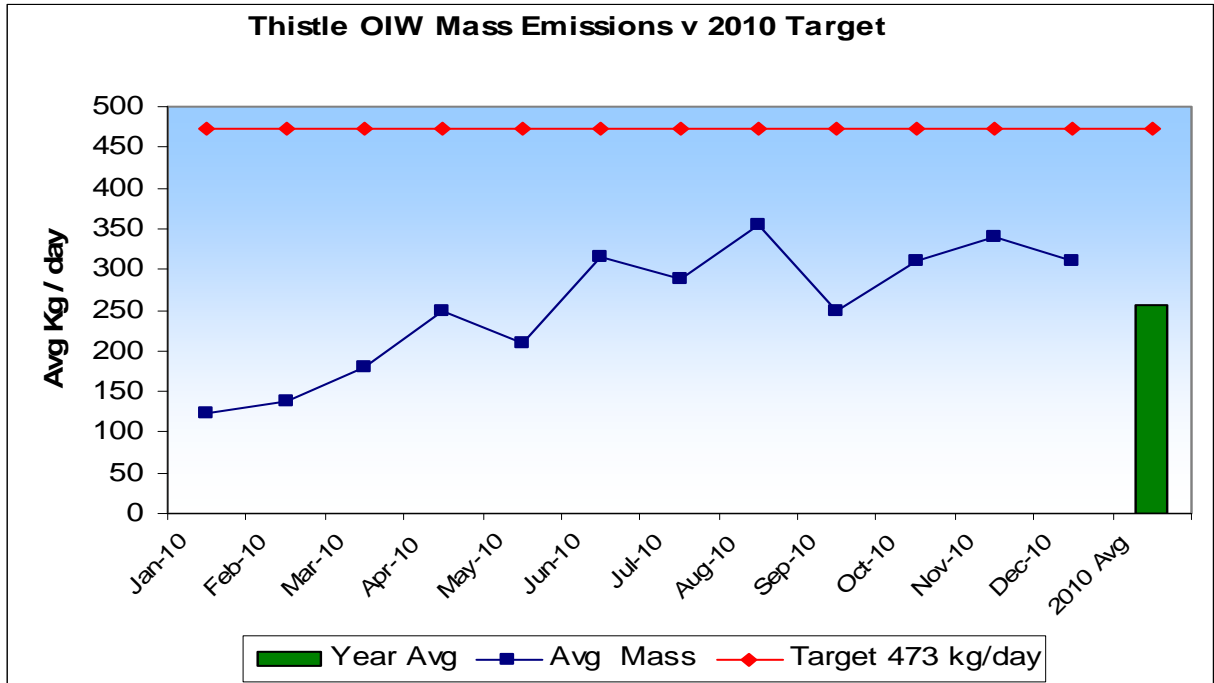
Thistle maintained good performance over 2010. Average concentration was well below the 30 mg/L target throughout the year.

Thistle Oil in Produced Water Summary 2010						
Quarter	Concentration		Mass		Volume	
	mg/L	Permit	kg Oil	Permit	Vol m3	Permit
1	8.3	30	13225.7	43158	1563118	2159431
2	12.7	30	23348.7	43158	1841752	2159431
3	13.2	30	27319.5	43158	1997576	2159431
4	15.5	30	29441.4	43158	1881337	2159431
Avg / Total	12.8	30	93335.0	35806.5	7283783	8637725





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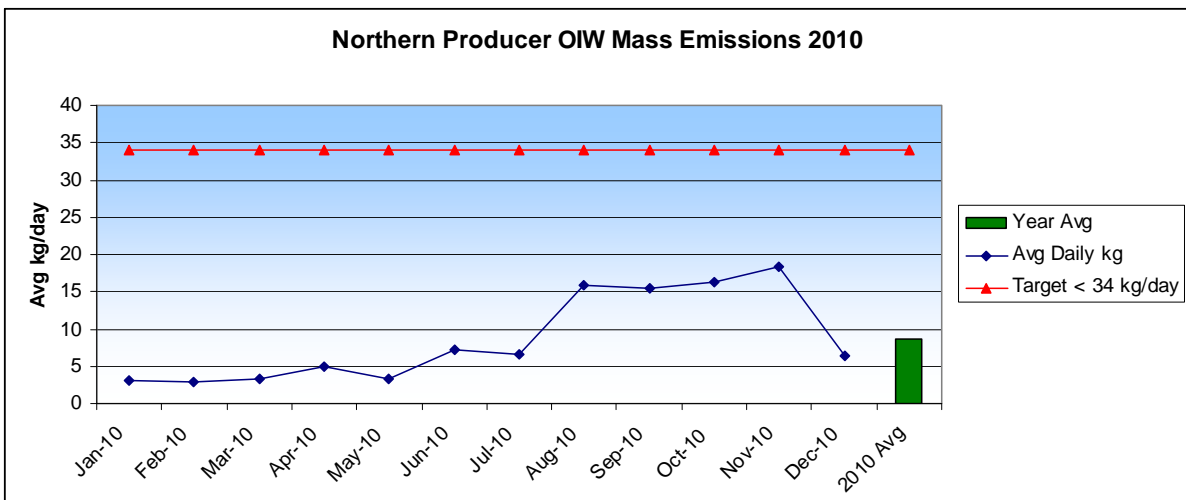
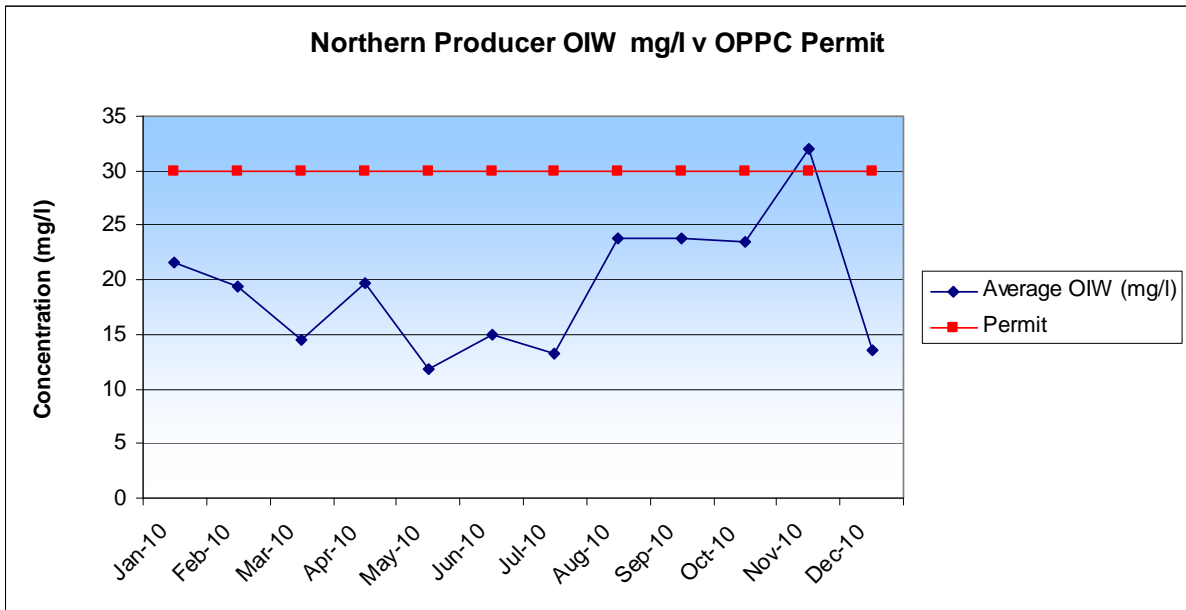


5.2.2 Oil in Water (OIW) Discharge Northern Producer OPPC Permit

Northern Producer maintained good performance over 2010. Average concentration was well below 30 mg/L target throughout the year.

An OPPC permit application amendment has been submitted at time of writing to reduce estimated volumes and mass emissions consistent with 2010 performance.

Northern Producer Oil in Produced Water Summary 2010						
Quarter	Concentration		Mass		Volume	
	mg/L	Permit	kg Oil	Permit	Vol m3	Permit
1	18.4	30	274.8	3075	15450	113880
2	15.5	30	468.5	3075	30654	113880
3	20.3	30	1163.1	3075	55512	113880
4	23.0	30	1256.0	3075	53406	113880
Avg / Total	20.4	30	3162.5	12300	155023	455520



5.2.3 Oil in Water (OIW) Discharge Heather OPPC Permit L00077.22 :-

During 2010 EnQuest invested significantly in a new produced water treatment system. Periods of non compliance were experienced during 2010 due to a number of contributing factors including produced water treatment plant mechanical issues, phase separation issues related to corrosion inhibitor application and gas exchanger system issues.

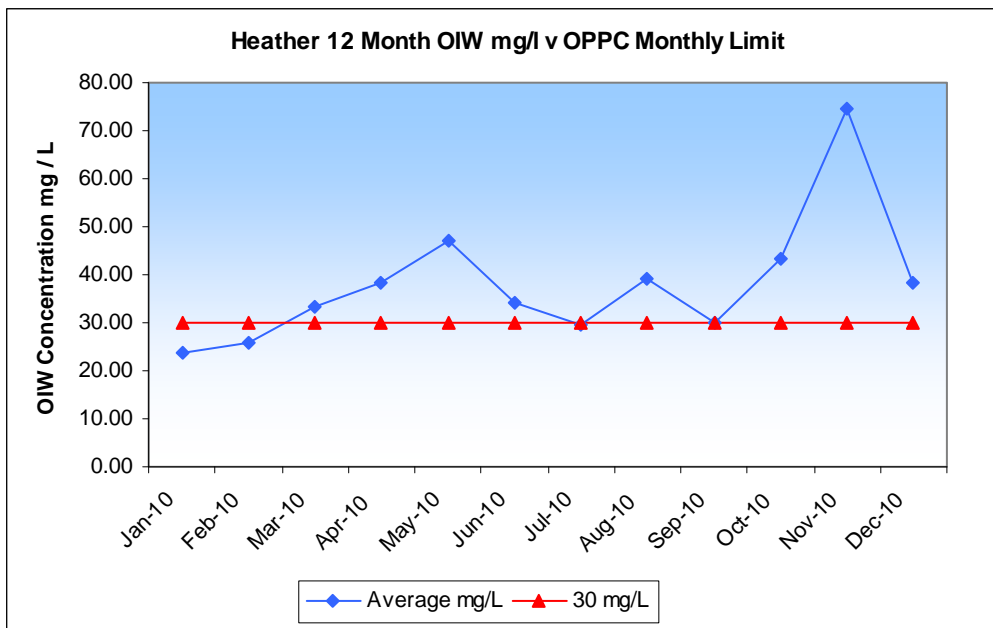
The upgraded produced water system has been installed and successfully commissioned at the time of writing.

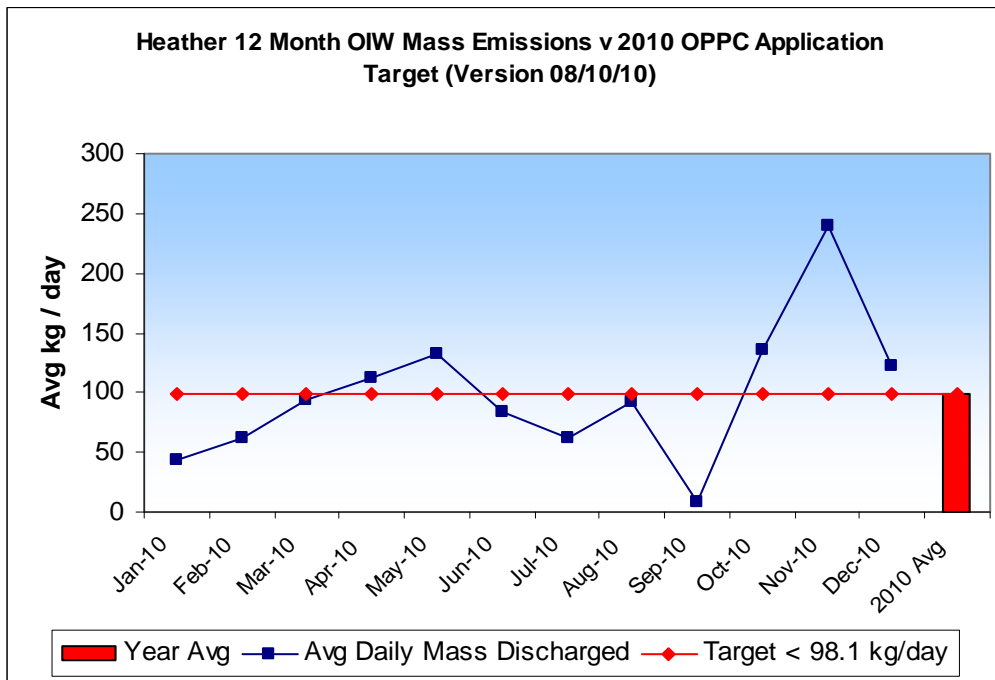


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During the periods of non compliance the Department of Energy and Climate Change (DECC) were informed of the current issues at the time, corrective and preventative actions that were being implemented and of progress with installation of the upgraded produced water handling system. An open dialogue has been maintained with DECC during 2010 and 2011 with respect to oil in produced water.

Heather Oil in Produced Water Summary 2010						
Quarter	Concentration		Mass		Volume	
	mg/L	Permit	kg Oil	Permit	Vol m3	Permit
1	66.5	30	5992.4	8951.6	211785	298205
2	40.0	30	9999.5	8951.6	248028	298205
3	33.0	30	4990.9	8951.6	145037	298205
4	52.1	30	15239.4	8951.6	293482	298205
Avg / Total	40.3	30	36222.2	35806.5	898332	1192820





5.3 Opportunities for Improvement

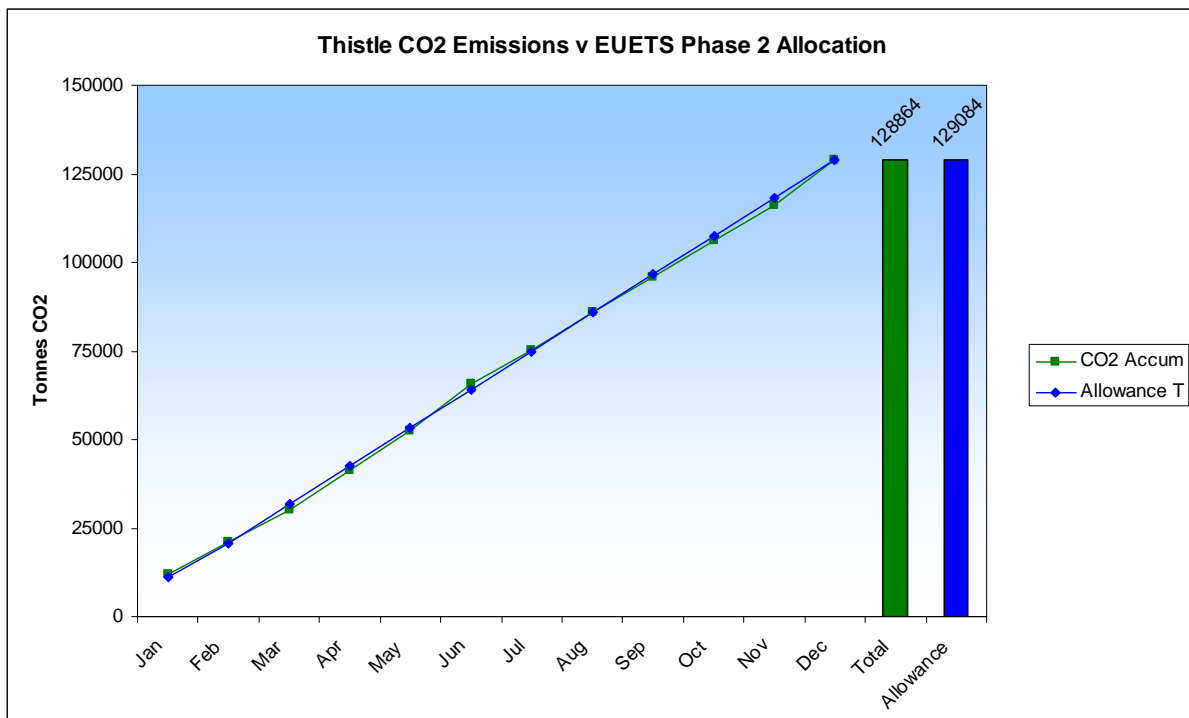
With respect to continual improvement, examples of performance improvements that are being investigated are :-

- Supplementary produced water treatment on Heather (due for completion 2011)
- Produced water re-injection - Thistle
- Flare gas clean up for use as fuel gas - Thistle
- Commissioning DLE engine - Northern Producer
- Maximising gas export efficiency from Northern Producer
- Second stage separator flare gas recovery - Northern Producer
- Fuel gas metering upgrade - Northern Producer

6 GREEN HOUSE GAS (GHG) PERMIT AND EMISSIONS TRADING SCHEME (EUETS)

Emissions of CO₂ were externally audited and verified for 2010, this was completed in Feb 2011.

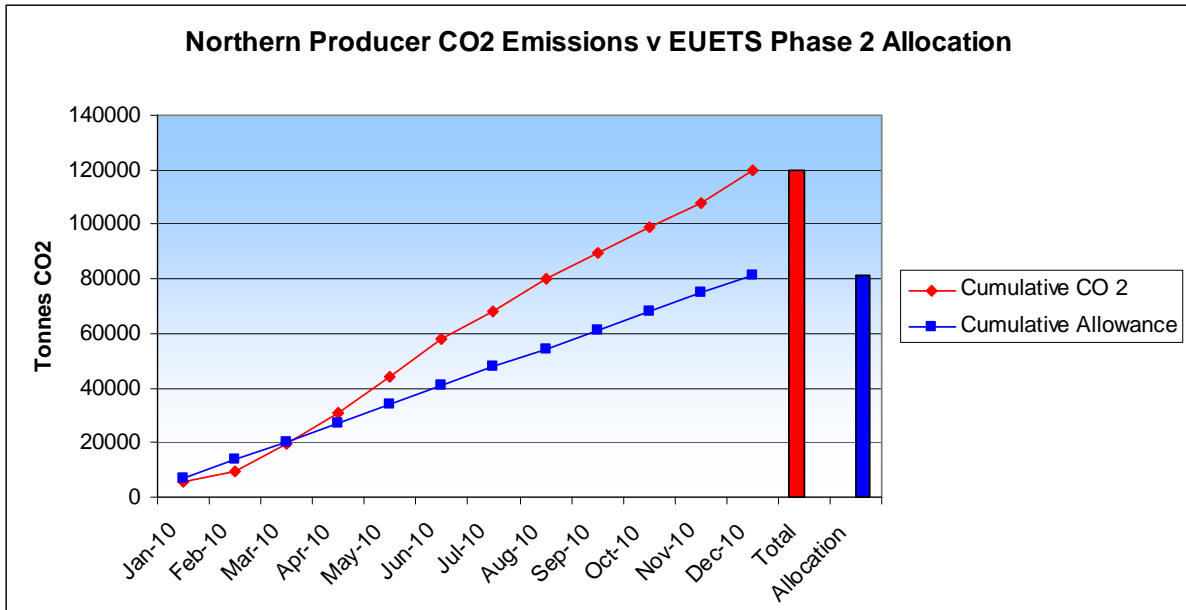
6.1 Thistle CO₂ Emissions



Thistle – 2010 Total CO₂ Emissions (Tonnes)			
Total Emissions	Allowance	Surplus	% Allocation Used
128864	129084	220	99.8

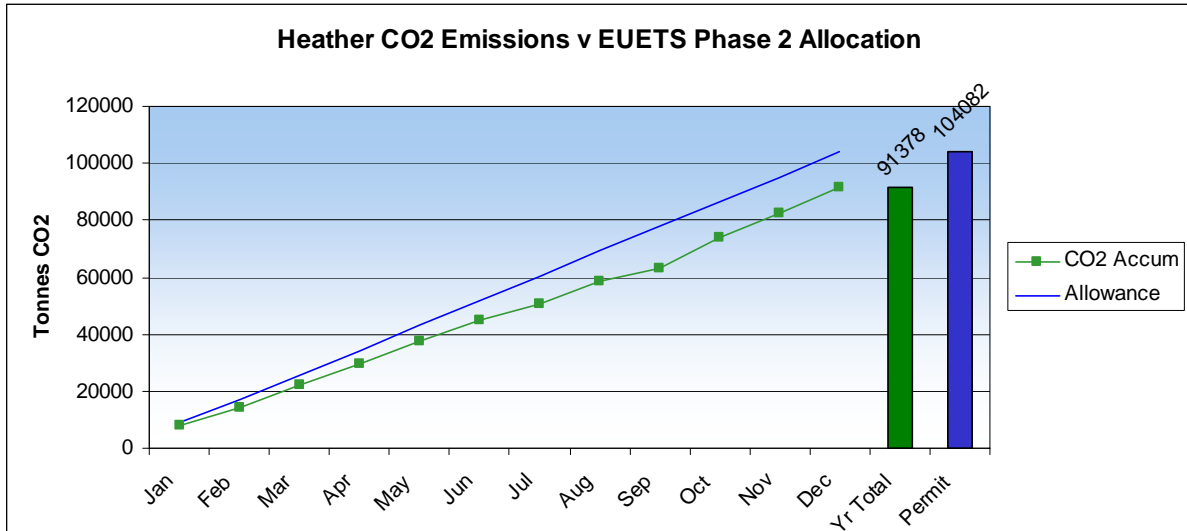
6.2 Northern Producer CO₂ Emissions

Northern Producer received an allocation under the New Entrant Reserve, consequently 'free' allocation to the Northern Producer was not based on historical emissions



Northern Producer – 2010 Total CO₂ Emissions (Tonnes)			
Total Emissions	Allowance	Deficit	% Allocation Used
119699	81654	38045	145 %

6.3 Heather CO₂ Emissions



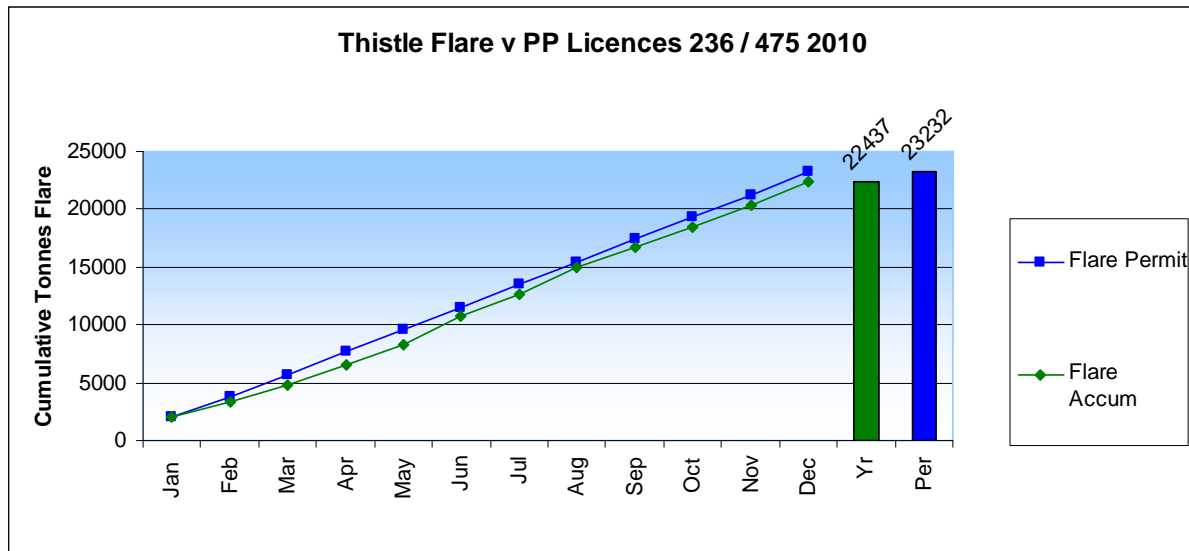
Heather – 2009 Total CO₂ Emissions (Tonnes)			
Total Emissions	Allowance	Surplus	% Allocation Used
91378	104082	12704	87.8

7 PETROLEUM PRODUCTION LICENCE – PERMIT TO FLARE

7.1 Thistle Platform Flares (PPL 236 & 475)

The Thistle platform flare has been measured using a pressure and temperature corrected meter since August 2009 which now meets the accuracy requirements for the European Union Emissions Trading Scheme monitoring and reporting requirements.

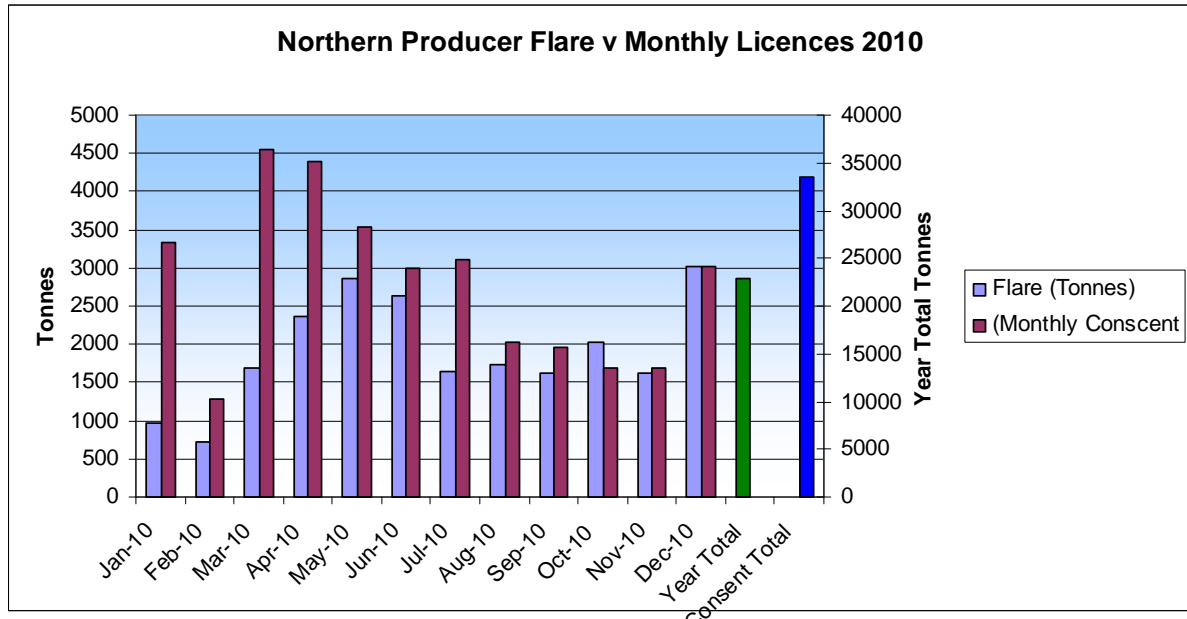
The Thistle flare was below consented levels for 2010.



Quarter	Thistle		
	Flare	Permit	% Permit
1	4846	5808	83
2	5873	5808	101
3	5956	5808	103
4	5762	5808	99
Total	22437	23232	97

7.2 Northern Producer Flare

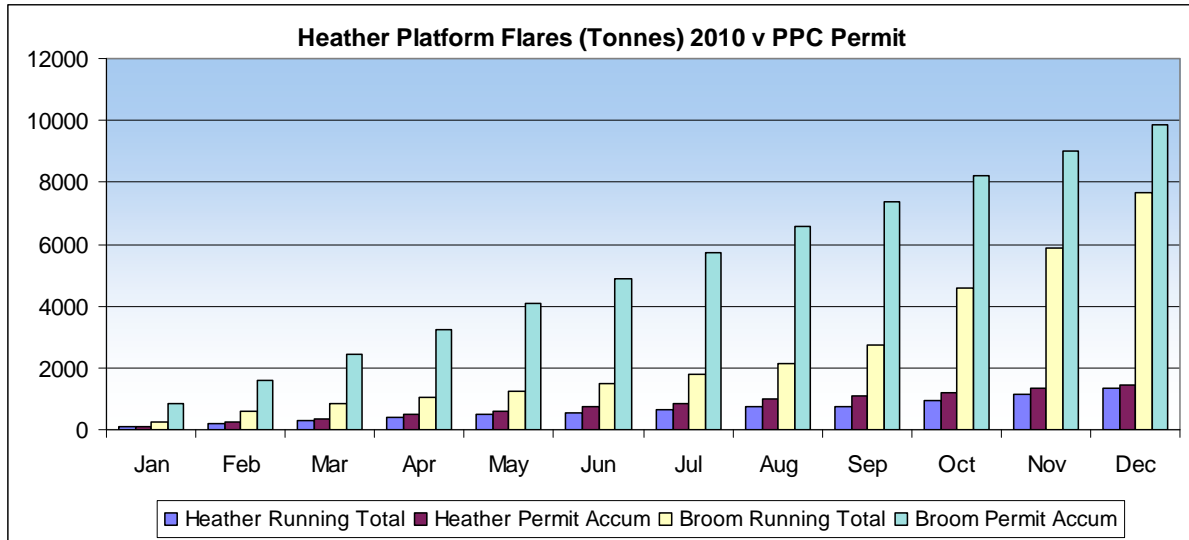
In its first full year of production the Northern Producer has been applying for monthly flare consents rather than annual consents that are applied for on the Heather and Thistle facilities.



Northern Producer			
Quarter	Flare	Permit	% Permit
1	3372	9155	37
2	7860	10930	72
3	5001	7083	71
4	6676	6386	105
Total	22909	33554	68

7.3 Heather Platform Flares (PPL 242 & 902)

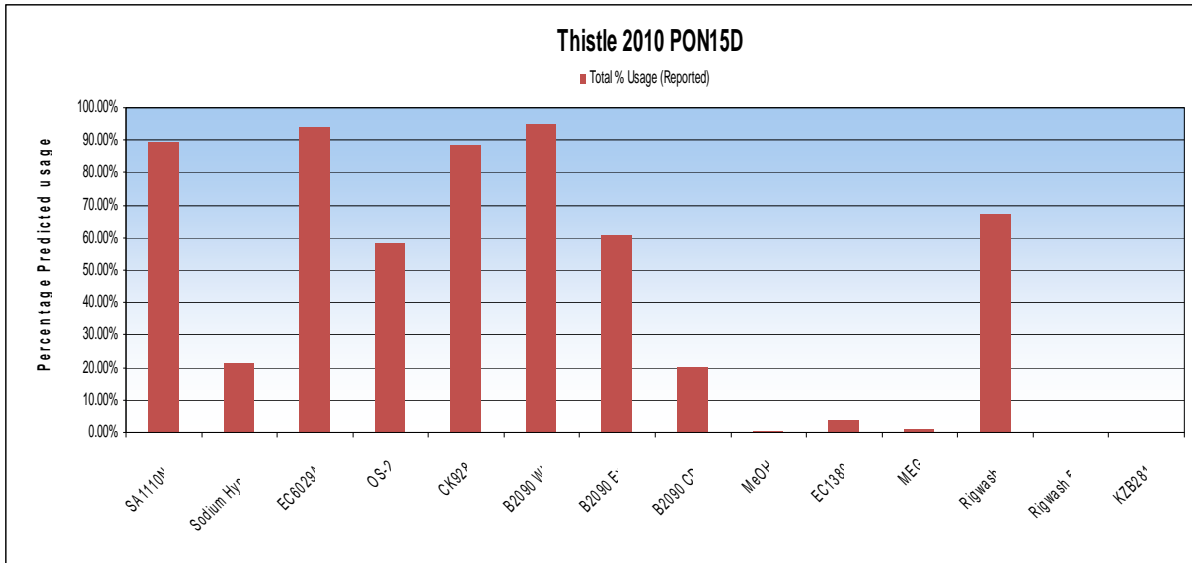
Heather and Broom flares were below permit limits for 2010.



Quarter	Broom			Heather		
	Flare	Permit	% Permit	Flare	Permit	% Permit
1	840	2464	34	293	365	80
2	651	2464	26	258	365	71
3	1257	2464	51	198	365	54
4	4943	2464	200	613	365	168
Total	7961	9856	78	1363	1460	93

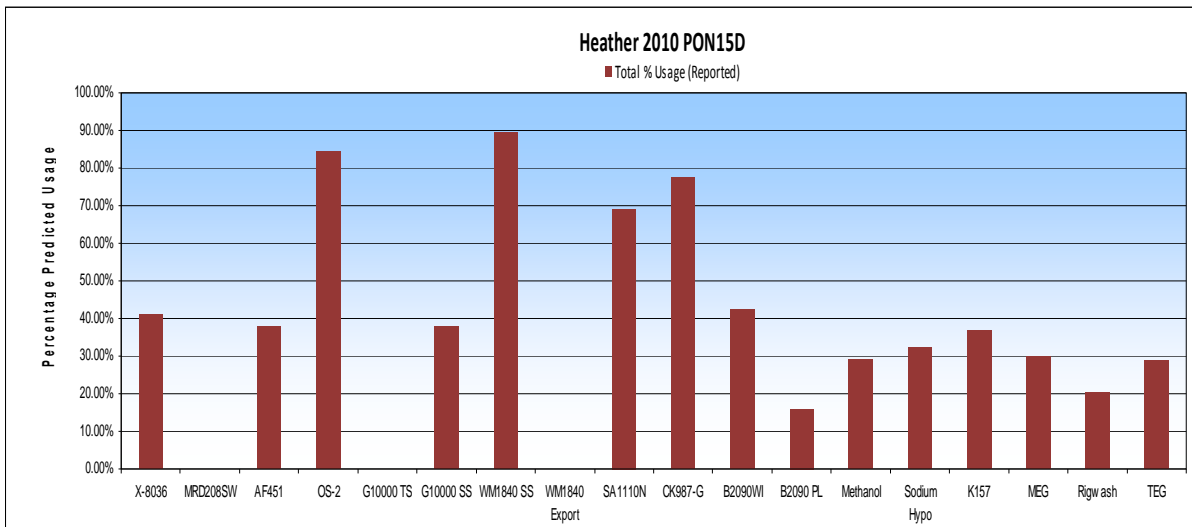
8 OFFSHORE CHEMICAL REGULATIONS (OCR)

8.1 Thistle PON15D



Thistle chemical consumption versus the PON15D was within the permitted limits.

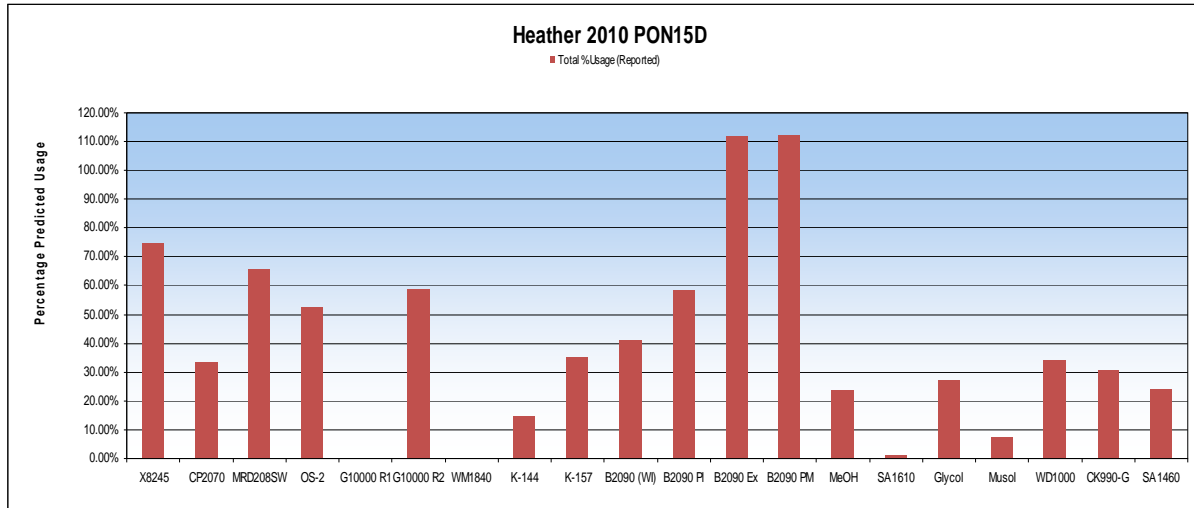
8.2 Northern Producer PON15D



Northern Producer chemical consumption versus the PON15D was within the permitted limits.



8.3 Heather PON15D



Heather chemical consumption versus the PON15D was within the permitted limits. Note that for tracking purpose B2090 was split to individual applications, but overall use and discharge was within consented limits

9 RADIOACTIVE SUBSTANCES

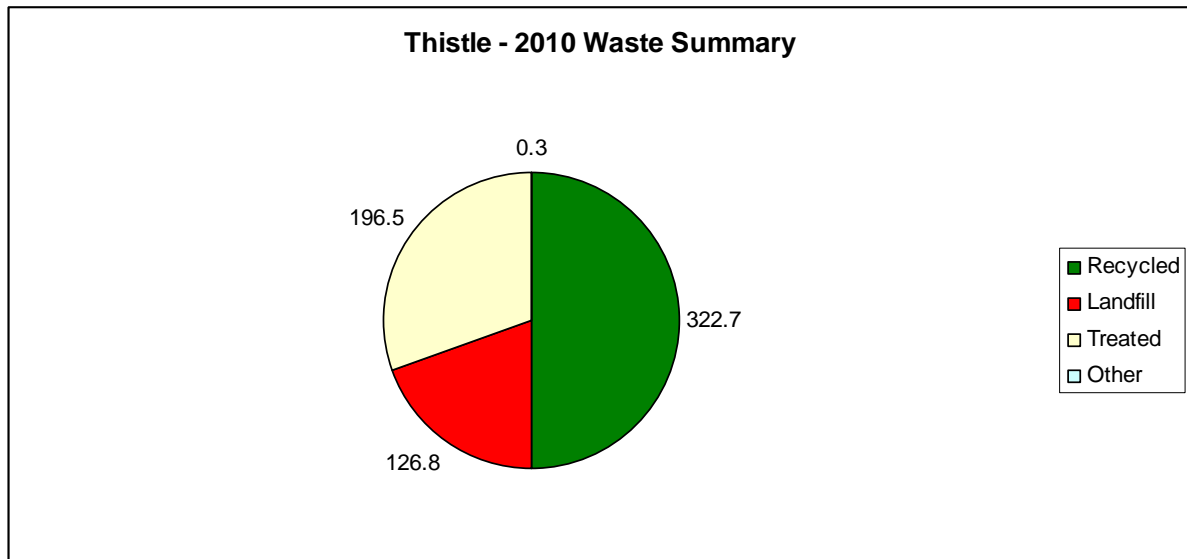
2010 Annual returns to SEPA were submitted as required before end February 2011

10 ENVIRONMENTAL EMISSIONS MONITORING SYSTEM (EEMS)

All required EEMS reports for 2010 have been submitted. These include monthly Oil in Water; quarterly PON15D chemical consumptions; 6 monthly produced water chemical analyses; annual atmospheric emissions

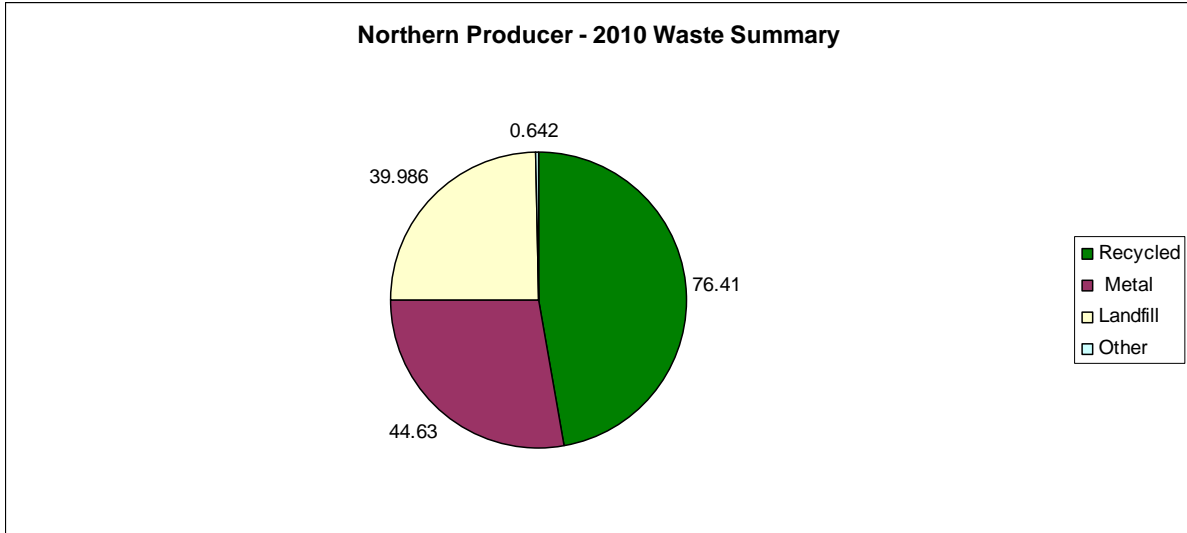
11 WASTE MANAGEMENT

11.1 Thistle 2010 Waste Disposal Tonnes (All Streams)

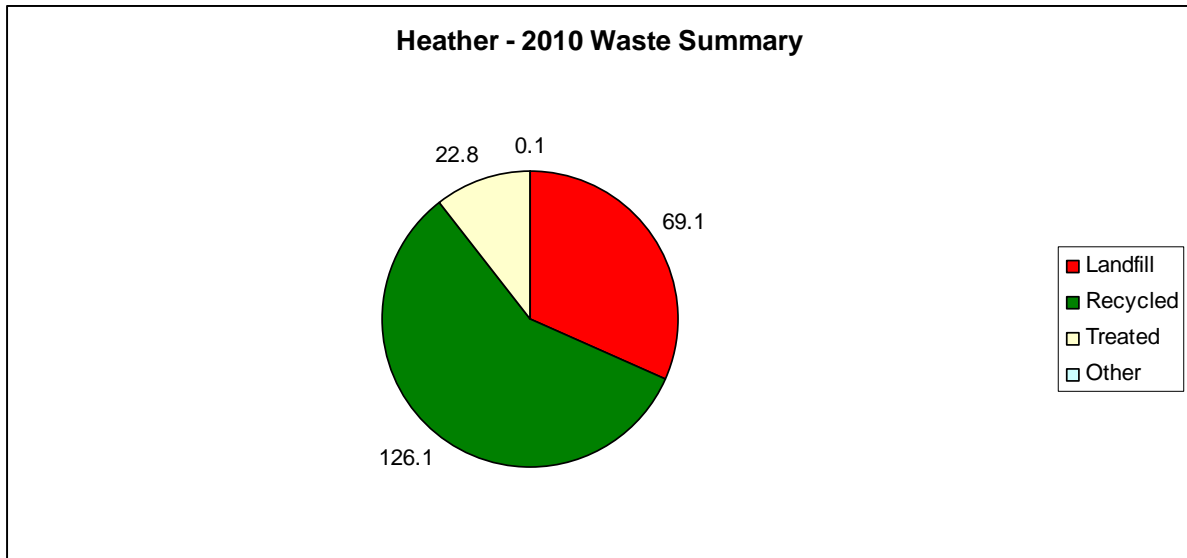


	Landfill	Recycle	Treat	Other
Q1	24.3	130.2	2.2	0.2
Q2	36.1	68.5	6.4	0
Q3	35.3	85.0	68.2	0
Q4	31.1	39.0	119.8	0.1
Total	126.8	322.7	196.5	0.3
% Total	19.6	49.9	30.4	0.1

11.2 Northern Producer 2010 Waste Disposal Tonnes (All Streams)



11.3 Heather 2009 Waste Disposal Tonnes (All Streams)



	Landfill	Recycle	Treat	Other
Q1	11.4	28.8	3.3	0
Q2	17.1	25.1	1.9	0.1
Q3	16.3	37.6	16.0	0
Q4	24.3	34.6	1.6	0
Total	69.1	126.1	22.8	0.1
% Total	31.7	57.8	10.5	0



12 AUDITS / OFFSHORE VISITS

12.1 Audits / Visits

Management are committed to regular HSE Leadership visits to all assets. Regular visits were undertaken by the Environmental Advisor during 2010, and a quarterly programme for visits is in place for 2011.

A programme of internal compliance audits including compliance with OPPC permits, Offshore Chemicals Regulations / PON15 permits and EUETS permits were undertaken on Heather, Thistle and Northern Producer.

12.2 Radiation Protection Advisor

Due to weather delays the scheduled RPA audits could not be completed in 2010, however these were completed in early 2011 and a further audit on each asset is scheduled for late 2011.

12.3 DECC Inspections

The Offshore Inspectorate conducted inspections on both Thistle and Northern Producer in 2010

A formal response has been made to their findings, and actions are being tracked.



13 GLOSSARY

BMS	Business Management System
boepd	Barrels of oil equivalent per day
DECC	Department of Energy and Climate Change
EEMS	Environmental emissions Monitoring System
EMAS	Eco Management and Auditing Scheme
EMS	Environmental Management System
EU ETS	European Union Emissions Trading Scheme
FPF	Floating Production Facility
HSEQ	Health, Safety, Environment, Quality
KPI	Key Performance Indicator
mmscd	Million Standard cubic feet
mmboe	Million barrels of oil equivalent
mmstb	Million standard barrels(6.292 m ³)
NAP	National Allocation Plan (part of EU ETS)
NORM	Naturally Occurring Radioactive Material
PEDL	Petrofac Energy Developments Ltd.
PW	Produced water
OCNS	Offshore Chemical Notification Scheme
OIW	Oil in water
OPPC	Oil Pollution and Prevention Control (as in Offshore Petroleum Activities (oil pollution and prevention control) Regulations 2005

14 FURTHER INFORMATION

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