

Report to Planning and Licensing Committee

13 March 2018

Agenda Item: 6

REPORT OF CORPORATE DIRECTOR - PLACE

BASSETLAW DISTRICT REF. NO.: 1/17/01721/CDM

PROPOSAL: MINERAL REVIEW PLANNING APPLICATION TO RETAIN EXISTING

OIL PRODUCTION SITE PLANNING PERMISSION 1//54//87/8D AND SITE OFFICES/MESS CABIN PLANNING PERMISSION 1/54/12/00002

LOCATION: WELLSITE 4 , FARLEY'S WOOD, WEST MARKHAM, NEWARK, NG22

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APPLICANT: ONSHORE OILFIELD SERVICES LIMITED

Purpose of Report

1. To review conditions attached to the Farley's Wood Oil Field Planning Permission (Ref: 1/54/87/8D), under the Environment Act 1995. The application site is located at Wellsite 4, Farley's Wood, West Markham, Newark. The key issue relates to whether the Minerals Planning Authority is satisfied with the conditions submitted as part of the application. The recommendation is to approve the conditions set out in Appendix 1.

The Site and Surroundings

- 2. The Farley's Wood Oil Field site is located towards the south of the district of Bassetlaw, approximately 3.25km north-west of Tuxford and 5.5km north-east of Ollerton. The nearest village is Milton, which is located approximately 1.15 km to the north-east (see Plan 1).
- 3. The site is located in a countryside location with gently undulating arable farmland on all sides. The site is roughly triangular in shape and, in terms of immediate surroundings, the site is bordered by Main Road on its north-western side, arable farmland on its north-eastern and part of its southern side, and the Bridleway, Leys Lane (West Markham BW11) to its south.
- 4. On site there are two oil wells (wellhead no. 5 and no. 6) with nodding donkeys located centrally within the site. The nodding donkeys are situated on concrete hardstanding which is surrounded by perimeter block bunding. The wells pump to two oil storage tanks which are located on a concrete bunded pad in the eastern corner of the site. Towards the western side of the site there is a small brick built electricity cabin and metal shipping container cabin used as an office

and welfare facility (see Plan 2). Access into the site is securely gated and is from the south-west corner, off Main Road and adjacent to Leys Lane. There is tree planting and vegetation on the southern, western and northern sides of the site and a landscape screening soil bund on its eastern side. The site surface is mainly stone, compacted earth and grassy areas, underlain by a stabilizing geosynthetic membrane.

- 5. The nearest residential sensitive receptor is located approximately 780m to the north-west in the hamlet of Bevercotes (see Plan 1).
- 6. With regard to ecological designations the Bevercotes Park Site of Special Scientific Interest (SSSI) is located 725m to the south-west of the application site and is designated for being one of the best examples of semi-natural mixed ash woodland in Nottinghamshire. The Bevercotes Park Local Wildlife Site (LWS) overlays and extends beyond the SSSI and, at is closest point, is located 350m to the south of the application site.
- 7. The site is not within a high risk flood zone and there are no heritage designations within 1km of the application site.

Background

- 8. For mineral sites where extraction is taking place, but where the permission will last for many years, a periodic review of the conditions attached to the original planning permission can help ensure that the sites operate to continuously high working and environmental standards. The legislation that covers these periodic reviews is contained in section 96 of Schedule 14 to the Environment Act 1995, and Section 10 and Schedule 3 to the Growth and Infrastructure Act 2013.
- 9. The Farley's Wood Oil Site is located in the Oil and Gas Authority (OGA) Licence PL215 and was originally drilled and production tested by British Petroleum (BP) in the late 1980s. Planning Permission was granted in January 1988 for British Petroleum Development Ltd to retain the oil production site (Ref: 1/54/87/8D).
- 10. The site was transferred to Candecca Resources Ltd in the late 1990s and then transferred to ROC Oil Ltd before being acquired by Onshore Production Services Ltd a wholly owned subsidiary of Onshore Oilfield Services Ltd in January 2000.
- 11. The oil field lay dormant with only care-taking activities being carried out to maintain the site and surface equipment with no production activities until 2003 due to profitability issues based on a low oil price. In 2003 Onshore Oilfield Services Ltd carried out 'Workover' Operations on the two wells with a view to re-instate production via artificial lift (Nodding Donkey and Sucker Rod) pumping systems.
- 12. Production was re-instated from both wells using existing nodding donkeys, surface oil storage tanks and crude oil exported via road tanker. Both wells produce sweet crude oil with no water or gas production.
- 13. The site should have been subject to its initial periodic review under the Review of Old Mining Permissions (ROMP) legislation in January 2003, 15 years after the grant of Planning Permission 1/54/87/8D which was granted on the 8 January 1988. This review was missed and when the Minerals Planning Authority (MPA) became

aware of this it was considered appropriate to await until the next periodic review date in January 2018. As part of the review process, an application for a new set of planning conditions is required to be made by Onshore Oilfield Services Ltd to the MPA.

Existing Conditions

- 14. The conditions attached to the existing Planning Permission (Ref: 1/54/87/8D) are set out below:
 - 1. The retention or construction of any plant and equipment required for the use of the site for the production of oil shall be limited to the area shown pink on plan ref. /01 received by the Mineral Planning Authority on 3rd August 1987.
 - 2. Vehicular access to the site shall only be gained via the existing access as shown on the submitted plan.
 - 3. The approved landscaping scheme shall be implemented during the first planting season following the granting of this permission. The land-scaping shall be maintained for a minimum period of five years from the date of planting in accordance with a maintenance scheme to be submitted to and approved in writing by the Mineral Planning Authority within three months of the date of plan[...]. Existing roadside vegetation bordering the site shall be managed in accordance with the applicant's letter dated 1 September 1987 unless otherwise agreed in writing by the Mineral Planning Authority.
 - 4. All storage tanks shall be surrounded by bund walls of sufficient height so as to contain the contents of the tanks and associated pipework in the event of a spillage. The bunds shall be maintained in such a way as to ensure that both the floor and walls of the bund are impervious to both water and oil to the satisfaction of the Mineral Planning Authority. Any contaminated ground resulting from spillages shall be dealt with to the satisfaction of the Mineral Planning Authority.
 - 5. Notwithstanding the provisions of any Town and Country Planning General Development Order currently in force, no fixed plant, machinery or buildings connected with oil production and storage shall be erected or placed on the site without prior written approval of the Mineral Planning Authority.
 - 6. Within three months of the cessation of the use of the site for the production of oil a restoration and 5 year aftercare scheme for the site shall be submitted to and approved in writing by the Mineral Planning Authority. The approved restoration scheme shall be implemented within 6 months of the cessation of the use unless otherwise agreed in writing by the Mineral Planning Authority. The approved aftercare scheme shall be implemented to the satisfaction of the Mineral Planning Authority.

Proposed Development

Existing Operations

- 15. Produced fluid (oil) is brought to the surface by artificial lift systems (nodding donkeys) which are attached via sucker rods to a downhole pump within the oil well itself. An electric motor is connected to the nodding donkey gearbox via drive belts and pulleys which turn the nodding donkey gearbox. The gearbox rotary motion is then transferred into a vertical reciprocating motion by offset arms on the gearbox shaft which in turn moves the sucker rod string up and down allowing the downhole pump to lift fluid up the production tubing, out of the wellhead and through surface flowlines to the storage tanks.
- 16. The downhole pump is located at the bottom of the oil well where oil collects through perforations in the borehole casing and consists of a pump barrel, pump plunger which rides inside the pump barrel and a valve system connected to the bottom of the pump barrel. The speed, travel and pumping time control the amount of fluid that is pumped. The nodding donkeys are currently on a timer routine which starts and stops the nodding donkeys automatically in order to maximise production and oil well formation recovery time.
- 17. The produced fluid is then stored in the storage tanks until sufficient fluid is collected to enable export off site via road tanker. A full road tanker is 190 barrels. The site (both wells together) produce between 13-15 barrels per day, which equates to the need for 2-3 visits from a road tanker per month in order to export the oil.
- 18. The site is visited daily by a production operator in a car or light van who checks the equipment and dips the fluid storage tanks. There is no further processing of produced fluid done on the site. The produced fluid is exported in its natural state from the site to the Humber Refinery in Immingham.
- 19. Tanker movements and those associated with general inspection and maintenance of the site are carried out between 07:00 and 18:00. Tanker movements are limited to weekdays only.
- 20. Any rain water that is collected within the wellhead cellars is regularly pumped into the produced fluid storage tanks and exported from the site with the produced fluid via road tanker, which is then processed at the refinery.
- 21. When major maintenance is required, such as the repair of rods or tubing, or the repair of the bottom hole pump, a crane or workover rig is brought to site. The duration of the work is reported as generally taking around 5 working days and involves 1 HGV visit at the start and end of work to deliver rig equipment, in addition to the delivery of the crane or rig. There is also a slight increase in light van/car movements of up to three visits per day for the workover rig crew. Maintenance work is carried out during normal working hours unless there are emergency requirements.
- 22. Operations are carried out under an Integrated Pollution Prevention and Control (IPPC) permit issued by the Environment Agency. The permit relates to 'Extraction, storage and other handling of crude oil'. One of the IPPC permit

conditions is for the site to have a 'Site Protection and Monitoring Program'. In order to comply with this permit condition, three groundwater boreholes were installed and both soil sampling and groundwater analysis have been carried out to provide a baseline condition for the site. Groundwater is sampled and visually inspected annually, laboratory analysed biennially and soil laboratory analysis is carried out every 10 years.

Proposed Development

- 23. The application is for the periodic review of planning conditions attached to the original planning permission issued on 8 January 1988, under Section 96 of Schedule 14 of the Environment Act 1995. A proposed set of updated planning conditions has been submitted with the application.
- 24. The conditions proposed by the applicant are set out in their supporting statement and include conditions relating to the duration of the permission; the approved documents; the operational status of the well site; site, HGV and restoration hours of operation; noise; dust; contamination and groundwater protection; vehicle numbers and site access; lighting; restriction of permitted development rights; soils; and restoration and aftercare. The proposed conditions, as amended by the MPA, are set out in Appendix 1.

Consultations

- 25. Bassetlaw District Council No objection.
- 26. **Markham Clinton Parish Council** no response received. Any response shall be orally reported.
- 27. **Environment Agency** Since 1 October 2013 the Environment Agency has taken the view that operators of new onshore oil and/or gas exploration or appraisal facilities require environmental permits where activities include:
 - The management of extractive waste, whether or not this involves a waste facility (as a mining operation);
 - Flaring of waste gas using a flare which has the capacity to incinerate over 10 tonnes a day (as an installation);
 - A water discharge activity;
 - A groundwater activity, such as indirect discharge of pollutants as part of high pressure high volume hydraulic fracturing;
 - Waste being managed that meets the thresholds for radioactivity set out in the 2010 regulations (as a radioactive substance activity).
- 28. The Environment Agency now consider that the same environmental permits should be required for existing onshore oil and/or gas facilities, in addition to the permit required for crude oil unloading, handling or storage, or treatment.

- 29. The Farley's Wood site is included in this programme and the Environment Agency are currently in the process of assessing a permit application for the site. Operations at the site are not going to change under the new permit but there may be new conditions imposed on the permit which may require changes and improvements to site infrastructure to ensure compliance with the new permit.
- 30. Whilst this permitted activity should not cause any conflict between the planning application and the issue of a new updated permit, the EA felt that it should notify the MPA of this ongoing activity.
- 31. **Natural England** Based upon the information provided, Natural England advises the council that the proposal is unlikely to affect any statutorily protected sites or landscapes.
- 32. NCC (Highways) No objection.
- 33. **NCC Noise** No objection, subject to the noise condition proposed in the application.
- 34. No response has been received from NCC (Nature Conservation), Via (Reclamation) and Anglian Water Services Limited. Any response received shall be orally reported.

Publicity

- 35. The application has been publicised by means of a site notice in accordance with the County Council's adopted Statement of Community Involvement Review. No representations have been received.
- 36. Councillor John Ogle has been notified of the application.

Observations

- 37. The application is for the periodic review of planning conditions attached to the original planning permission issued on 8 January 1988, under Section 96 of Schedule 14 of the Environment Act 1995.
- 38. The existing permission includes conditions relating to the identification of the site; the vehicular access point; landscaping; bunding of storage tanks; the withdrawal of permitted development rights; and the submission of a restoration and aftercare scheme.
- 39. The conditions proposed by the applicant are set out in their supporting statement and include conditions relating to the duration of the permission; the approved documents; the operational status of the well site; site, HGV and restoration hours of operation; noise; dust; contamination and groundwater protection; vehicle numbers and site access; lighting; restriction of permitted development rights; soils; and restoration and aftercare. The proposed conditions, as amended by the MPA, are set out in Appendix 1.

Highways

- 40. At present there is one condition attached to the planning permission which identifies where vehicles shall access the site. A condition identifying the vehicular access would be retained.
- 41. The proposal also seeks to add conditions so that there are not more than 4 HGV movements per week under normal working operations; or no more than 12 HGV movements during a week for the purposes of well maintenance, which should take place no more than 8 weeks in a calendar year. In addition, there is a condition which requires provision to be made to ensure that no nuisance is caused by mud or other material being carried onto the highway.
- 42. There is no objection from the Highway Authority.
- 43. Policy M3.13 (Vehicular Movements) of the Nottinghamshire Minerals Local Plan (MLP) states that planning permission will only be granted where the highway network can satisfactorily accommodate the vehicle movements likely to be generated. Paragraph 32 of the National Planning Policy Framework (NPPF) states that development should only be prevented or refused on transport grounds where the residual cumulative impacts of development are severe. The traffic movements associated with the development are not severe and are satisfactorily accommodated on the highway network. The additional conditions provide reassurance that this situation would not change.
- 44. Policy M3.12 (Highway Safety and Protection) of the MLP states that planning permission for minerals development will only be granted where measures are in place to the County Council's satisfaction that prevents damage to the highway and also prevents mud and other deleterious material contaminating public highways. The introduction of a new condition to require such measures is in accordance with this policy.

Protection of Groundwater

- 45. The existing permission includes a condition which requires storage tanks to be surrounded by bunds of sufficient height to contain spillages, and that these bunds shall be suitably maintained.
- 46. The proposal includes a condition which ensures storage facilities for oils, fuels or chemicals are suitably bunded, with capacity equivalent to the tank plus 10%. This brings the condition up to date, in line with the standard wording for conditions relating to storage tanks at equivalent sites. A new condition is also proposed to prevent any unauthorised discharge of foul or contaminated drainage.
- 47. The EA has not objected to the proposals. However, they have notified the MPA that they are also undertaking a review of the conditions attached to the Environmental Permit for the site.

48. Policy M3.8 (Water Environment) of the MLP states that planning permission will only be granted where surface and groundwater flows are not detrimentally altered and there are no risks of polluting ground or surface waters. Paragraph 120 of the NPPF states that to prevent unacceptable risks from pollution, planning decisions should ensure that new development is appropriate for its location. Whilst the proposal does not relate to new development, the updating of the conditions will ensure that ground and surface water protection measures on site are to modern standards, in line with these policies.

<u>Noise</u>

- 49. The existing planning permission does not include any conditions relating to noise. The conditions proposed include a restriction on working hours and HGV visiting hours. There is also a condition which restricts noise levels at the nearest residential properties to no more than 10dB LAeq, 1h (free field) above background noise levels and not above 55 dB LAeq, 1h (free field) during day time hours (07:00-19:00) or 42dBLAeq, 1h (free field) during evening and night- time hours (19:00-07:00). These are the standard noise limits for minerals operations.
- 50. The NCC Noise Engineer has no objection to the proposed conditions.
- 51. Paragraph 144 of the NPPF states that when determining planning applications local planning authorities should ensure that unavoidable noise is controlled at source and appropriate noise limits are established for noise sensitive properties.
- 52. Policy M3.5 of the MLP states that planning permission will only be granted where noise emissions outside the boundary of mineral workings do not exceed acceptable levels.
- 53. The introduction of restrictions on working hours and specific noise limits will help to ensure that noise from the site does not become an issue. The proposed conditions are in line with the NPPF and Policy M3.5 of the MLP.

Ecology, Visual Impact, Landscaping and Restoration

- 54. At present there are no conditions attached to the existing permission which relate to ecology. However, there is a condition which required landscaping to be implemented and road side vegetation bordering the site to be managed. A further condition requires a restoration and aftercare scheme to be submitted upon the cessation of the use of the site.
- 55. Within the submitted conditions, no new ecology conditions are put forward. A condition is submitted such that the site shall only be lit when manned. A further condition proposes the management of existing soil stockpiles and ensures that these shall not be removed from site. Finally a series of new and more detailed restoration conditions are proposed. These would secure the plugging of boreholes and the removal of hardstanding, fencing and infrastructure. The conditions would also require the submission and implementation of a restoration scheme covering soil handling, seed mixtures, tree and hedge retention; additional planting, weed control and drainage works. The conditions

- also cater for after-use and early cessation of activities. A condition is also proposed to restrict lighting at the site.
- 56. NCC Ecology and Natural England have been consulted and there have been no objections in relation to ecology or the restoration of the site.
- 57. Policy M3.3 of the MLP states that planning permission will only be granted where visual impact can be kept to an acceptable level and recommends the use of appropriate conditions to ensure this.
- 58. Paragraph 144 of the NPPF states that when determining planning applications local planning authorities should provide for restoration and aftercare at the earliest opportunity, to be carried out to high environmental standards, through the application of appropriate conditions.
- 59. Policy M4.9 (Aftercare) of the MLP states that the County Council will attach aftercare conditions to all mineral planning permissions where reclamation is to agriculture, forestry or amenity.
- 60. Policy M4.15 (Minerals Review Submission of Proposals) of the Nottinghamshire Minerals Local Plan (MLP) states that proposals to update planning permissions in accordance with the minerals review procedure must demonstrate that they are based on the best available technique in terms of minimising the environmental impact of extraction and in achieving the proposed reclamation scheme. Where appropriate conditions will be imposed which:
 - a) Update all working and reclamation practices to minimise pollution risks and other environmental impacts;
 - b) Exclude environmentally sensitive areas from extraction and/or provide mitigation measures to minimise the impact and loss of any features;
 - c) Include an end-date for mineral extraction and reclamation;
 - d) Provide for an alternative reclamation scheme in the event the mineral extraction ceases prematurely and the approved scheme can no longer be implemented.
- 61. Policy M13.7 of the MLP states that where planning permission for oil and methane site is granted, conditions will be imposed requiring the site to be restored back to its original use as soon as practical once the development is no longer required.
- 62. There are no ecological implications as a result of the minerals review process. The lighting condition is in line with Policy M3.3 of the MLP and the proposed restoration and aftercare conditions are in line with the NPPF and Policies M4.9, M4.15 and M13.7 of the MLP.

<u>Other</u>

63. Under the periodic review process the applicant can claim compensation as a result of any reviews of planning conditions where:

- a) The mineral planning authority determines conditions different from those submitted by the applicant; and
- b) The effect of new conditions, other than restoration or aftercare conditions, is to prejudice adversely to an unreasonable degree either the economic viability of the operation or the asset value of the site, taking into account the expected remaining life of the site.
- 64. The MPA has made some minor alterations to the conditions as submitted by the applicant, as detailed below. These have been made for clarity and it has been assessed that they do not affect the purpose of the conditions such that compensation would be payable:
 - a) Condition 2 the introductory text to the approved documents list, and the list itself, has been amended for clarity and to reflect the MPA's standard format.
 - b) Condition 6 as submitted restricts hours of operation on site and for vehicle movements. This has been split into two separate conditions for ease. In addition, the condition restricting tanker movements has been slightly altered to add clarity that there shall be no tanker movements on Saturdays, Sundays, Bank or Public Holidays.
 - c) Condition 12 as submitted (Condition 13 in Appendix A) has been amended so specific reference is made to the plan which identifies the vehicular access.
 - d) Condition 14 as submitted removed Permitted Development rights. Whilst this condition was put forward by the applicant, and repeats one on the extant permission, the site is not considered to be so sensitive as to require permitted development rights to be removed and does not, therefore, meet the test for conditions set out in the NPPF. Indeed, the removal of this condition may expedite the implementation of any environmental improvements should these be required as part of the Environment Agency's Environmental Permit review. As such, the suggested condition has been deleted.
 - e) Condition 17 has had additional text inserted at the end of the condition to ensure that the restoration scheme shall be implemented in accordance with the approved details.

Other Options Considered

65. The report relates to the determination of a planning application. The County Council is under a duty to consider the planning application as submitted. Accordingly no other options have been considered.

Statutory and Policy Implications

66. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, the safeguarding of children and adults at risk, service users, smarter working, and sustainability and the environment, and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Crime and Disorder Implications

67. The development is located within an existing fenced compound with a locked gate entrance. The site also benefits from PIR motion sensing security lights at the site entrance.

Data Protection and Information Governance

68. Given that no representations have been received from the public, it is considered that no data protection issues have been raised.

Financial Implications

69. Under the periodic review system, the Government does not expect new planning conditions to restrict the working rights at any particular site or to affect its asset value to an unreasonable degree. If this was the case compensation may be payable. Changes to restoration and aftercare conditions will not usually attract compensation. Any changes to the proposed conditions or new conditions which may be added need to be assessed with this in mind. In this case, the MPA is of the view that it is not implementing any new planning conditions that would result in compensation being payable.

Human Resources Implications

70. No implications.

Human Rights Implications

71. Relevant issues arising out of consideration of the Human Rights Act have been assessed. Rights under Article 8 (Right to Respect for Private and Family Life), Article 1 of the First Protocol (Protection of Property) and Article 6 (Right to a Fair Trial) are those to be considered. In this case, however, there are no impacts of any substance on individuals and therefore no interference with rights safeguarded under these articles.

Public Sector Equality Duty Implications

72. Regard has been had to people with protected characteristics include age, disability, gender reassignment/identity, marriage and civil partnership, pregnancy and maternity, race/ethnicity, religion or belief, gender, sexual

orientation. The review of conditions attached to the existing development is not considered to have any implications in this regard.

Safeguarding of Children and Adults at Risk Implications

73. No implications.

Implications for Service Users

74. No implications.

Implications for Sustainability and the Environment

75. The periodic review of the conditions attached to the original planning permission can help ensure that the site operates to continuously high working and environmental standards. These have been considered in the Observations section above.

Statement of Positive and Proactive Engagement

76. In determining this application the Minerals Planning Authority has worked positively and proactively with the applicant by assessing the proposals against relevant Development Plan policies, all material considerations, consultation responses. This approach has been in accordance with the requirement set out in the National Planning Policy Framework.

RECOMMENDATIONS

77. It is RECOMMENDED that planning permission be granted subject to the conditions set out in Appendix 1. Members need to consider the issues set out in the report and resolve accordingly.

ADRIAN SMITH

Corporate Director – Place

Constitutional Comments [SLB 19/02/2018]

Planning and Licensing Committee is the appropriate body to consider the content of this report.

Comments of the Service Director - Finance [SES 16/02/18]

There are no specific financial implications arising directly from this report.

Background Papers Available for Inspection

The application file is available for public inspection by virtue of the Local Government (Access to Information) Act 1985.

Electoral Division(s) and Member(s) Affected

Tuxford Councillor John Ogle

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