

CNOOC Petroleum North America ULC 2020 Flemish Pass Exploration Drilling Project EL 1144 and EL 1150

Commercial Fisheries Communication Plan

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1.0 INTRODUCTION

CNOOC Petroleum North America ULC (CNOOC) intends to undertake an offshore exploration drilling program at exploration licences (EL) 1144 and EL 1150, in the Flemish Pass region of the Canada-Newfoundland and Labrador (NL) Offshore Area. To support this effort, CNOOC has developed and will implement a Commercial Fisheries Communications Plan as committed to in the Flemish Pass Exploration Drilling Project Environmental Impact Statement (EIS) in addition to the conditions in the Decision Statement, Issued under Section 54 of the Canadian Environmental Assessment Act, 2012 in December 2019.

2.0 OVERVIEW

As per condition 5.1 of the Decision Statement referenced above, CNOOC is required to demonstrate operational readiness (including in the unlikely event of an accident or malfunction), by developing and implementing a fisheries communication plan in consultation with commercial fishers prior to and during operations. This Plan outlines communication protocols and processes leading up to and during the operational phase of the exploration drilling program and how communication would take place in the unlikely event of an accidental event or malfunction.

As part of this Plan CNOOC will meet the following conditions:

Condition 5.1 - The Proponent shall develop and implement a Fisheries Communication Plan in consultation with the Board, Indigenous groups and commercial fishers. The Proponent shall develop the Fisheries Communication Plan prior to drilling and implement it for the duration of the drilling program. The Proponent shall include in the Fisheries Communications Plan:

Condition 5.1.1 - procedures to notify Indigenous groups and commercial fishers of planned drilling activity, a minimum of two weeks prior to the start of drilling of each well;

Condition 5.1.2 - procedures to determine the requirement for a Fisheries Liaison Officer and/or fisheries guide vessel during drilling installation movement and geophysical programs;

Condition 5.1.3 - procedures to notify Indigenous groups and commercial fishers in the event of a spill or unplanned release of oil or any other substance, and communicate the results of the monitoring and any associated potential health risks referred to in condition 6.10:

Condition 5.1.4 - procedures to engage in two-way communication with Indigenous groups and commercial fishers in the event of a spill requiring a tier 2 or tier spill 3 response over the duration of the spill response; and

Condition 5.1.5 - the type of information that will be communicated to Indigenous groups and commercial fishers, and the timing of distribution of this information, that will include but not be limited to:

Condition 5.1.5.1 - a description of planned Designated Project activities;

Condition 5.1.5.2 - location(s) of safety exclusion zones;



Condition 5.1.5.3 - anticipated vessel traffic schedule;

Condition 5.1.5.4 - anticipated vessel routes; and

Condition 5.1.5.5 - locations of suspended or abandoned wellheads.

Condition 5.2 - The Proponent shall develop and implement a well and wellhead abandonment plan and submit it to the Board for acceptance at least 30 days prior to abandonment of each well. If the Proponent proposes to abandon a wellhead on the seafloor in a manner that may interfere with Indigenous or commercial fisheries, the Proponent shall develop the wellhead abandonment strategy in consultation with commercial fishers and potentially affected Indigenous groups with fishing licences that overlap with the Designated Project Area, identified in consultation with Fisheries and Oceans Canada.

Condition Condition 5.3 - The Proponent shall provide the details of its operation, including the safety exclusion zones during drilling and testing, and the location information of abandoned wellheads if left on the seafloor, to the Marine Communications and Traffic Services for broadcasting and publishing in the Notices to Shipping, to the North Atlantic Fisheries Organization Secretariat, and to the Canadian Hydrographic Services for future nautical charts and planning.

Condition 5.4 - The Proponent shall report annually to the Board on known incidents of lost or damaged fishing gear attributed to the Designated Project.

3.0 STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a key component of CNOOC's approach to the planning and implementation of its oil and gas exploration programs and other business activities. CNOOC has and will continue to engage with key stakeholders, including commercial fisher representatives, that have an interest in offshore oil and gas operations.

CNOOC recognizes the importance of the commercial fishing industry in this region and will continue to ensure stakeholders are informed of project related activities in a timely manner.

Engagement activities undertaken between CNOOC and Fisheries Stakeholders is outlined in Appendix A and will be updated as further engagement activities occur.

4.0 PROJECT AREA

The Project Area (Figure 1) is defined as the overall geographic area within which all Project-related exploration activities will take place. It covers an offshore area of approximately 10,634 km2, with its western edge being over 400 km east of the Island of Newfoundland. The Project Area fully incorporates ELs 1144 and 1150, with current plans being to drill up to 10 wells on the



two ELs. Specific wellsite numbers, types and locations will be determined as Project planning activities continue.

The Project Area includes a 20 km buffer area surrounding the two licences to (conservatively) accommodate the location and extent of ancillary activities that may be carried out in support of such drilling activities. These may include, for example, any Project components or activities that are required to extend beyond the immediate boundaries of the ELs themselves, such as the required temporary presence and movement of the mobile offshore drilling unit (MODU) or supply vessels and aircraft during initial mobilization and set up, any eventual movements during drilling, and the eventual demobilization from the drill site, as well as any required non-drilling activities that could conceivably extend to outside the boundaries of the EL. Supply vessels will make two to three return transits per week from St. John's to the MODU throughout the program, and there will be a dedicated stand-by vessel in the field during the drilling campaign. All drilling operations carried out as part of the scope of this Project will, however, be conducted within the defined boundaries of the ELs.



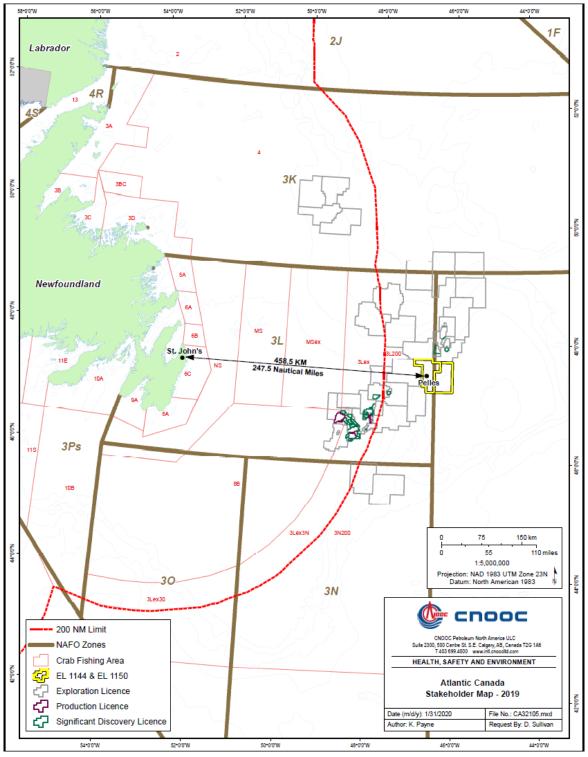


Figure 1 - CNOOC Project Area



5.0 COMMERCIAL FISHERIES

CNOOC has and will continue to engage with commercial fishing industry stakeholders to keep them updated of planned activities in the NL Offshore Area and to build upon an already established working relationship. To that end, CNOOC engages with the following fishing industry stakeholders:

- Fish Food and Allied Workers-Unifor (FFAW-Unifor)
- Ocean Choice International (OCI)
- Association of Seafood Producers (ASP) and
- Atlantic Groundfish Council (AGC)

CNOOC also engages with One Ocean, the liaison organization established by and for the fishing and petroleum industries of Newfoundland and Labrador. Its objective is to assist the fishing and petroleum industries in understanding each sector's operational activities. An important element of this objective is the timing and location of offshore operations as fishing and petroleum activities may overlap. Effective communication and joint planning will ensure both sectors are aware of proposed activities and provide the opportunity to identify and address specific industry concerns and develop mutually beneficial safe practices and protocols.

Members of One Ocean Board and working groups include representatives from the above listed fishing industry stakeholders and offshore oil and gas operators.

Commercial fisheries in this region are diverse, with the Project Area overlapping two NAFO Divisions (3L and 3M) and two Unit Areas within these Divisions (3Li and 3Ma, with fishing activities that involve two jurisdictions and management regimes (Canada and NAFO), and diverse species, gear types and other characteristics at various times of the year. The Project Area does overlap with small portions of three NAFO Fishery Sponge, Coral and Seapen Closure Areas. Only one of these NAFO Closure Areas overlaps with a portion of EL 1150.

6.0 COMMUNICATION PROTOCOLS

CNOOC will utilize the following communication protocols with commercial fishers during operations and in the unlikely event of an accident or malfunction.

6.1 Communications During Operations

CNOOC will, as a minimum, provide commercial fisher representatives with an update on operational activities (as outlined blow) via email two weeks prior to commencement of operations. Each commercial fisher representative will be responsible for any further dissemination of the information within their respective organizations. CNOOC will continue to provide monthly operational update that contains the following information:

- MODU mobilization
- MODU location (coordinates) / map



- MODU Safety zone description, location and purpose
- Support vessels identification, call signs, routes and schedules
- Anticipated vessel traffic schedule
- Schedule of activities (e.g. Blowout Preventer installation, Vertical Seismic Profiling)
- Abandonment of well including locations of suspended or abandoned wellheads
- MODU demobilization/movement
- Links to documents and reports: (e.g. C-NLOPB website, Company websites)
- Company contact

Operational details will also be provided to Marine Communications and Traffic Services IMCTS) for broadcasting and publishing in the National Navigational Warning (NAVWARN). The Department of Fisheries and Oceans will also be notified prior to project commencement to avoid any potential conflict with any research surveys being completed in the drilling areas.

6.2 Communication in the Event of an Accident or Malfunction

In the unlikely event of an accident or malfunction that may result in adverse environmental effects, CNOOC will activate emergency response protocols that include the following:

- Within 48 hours of the incident or spill, notify commercial fisher representatives by telephone; and
- Following initial notification to commercial fisher representatives, CNOOC provide, via email, an incident update twice a week during the initial phases of the incident, and then as operations and other activities resume, updates will be sent as new information becomes available

The information to be included in the incident update (when available) will include the following:

- Situational overview
- Map of area
- Location of event
- Timing of event
- Actions currently underway
- Any known restrictions or health, safety or environment considerations
- Potential impacts to fisheries
- Results of monitoring programs
- Next scheduled update
- Contact information for Company

In addition, One Ocean members have developed the One Ocean Oil Spill Communication Protocol to have an agreed process in place to notify the fishing industry, through One Ocean, of significant petroleum, hydrocarbon spill event directly. Direct communication will enable senior fishing industry representatives to inform their organizations that direct and ongoing communication has been made with the Operator and ensure factual information is disseminated



within their organizations. CNOOC will follow the One Ocean protocol in the event of an oil spill incident that triggers the activation of the CNOOC's onshore emergency response center.

CNOOC will report annually to the Board on known incidents of lost or damaged fishing gear attributed to project activities.

7.0 UTILIZATION OF FISHERIES LIASION OFFICERS/FISHERIES GUIDE VESSELS

CNOOC will follow the One Ocean Risk Management Matrix Guideline for the Utilization of Fisheries Liaison Observers (FLO) and Fisheries Guide Vessels (FGV) for the fishing and petroleum industries as outlined in Figure 2 below. The use of a FLO and/or FGV will be determined in consultation with the FFAW well in advance of activities that may require their use. The matrix can also be accessed through the following link: http://www.oneocean.ca/pdf/Matrix.pdf



Risk Management Matrix Guidelines

for the utilization of Fisheries Liaison Officers and Fisheries Guide Vessels for the Fishing and Petroleum Industries of Newfoundland and Labrador

EVEL OF FIGURIO ACTIVITY	S	SEISMIC OPERATIONS					TRANSIT-TOW OPERATIONS			
LEVEL OF FISHING ACTIVITY	VSP	EMS	WSS	2D	3D	Drill Ship	Drill Rig	FPSO	GBS	
Fishery Closed in Area										
Fishery Open- No Recent Fishing in Area										
Fishery Open-Area Actively being Fished										
The Petroleum Industry Ligison at the Figh. Food and Allied Workers (FFAW) Union should be notified in advance of all seismic transit and tow operations										

The Petroleum industry Liaison at the Fish, Food and Allied Workers (FFAW) Union should be notified in advance of all seismic, transit and tow operations out of the Field Safety Zone

The use of a Fisheries Liaison Officer should be considered in consultation with the FFAW

The use of a FLO and Fisheries Guide Vessel should be considered in consultation with the FFAW

NOTES:

- The Matrix provides useful criteria and considerations for mitigative and safe practices for the fishing and petroleum industries. The Matrix is a guideline for industry consultations and does not in any way replace them
- The Matrix is designed for seismic, transit and tow operations located outside a field or exploration operation safety zone.
- Fisheries Guide Vessels will be commercially registered fishing vessels and part of the FFAW's Guide Vessel Program.
- Fishing activity referenced in the Matrix refers to fixed fishing gear/equipment only.
- Operators accept liability for compensation of any fisheries gear damage that is directly attributable to an operation.

Acronyms:

2D Two-Dimensional Seismic3D Three-Dimensional Seismic

EMS Electromagnetic Survey

FPSO Floating Production Storage Offloading Vessel

GBS Gravity Base Structure

VSP Vertical Seismic Profiling

WSS Well Site Survey

One Ocean was established in 2002 as the inter-industry liaison organization for the fishing and petroleum industries in Newfoundland and Labrador. Its mandate is to facilitate cooperation, communication and information exchange between the two marine sectors. The Risk Management Matrix Guidelines for the Utilization of Fisheries Liaison Observers and Fisheries Guide Vessels for the Fishing and Petroleum Industries in NL, (Matrix) was developed by members of One Ocean. Its application should be developed in collaboration with industry, regulators and One Ocean. Contact One Ocean at 709 778 05311.

For more information on regulations please reference the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) Geophysical, Geological Environmental and Geotechnical Program Guidelines 2008: http://www.cnlopb.nl.ca/pdfs/guidelines/ggegpg.pdf The C-NLOPB is the authority responsible for the administration of the regulations pertaining to all exploration for, and production of, hydrocarbons in the Newfoundland and Labrador offshore area.

Figure 2 – One Ocean Risk Management Matrix Guidelines



8.0 REFERENCES

CNOOC (2018) - CNOOC Petroleum North America ULC's (formerly known as Nexen Energy ULC) Flemish Pass Exploration Drilling Project 2018-2028 Environmental Impact Statement.

Environment and Climate Change Canada (2019) - Decision Statement Issued under Section 54 of the *Canadian Environmental Assessment Act, 2012* for the CNOOC International Flemish Pass Exploration Drilling Project.

One Ocean (2010) - One Ocean Risk Management Matrix Guidelines. Available online at http://www.oneocean.ca/pdf/Matrix.pdf

One Ocean (2019) - One Ocean Oil Spill Communication Protocol



APPENDIX A - FISHERIES STAKEHOLDER ENGAGEMENT RECORD

Engagement activities undertaken between CNOOC and Fisheries Stakeholders are outlined below and will be updated as further engagement activities occur.

DATE	STAKEHOLDER GROUP(S)	ENGAGEMENT ACTIVITY
January 27, 2020	FFAW	Met with the FFAW to provide an update to planned CNOOC operational activity in 2020
January 29, 2020	One Ocean, OCI, AGC and ASP	Provided an update to planned CNOOC operational activity in 2020 via email.
February 3, 2020	FFAW	Updated map with the addition of crab management zones provided via email.
February 6, 2020	C-NLOPB,FFAW, One Ocean, OCI, AGC and ASP	Provided draft copy of Commercial Fisheries Communication Plan for review and comment.

