

Comment Submitted on behalf of Frack Free Isle of Wight in OBJECTION to application 20/00513/FUL by UK Oil & GAS.plc

We wish to raise concerns related to the conditions laid down by the Government and OGA in the original acquisition offer of the PEDL licence on the Isle of Wight in December 2015 which was confirmed in January 2016.

See below the extract from the relevant information posted at [Minerals and Waste - Service Details \(iow.gov.uk\)](http://iow.gov.uk)

Operator	Block(s)	All Partners	Type	Work Programme	
				Firm Commitment	Drill or Drop
ANGUS	SZ38a, SZ48a, SZ58a, SZ47 and SZ57	UK Oil and Gas Investments Plc Solo Oil Plc Angus Energy Ltd	C	1 well, new 2D	

A Firm commitment activity must be completed in the initial term (first 5 years) of the licence. A Drill-or-Drop leaves the decision whether or not to drill entirely with the licensee. If a well is to be drilled, it should be planned to complete drilling within the Initial Term.

- We acknowledge that the 5 year initial term of the licence has been extended by the OGA, at the request of UKOG, by an additional 2 years and expires in 2023 rather than in 2021. Additionally that the original Partners and Operator have now changed - and the operator/developer will be UK Oil & Gas Plc or one of its subsidiary companies.

2D is a two-dimensional seismic geologic survey to image a plane through the subsurface of the earth. 3D is a three-dimensional geologic survey to image a volume in the subsurface.

- **We wish to highlight that:**
The terms of the PEDL licence indicates a firm commitment to undertake new 2D seismic geologic surveys of the proposed blocks. **There is no evidence or record that a NEW 2D seismic survey of the strata was undertaken at any time of the Arreton Main/North prospect from - 2016 to date - prior to the submission of this application.**
This reflects our original concerns that have arisen from Dr David K Smythe’s report highlighted in our objection submitted earlier this month.

Conditions within the issuing of the PEDL document, state that PEDLs were offered:

“Following scrutiny of the applicants’ competency, financial viability, environmental awareness and geotechnical analysis,”

- The original scrutiny of the competency, financial viability, environmental awareness and geotechnical analysis for the applicant at the time, is now 6 years old. The operator at the time was Angus Energy.
- These competences of UKOG will be considerably different from when this licence was granted. The status of the current Applicant has also changed since 2015 from an investment company to a development operator. Therefore the scrutiny of UKOG at the time of issuing the licence would have been of an investment company rather than a developer.
- UKOG is now only one of two partners and owns 95% of the licence. Therefore their costs, expenses, and long-term liabilities will be greater than before.
- Also changed is the historical performance and competence of the Applicant, given their publicly reported financial performance and 96% drop in share price over the past 3 years. (16/02/2018 @ 3.03 pence per share to today’s price of 0.13pence per share).

We do understand that public comments on this application cannot take account of the financial performance of the Applicant.

However, the Planning Authority will want to have assurance of this company’s financial and operational fortitude in the long-term, given that the PEDL licence is not due to expire before 2041.

Conclusion:

We trust that a request will be, or has been, made to the OGA by the Planning Authority - to undertake scrutiny of the Applicant’s current competency and financial viability - to inform the Planning Officer’s confidence in his recommendation to the Planning Committee.