



Natalie Chillcott
South Downs Centre
North Street
Midhurst
West Sussex
GU29 9DH

Via Email

2 May 2017

Dear Mrs Chilcott,

APPLICATION NO: SDNP/16/04679/CM - MARKWELLS WOOD-1 WELL SITE, SOUTH HOLT FARM, DEAN LANE END, FORESTSIDE, ROWLANDS CASTLE, WEST SUSSEX

I write in relation to the subject planning application and the recent correspondence regarding UKOG's request for an extension of time to the determination period to fully address the comments from the Environment Agency (EA) and Portsmouth Water (PW) raised on, or around, 4 April, 2017.

We are extremely disappointed that our request for two months of additional time to the determination has been refused. UKOG's stated position that the extension of time is in the public interest is clearly set out in the letters from myself, dated 11 April 2017 and Hill Dickinson LLP's letter dated 20 April 2017.

We maintain that further time would have fully enabled consideration of the EA's request of 4 April for site-specific investigations, which would provide all parties, including the public, with hard factual data to support or refute the current Hydrogeological Risk Assessment (HRA). As you are aware, this site investigation work has already commenced and the results are expected to be available by the end of May 2017. It is our intention to meet with the EA shortly to discuss these data, their implications for the site's HRA and what further data, if any, need be acquired to fully address remaining concerns.

We are also very concerned that SDNPA's request to provide evidence to demonstrate that alternative sites outside the National Park have been considered demonstrates a fundamental misunderstanding of the Licencing and Legal Framework covering UK onshore oil and gas exploration and production activities. As stated in the application submission's, Planning Statement, Alternative Sites Assessment, Environmental Statement and within the ES Addendum, UKOG holds Petroleum Exploration and Development Licence 126 (PEDL126 or Licence), as granted by the Oil and Gas Authority.

This Licence confers the rights to the oil and gas company to pursue a range of oil and gas exploration and development activities and to "search for, bore for and get hydrocarbons", but **solely within the geographical area covered by the Licence.**

Furthermore, PEDL126 lies entirely within the National Park and UKOG does not have the legal right to bore for hydrocarbons within the Licence from outside of the Licence area.

Also note that the existing physical Markwells Wood-1 discovery borehole forms an essential part of the proposed development and this clearly sits firmly within the National Park. There is no alternative site possible for this activity. Note also that the Licence and Planning Consent for the Markwells Wood-1 well were granted prior to the National Park's existence.

Consequently, in order to fully progress outstanding HRA matters with EA and PW, UKOG hereby reluctantly withdraws the Markwells Wood planning application. UKOG now intends to progress an Environmental Permit for the site with EA, as the competent groundwater regulator, and will resubmit the Markwells Wood planning application to SDNPA in due course in 2017.

Yours sincerely,



Stephen Sanderson
Executive Chairman