

Head of Onshore Exploration and Production
Oil & Gas Authority
21 Bloomsbury Street
London WC15 3HF

26th November 2018

Subject: Vale of Pickering, North Yorkshire Area Work Plan

Dear

Further to our letter of 1st June 2018, we submit this letter to cater for the delays in the legal paperwork, which has resulted in requirement to revise the timelines in the Retention Area Work plans for the licences.

We write with respect to Third Energy's request for the extension of licences PL080, AL006, DL00S, PL079, PL081, PEDL177 (the Vale of Pickering licences) and conversion to the New Model Clauses to provide more detail around the Retention Area Work Plan (attached).

The overall strategy for the unconventional play is in two parts; i) and of the unconventional resources of the Greater Kirby Misperton structure. This would be achieved via the completion of the KM-8 frac and flow, the drilling and fracing of a 1000m lateral (currently termed "KM-9") and the drilling and fracing of a 3000m well that will test of the licence area, together with the submission of Addendum FDP, and ii) the into the areas to the to test in PL081 and to the containing on PL079 by drilling and fracing wells into each. If successful, following another Addendum FDP, these wells would then be tied back into the infrastructure for transportation back to the Knapton facilities.

In parallel, Third Energy's strategy is to expand its existing conventional production in the Vale of Pickering by rolling out its enhanced gas recovery project and commence the development of the Ebberston Moor area by developing the Ebberston South field targeting first gas by . Should the flowrates of such activities exceed the capacities of the infrastructure, an expansion of the infrastructure or staging of the developments within the available capacity may be required.

During the course of the execution of the Area Work Plan, Third Energy plans to work with both the local planning authorities to reduce the impact of the appraisal activities and by working with the adjacent industry Operators towards reducing the number of wells, surveys and infrastructure required in the overall area. Joint operations can take the form of combined seismic surveys and joint wells near licence boundaries where appropriate thus requiring fewer overall wellsites and wells, thus minimizing surface disruption and environmental impact. With success, joint operations can also lead to a coherent area energy plan for using Third Energy's existing and any new-build infrastructure and minimizing construction and the number of pipeline tie in points to the NTS.

Yours sincerely

Kasik Vaiana
CEO

Third Energy UK Gas Limited

Licence	Operator	Change	New Model Clause Retention Area Work Plan
PL077	Third Energy	RA	Submit a revised Field Development Plan for Ebberston South by 30 June 2019 and commence production by 30 June 2021 - subject to seasonal environmental management
AL006, DL005, PL080a&b, PL079, PL081 & PEDL177	Third Energy	RA	<p>complete the frac of KM-8 by December 2019 and conduct the flow test; drill and frac a 1000m lateral by 30 September 2020 and conduct a flow test; drill and frac a 3000m well to the Hodder formation by end 2021 and conduct a flow test.</p> <p>drill and frac another well</p> <p>by end 2022. \</p> <p>for the Greater Kirby Misperton structure by end 2023.</p> <p>drill a Hodder well</p> <p>by end 2023. Acquire a 3D seismic survey over the eastern part of PL081, covering the targets by end 2022 and drill a well by end 2023.</p> <p>offstructure well into the Bowland formation from a new wellsite on PL081 in 2024</p>