



Oil & Gas Authority

21 Bloomsbury
London WC1B 3HF

Russell Scott

By email to:

Our ref: FOI-2017-0005

19 April 2017

Dear Mr Scott,

Thank you for your email of 18 January 2017, in which you request:

"Dear FOI officer,

Please can you answer the following FOI/EIR request;

Q1 - Please can you confirm that the appropriate financial competence checks have completed on the companies listed below (1-8) and their board of directors in accordance with the DECC's UK PETROLEUM LICENSING: FINANCIAL GUIDANCE

- 1 - Cuadrilla Elsewick Limited 6956498*
- 2 - Cuadrilla Bowland Limited 8340918*
- 3 - Cuadrilla Balcombe Limited 6811588*
- 4 - Third Energy UK Gas – 01421481*
- 5 - Island Gas Limited – 4962079*
- 6 - Egdon Resources U.K Limited - 03424561*
- 7 - Raithlin Energy Limited – 6478035*
- 8 - Celtique Energie Weald Limited – 7055133*

Q2 - DECC has two distinct types of financial criterion: Financial Viability and Financial Capacity. Financial Viability refers to a company's ability to remain solvent and Financial Capacity refers to its ability to meet specific costs. Can you please confirm that DECC have followed these guidelines and provide the evidence that DECC has requested the necessary information and that the companies have provided sufficient evidence that meet the requirements.

Q3 - Can you please also confirm if the DECC has insisted that the companies listed above have provided the necessary Parent Company Guarantees as referred to in the attached guidelines.

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Please note that you have provided a response to this request in the past (see attached). I have however added 1 additional company to the list (Egdon resources UK Limited), But I have also removed 1 company so the overall number is the same.

Furthermore I do not require you to repeat the response, so if their has been no further development or financial checks completed by DECC (or BEIS), Than please just state so, hopefully this will reduce the time required by the FOI officer.

I look forward to a response within 20 working days.

Kind Regards

Russell Scott.”

We have considered your requests under the Freedom of Information Act 2000 (FOIA) and, where relevant, under the Environmental Information Regulations 2004 (EIRs), and in accordance with your request considered only those records that have been generated since we answered your previous request (2014-29206) on 18 February 2015.

Please find below the answers to your questions:

Egdon Resources UK Limited

- Egdon Resources UK Limited (Egdon) made an application under the 14th Landward Licensing Round.
- Financial viability and financial capacity assessments were completed November/December 2014.
- Egdon provided the information required by the Round guidance.
- They also provided Parent company accounts.
- They also provided a multi-licence parent company guarantee; which covers all licences currently held and any which may be awarded or assigned in the future.
- In addition to Egdon's application under the 14th round, there was a recent assignment case (Sept 2016) in which Egdon Resources UK Limited acquired an interest in PEDL068. A financial viability assessment was completed, in accordance with published instructions but, as there were no unfulfilled work programmes, the OGA's financial capacity criteria were not applicable. The Financial assessment for the assignment was a Financial viability assessment only, which was based on the previously provided multi-licence parent company guarantee (previously provided for the 14th round) and parent company accounts viewed on the Companies House database. OGA does not hold copies of those accounts.

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- To the best of our knowledge the OGA have not had any recent WONS (drilling consent cases) which required a financial assessment of Egdon Resources UK Limited.

Third Energy UK Gas Limited

- The last detailed financial assessment was in November 2014 for the 14th Landward Licensing Round. This assessment is the one referred to in the OGA's response to the previous FOI dated 18th Feb 2015.
- There have been no recent PEARS (assignment) or WONS (drilling consent) cases which required a financial assessment of Third Energy UK Gas Limited.

Island Gas Limited

- The last detailed financial assessment was in November 2014 for the 14th Landward Licensing Round. This assessment was the one referred to in OGA's response to the previous FOI dated 18th Feb 2015.
- There have been no recent PEARS (assignment) or WONS (drilling consent) cases which required a financial assessment of Island Gas Limited.

Cuadrilla Elswick Limited

- Cuadrilla Elswick Limited holds a single licence, EXL269.
- There have been no PEARS or WONS transactions for this licence since last FOI which required a financial assessment of Cuadrilla Elswick Limited.

Cuadrilla Bowland Limited

- Cuadrilla Bowland Limited holds a single licence PEDL165.
- There have been no PEARS or WONS transactions for this licence since last FOI which required a financial assessment of Cuadrilla Bowland Limited.



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Cuadrilla Balcombe Limited

- Cuadrilla Balcombe Limited holds single licence PEDL244.
- There have been no PEARS or WONS transactions for this licence since last FOI which required a financial assessment of Cuadrilla Balcombe Limited.

Rathlin Energy Limited

- Rathlin Energy Limited holds a single licence PEDL183.
- There have been no PEARS or WONS transactions for this licence since last FOI which required a financial assessment of Rathlin Energy Limited.

Celtique Energie Weald Limited

Celtique Energie Weald Limited, now called Kimmeridge Oil & Gas Limited is no longer a licensee. OGA is do not hold any records of licence transactions for previous licensees

In regard to your questions 2 and 3, the financial viability and capability guidelines were followed, with sufficient evidence to demonstrate compliance

We should also re-iterate that, as stipulated in your request, only those financial assessments that have been generated since we answered your previous request have been considered.

Also, as mentioned in our previous response to you, the required form of words for parent company guarantees, which are in place for all companies mentioned here - where they have been considered necessary-, would normally be in the public domain. This part of the OGA website is undergoing revision and when it is back up, the required form of wording for PCGs will be available again via this link:

<https://www.ogauthority.co.uk/licensing-consents/licensing-system/licensee-criteria/>

therefore this information is withheld under Section 22 of the FOIA (information intended for future publication) and EIR regulation 12(4)(d) (information in the course of completion). We have considered the public interest and do not see any public benefit from releasing such information early.”



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We hope that this is helpful.

Appeals procedure

If you are dissatisfied with the handling of those parts of your request, you have the right to ask for an internal review. Internal review requests should be submitted within 40 working days of the date of receipt of the response to your original request and should be addressed to the Strategy Directorate:

Strategy Directorate
Oil and Gas Authority
21 Bloomsbury Street
London
WC1B 3HF
Email: foirequests@ogauthority.co.uk

Please remember to quote the reference number above in any future communications.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF.

Yours sincerely,

Strategy Directorate