

page 2 Hilcorp applies to expand area of Milne Point aquifer exemption order

## Pipeline connector planned to take more Prudhoe NGLs to market

A plan is underway to increase natural gas liquids volumes mixed with crude oil and sold from the North Slope through the trans-Alaska oil pipeline.

Prudhoe Bay operator Hilcorp North Slope LLC and Alyeska Pipeline Service Co. have applied to the Regulatory Commission of Alaska to connect Hilcorp North Slope's existing natural gas liquids field gathering pipeline to Pump Station 1, and for a permit to construct and operate the proposed facilities, RCA said in an April 4 public notice.

The application is on behalf of trans-Alaska oil pipeline owners Harvest Alaska LLC, ExxonMobil Pipeline Co. and ConocoPhillips Transportation Alaska Inc.

The facilities would be between Skid 50 and a tie-in just upstream of Pump Station 1 mainline unit pumps, allowing additional NGLs to be blended into the TAPS common stream, maximizing export of NGLs from Prudhoe Bay "using available TAPS bubble point vapor pressure capacity that exists downstream of PS1," the commission said.

In the April 1 application the applicants said the purpose of

see **CONNECTOR PIPELINE** page 8

## Hilcorp plans Kenai Peninsula 3D program north of North Fork

Hilcorp Alaska has applied to the Alaska Department of Natural Resources' Division of Oil and Gas for a 3D seismic survey on the Kenai Peninsula.

The March 20 application is for a program north of Nikolaevsk, south of Deep Creek, east of Happy Valley and west of the Caribou Hills, the division said in an April 4 public notice. Comments on the proposal must be received by 4:30 p.m. May 5.

Hilcorp said it plans to acquire the 3D over some 69 square miles using a "very light impact seismic acquisition method" with all drilling with portable hand-held equipment and no ATV use except along established roads and trails. Wireless nodes will be used for recording and small mini-dynamite charges, not to exceed 0.25 kilograms, will be used at depths of approximately 5 feet. Nodes will be 220 feet apart in a grid pattern with charges following a 110-foot by 220-foot grid.

The program will take some 90 days, depending on weather, and is proposed to begin May 20 and end Sept. 1, with de-

see **NORTH FORK SEISMIC** page 8

## State conditionally OKs 2025 Hilcorp NTBU plan of development

Hilcorp Alaska continues to struggle to bring the Cook Inlet North Trading Bay unit back into production. The field, developed by Marathon Oil Corp. from the Spurr and Spark platforms, which that company built in 1967, ceased production in September 2005, the Alaska Department of Natural Resources' Division of Oil and Gas said in its April 3 conditional approval of Hilcorp's 2025 plan of development for the unit.

Marathon set out a long-term conceptual abandonment plan in 2008, but that plan was never implemented.

Hilcorp became the operator in 2013.

The two platforms are in lighthouse mode, with functional helidecks but cranes that need inspection and crew facilities that are non-functional.

Hilcorp said in its 2017 POD that it wasn't economically or technically feasible to return either platform to production. It proposed restoring NTBU production by drilling the A-04RD from the Monopod in the Trading Bay unit during the 2018 POD, but the well was not drilled.

see **NTBU PLAN** page 8

### FINANCE & ECONOMY

# Tariffs clobber ANS

Prices go higher April 9 as Trump delays tariffs on nations other than China

By **STEVE SUTHERLIN**

Petroleum News

Alaska North Slope crude, West Texas Intermediate and Brent got a reprieve April 9 from a weeklong pummeling that was dished out after President Donald Trump surprised financial markets the afternoon of April 2, announcing unexpectedly large tariffs on imports from a lengthy slate of global trading partners.

The news hit crude on April 3 trading, sending ANS plunging \$3.51 to close at \$72.74 per barrel, while WTI plummeted \$4.76 to close at \$66.95 and Brent plummeted \$4.81 to close at \$70.14.

Losses accelerated April 4, as ANS plummeted \$4.27 to close at \$68.47, WTI plummeted \$4.96 to

Goldman Sachs has cut its oil price forecast, calling for Brent and WTI prices to drop to \$62 and \$58, respectively, by December 2025, and to \$55 and \$51 by December 2026.

close at \$61.99 and Brent plummeted \$4.56 to close at \$65.58.

U.S. and foreign equities took a drubbing as well, cast adrift on a storm of uncertainty as investors and analysts scrambled to understand the details of the tariffs and gauge the potential fallout for economies around the world.

see **OIL PRICES** page 5

### EXPLORATION & PRODUCTION

# Great Bear exploration

Well, on gravel pad to be built close to Dalton, would be drilled this year

By **KRISTEN NELSON**

Petroleum News

Great Bear Pantheon plans to drill an exploration well beginning this summer at its acreage astride the Dalton Highway south of Deadhorse. The company has filed a unit plan of operations application with the Alaska Department of Natural Resources' Division of Oil and Gas for authorization to build a gravel pad and drill the Dubhe-1 exploration well some 27 miles south of Deadhorse in the company's Talitha unit.

Talitha is the southerly of the company's two units. Alkaid, to the north, is also along the Dalton Highway.

The March 19 application signed by the compa-



**PAT GALVIN**

ny's chief commercial officer, Pat Galvin, says the Dubhe Pad, west of the Dalton Highway, will be some 500 by 310 feet and cover 3.56 acres, with a 1,400-foot gravel driveway, 5-feet thick and 50 feet wide.

The Dubhe pad and driveway are close to the Dalton Highway, keeping them within the previously disturbed transportation corridor. The location on the west side of the highway uses the highway as a buffer to the Sag River.

### Schedule

The company's plan is to begin gravel mining and conditioning in mid-May, after break-up, with the

see **DUBHE-1 WELL** page 7

### EXPLORATION & PRODUCTION

# Glacier advances Badami

Plans for East Pad construction on track to begin in summer 2026

By **KAY CASHMAN**

Petroleum News

On March 27, Savant Alaska, a Glacier Oil and Gas Corp. company, filed its 22nd plan of development for the eastern North Slope Badami unit with the Alaska Department of Natural Resources' Division of Oil and Gas, covering the period from July 16 through July 15, 2026.

The POD, which was signed by Glacier Oil's Chief Operating Officer David Pascal, said the company remains committed to maintaining operational integrity in the unit while exploring new development opportunities within and beyond the current participating area.



**DAVID PASCAL**

Pascal described the POD as "a balanced strategy of near-term execution and long-term resource expansion" and said it "builds on the momentum established during the previous year, including the successful execution of the Kennicott exploration program and the resulting Steller prospect maturation."

Well work planned for the 22nd POD includes the following: a Killian development well in the 2025-2026 ice road season;

drilling of two Badami sand wells from the Badami Main Pad (contingent upon capital availability and economic viability); continued evaluation and potential conversion of existing wells B1-14 and

see **BADAMI POD** page 6



## EXPLORATION &amp; PRODUCTION

# Hilcorp applies to expand Milne AEO

By KRISTEN NELSON

Petroleum News

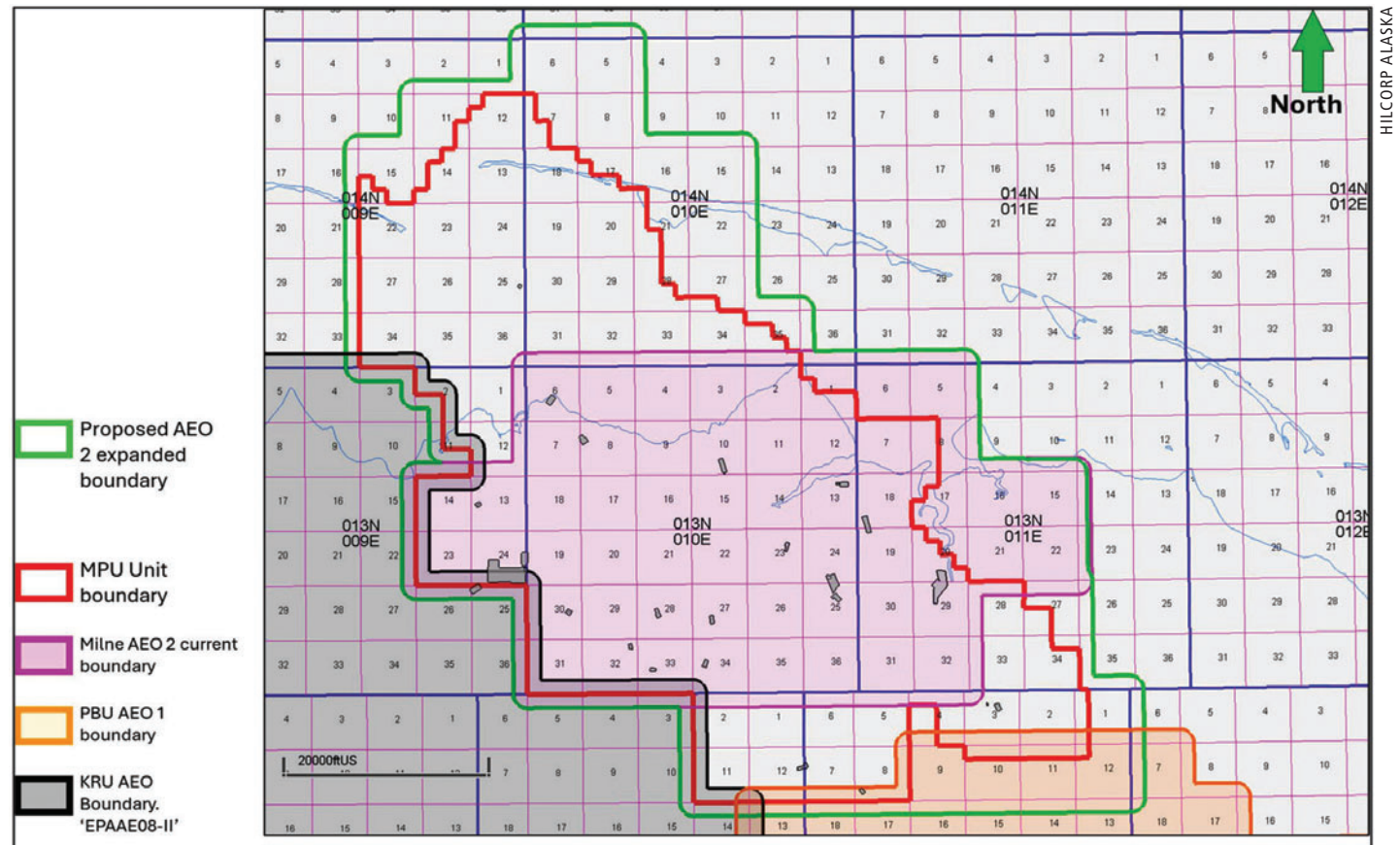
Hilcorp Alaska has applied to the Alaska Oil and Gas Conservation Commission to expand the affected area for the Milne Point unit Aquifer Exemption Order, AEO 2.

In its March 21 application Hilcorp said the expansion would cover some 36,852 acres and with the expansion the AEO would cover all leases currently included — wholly or in part — within the Milne Point unit, including a quarter mile buffer.

The stratigraphy defining the top and base of the AEO would remain the same as the current AEO 2, 2,000 feet true vertical depth to 4,500 feet TVD for the top and base as in well MPA-01, Hilcorp said.

The company said the basis for the expansion is the same criteria as in the original 1987 AEO 2 application, “that the freshwater contained in the sands do not and will not serve as a source of drinking water now or in the future.”

AOGCC said regulations allow the U.S. Environmental Protection Agency and the state “to exempt an aquifer or a portion of an aquifer if it does not currently serve as a source of drinking water, if it will not serve as a source of drinking water in the future, or if it meets other cri-



teria such as the natural presence of hydrocarbon, existing contamination, or elevated dissolved solids concentrations,” with an exemption allowing aquifer use for “oil- or gas-related production, injec-

tion, or disposal purposes” complying with EPA Safe Drinking Water Act requirements and state regulations.

Hilcorp said there are aquifer exemptions immediately to the west for the

Kuparuk River unit and immediately to the south for the Prudhoe Bay unit, exemptions which deemed it economical-

ly impractical to extract the freshwater

see **MILNE AEO** page 4

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• LAND & LEASING

# Rental reduction on small lease denied

Three Mountain Oil holds lease south of Nuiqsut, adjacent to Colville River; has proposed well and drillsite Conoco lease

By KRISTEN NELSON  
Petroleum News

Derek Nottingham, director of the Alaska Department of Natural Resources' Division of Oil, has denied a request for a rental reduction received Nov. 8 from Three Mountain Oil LLC on oil and gas lease ADL 393691.

The request was filed by James Winegarner, owner/manager of Three Mountain Oil LLC on behalf of working interest owners J. Andrew Bachner, Keith C. Forsgren and Three Mountain Oil LLC.

The small lease, 102.87 acres, is some 3 miles southeast of Nuiqsut on lands with undivided interests jointly owned by the state of Alaska and Arctic Slope Regional Corp. Three Mountain Oil holds a 50% working interest in lease ADL 393691; J. Andrew Bachner holds 45%; and Keith C. Forsgren holds 5%.

The lease was issued effective May 1, 2018, with a 10-year primary term ending April 30, 2028.

The rental rate increases over time.

For years one through seven the rental is \$10 per year per acre or fraction thereof; for years eight through 10 the rental rate is \$250 per acre or fraction thereof.

The rental rate beginning in year eight may be reduced to \$10 per acre or fraction thereof, in the year following the beginning of sustained production or, upon request and at the sole discretion of the state, if the lessee has exercised reasonable diligence in exploring and developing the lease. In making such a determination the division said the state will consider funds expended to explore and develop the lease and types of work completed.

## Work cited

The division's decision said Three Mountain listed work completed as sub-

surface interpretation of potential hydrocarbons by Shuvajit Bhattacharya PhD, dated Jan. 27, 2020, for which applicant claimed \$5,000 in expenses.

Three Mountain sent a Mustard Seed No. 1 well proposal dated April 27, 2023, to ConocoPhillips Alaska Inc. and a Mustard Seed drillsite proposal letter dated July 16, 2024, to ConocoPhillips, Santos and Repsol.

The April 27, 2023, proposal for Mustard Seed No. 1, addressed to ConocoPhillips Alaska Inc., proposes a well targeting the Nanushuk formation at a true vertical depth of some 5,000 feet, to be drilled from the Mustard Seed leases, including ADL 393691 and a 5,760-acre lease held by ConocoPhillips. Three Mountain Oil is proposed as the operator; a spud date on or before April 1, 2026, is proposed; estimated dry hole cost is \$20 million; and a success case is described as a horizontal sidetrack in productive formation.

Proposed costs would be borne 98.245399% by ConocoPhillips Alaska, as the working interest owner of 5,760 acres of the proposed 5,862.87 total pooled acres; 00.877300% by Three Mountain Oil, as WIO of 51.435 acres in the pooled area; 00.789571% by J. Andrew Bachner as WIO of 46.2915 acres in the proposed pooled area; and 00.087730% by Keith C. Forsgren as WIO of 5.1435 acres in the pooled area.

Winegarner attached a copy of a text reply from ConocoPhillips that the company was not interested.

The July 15, 2024, proposal for the Mustard Seed Pad also drew a lack of interest response from ConocoPhillips. That proposal was also sent to Santos and Repsol; those companies also hold acreage adjacent to ADL 393691. The proposal for the Mustard Seed Pad was to place it on the adjacent lease held by

see RENTAL REDUCTION page 4

## UTILITIES

### Division approves CINGSA 2025 POD

The Alaska Department of Natural Resources' Division of Oil and Gas has approved the Cook Inlet Natural Gas Storage Alaska LLC 2025 plan of development for gas storage lease ADL 391627, submitted Jan. 31.

In its April 2 approval the division said the 2025 POD is approved for April 3 through April 2, 2026.

The division said CINGSA converted the Sterling C1-C2 sandstone in the Cannery Loop unit into a natural gas storage reservoir in 2012. The reservoir covers some 1,272 acres within the Hilcorp Alaska-operated Cannery Loop unit, with CINGSA surface operations on two gravel pads. CINGSA owns the surface land where the Plant Pad is located and the state owns the surface land where the Well Pad is located.

CINGSA drilled five injection/withdrawal service wells and in early April 2012 began injection of free flow gas, followed by injection with compression at the end of that month, and initial withdrawals in early November 2012.

In 2014, CINGSA drilled two additional injection/withdrawal service wells.

During the 2024 POD, CINGSA injected some 5,585,904 thousand cubic feet of natural gas and withdrew some 5,453,126 mcf.

In December 2024 the Alaska Oil and Gas Conservation Commission allowed CINGSA's maximum storage volume to increase from 18 billion cubic feet to 20 bcf, with 7 bcf of the maximum being base gas.

In 2024 CINGSA drilled the CLU S-6 and CLU S-7 using Nordic Calista RG37-04. The division said perforation and completion were delayed awaiting availability of a coil tubing unit, but during the March 12, 2025, technical meeting on the 2025 POD, CINGSA said the wells had been perforated and completed.

Other work completed under the 2024 POD included:

- April and September semiannual shut-ins for maintenance;
- Two new compressor skids installed, including expansion of compressor building;
- Surface piping installed for new wells;
- Installation of additional DEHY purification train begun; and
- Plant pad expansion near compressor building and warehouse to accommodate new equipment and building expansions.

Under the 2025 POD, in addition to continuing storage operations and doing semi-annual maintenance in April and September, CINGSA will commission a gas purification system and expand the existing warehouse.

Storage operations will continue in CLU S-7, put into service in February, and flow testing will continue for CLU S-6, "with the intention to put this well into service by the end of calendar year 2025," the division said.

—KRISTEN NELSON

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• EXPLORATION & PRODUCTION

# Baker Hughes US rig count down 2 at 590

International rig count averaged 899 in March, down 6 from February, with land rigs down 2 month over month, offshore rigs down 4

By **KRISTEN NELSON**  
Petroleum News

The Baker Hughes' U.S. rotary drilling rig count was 590 on April 4, down by two from the previous week, down by 30 from 620 a year ago and down by three from two weeks ago. Over the last eight weeks the rig count was up in four weeks, down in three and unchanged in one with a combined gain of eight against a loss of four.

A drop of 17 to 731 on May 12, 2023, was the steepest weekly drop since June of 2020, during the first year of the COVID-

19 pandemic, when the count also dropped by 17 to 284 on June 5, following drops as steep as 73 rigs in one week in April. The count continued down to 251 at the end of July 2020, reaching an all-time low of 244 in mid-August 2020.

For 2024, the count peaked March 1 (and again March 15) at 629, hitting its low point June 28 at 581. In 2023 the count peaked early in the year at 775 on Jan. 13, bottoming out Nov. 10 at 616.

When the count dropped to 244 in mid-August 2020, it was the lowest the domestic rotary rig count had been since the Houston based oilfield services company

began issuing weekly U.S. numbers in 1944.

Prior to 2020, the low was 404 rigs in May 2016. The count peaked at 4,530 in 1981.

The count was in the low 790s at the beginning of 2020 prior to the COVID-19 pandemic, where it remained through mid-March of that year when it began to fall, dropping below what had been the historic low in early May with a count of 374 and continuing to drop through the third week of August 2020 when it gained back 10 rigs.

The April 4 count includes 489 rigs targeting oil, up by five from the previous week and down 19 from 508 a year ago, with 96 rigs targeting natural gas, down by seven from the previous week and down 14 from 110 a year ago, and five miscellaneous rigs, unchanged from the previous week and up by two from a year ago.

Forty-eight of the rigs reported April 4 were drilling directional wells, 529 were drilling horizontal wells and 13 were drilling vertical wells.

## Alaska rig count unchanged

Pennsylvania (15) was up by one rig while Texas (277) was down by three.

Rig counts in other states were unchanged from the previous week: Alaska (10), California (8), Colorado (8), Louisiana (30), New Mexico (101), North Dakota (32), Ohio (10), Oklahoma (53), Utah (12), West Virginia (11) and Wyoming (21).

Baker Hughes shows Alaska with 10 rotary rigs active April 4, unchanged from

the previous week and down by four from a year ago when the state's count was 14.

The rig count in the Permian, the most active basin in the country, was down by three from the previous week at 294 and down by 23 from 317 a year ago.

## International rig count down by 6 in March

Baker Hughes' monthly international rig count for March, issued April 4, is down by six from February at 899 and down 72 from a count of 971 in March 2024, with land rigs down by two at 709, month over month, and offshore rigs down six at 190.

Baker Hughes began providing a monthly international rig count in 1975. The international count excludes North America, which is included in the company's worldwide figures.

The Middle East accounted for the most rigs in the international totals for March, 339, followed by Asia Pacific with 211, Latin America with 131, Europe with 121 and Africa with 97.

The U.S. rig count averaged 592 in March, up by three from 590 in February, and down 33 from March 2024, while the Canadian count for March averaged 194, down 53 from 247 in February and down three from March 2024.

Worldwide the rig count averaged 1,685 in March, down 56 from 1,532 in February and down 108 from 1,793 in March 2024. ●

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## MILNE AEO

for drinking purposes, which is also the case for the proposed AEO 2 expansion area.

Hilcorp cited two bases for expansion: depth and location of freshwater, between 2,000- and 4,500-foot TVD, make its recovery for drinking water "economically or technologically impractical" and total dissolved solids of more than 3,000 and less than 10,000 mg/l mean it is "not reasonably expected to supply a public

water system."

The commission said in a public hearing notice published April 7 that it has tentatively scheduled a public hearing on the request for June 10 at 10 a.m. in its Anchorage offices with audio call in at 907-202-7104 conference ID 862 885 746#, but if no request for a hearing is timely filed, it may issue an order without a hearing. Information on whether the hearing will be held can be obtained after April 28 by calling 907-793-1223. ●

Contact Kristen Nelson  
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## RENTAL REDUCTION

ConocoPhillips from the Arctic Slope Regional Corp. and have the pad available for use by adjacent leaseholders including Santos as well as Three Mountain Oil and ConocoPhillips.

Three Mountain Oil told the division that the Mustard Seed lease is on the west bank of the Colville River and regulations require drilling activity to be 1 mile from the river. The company said the lease "is boxed in on all sides with challenging regulatory and operational constraints."

## Denial of rental reduction

In denying the rental reduction the division said "Three Mountain did not conduct sufficient exploration or development activities on the Lease to inform new phases of exploration and development."

"Notwithstanding Three Mountain's references to difficulty with regulatory

and operational constraints and lack of cooperation by lessees on lands adjacent to the Lease, the Division relies on significant lessee investment and action to characterize potential reservoirs and design drilling programs to develop them," the decision said, and concluded that expenditures made and work completed did not reflect "reasonable diligence to explore and develop" ADL 393691 and denied the rental reduction request for the eighth through tenth years of the primary term of the lease.

The division said Three Mountain may apply for rental reduction for the ninth and tenth years of the primary lease term.

The decision may be appealed to the DNR commissioner within 20 calendar days of the issuance date of the decision; the decision must be appealed to the commissioner before being appealed to the Superior Court. ●

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Petroleum News		www.PetroleumNews.com
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OWNER: Petroleum Newspapers of Alaska LLC (PNA)  
Petroleum News (ISSN 1544-3612) • Vol. 30, No. 15 • Week of April 13, 2025

Published weekly. Address: P.O. Box 231647 Anchorage, AK 99523-1647  
Subscription prices in U.S. — \$118.00 1 year, \$216.00 2 years  
Canada — \$206.00 1 year, \$375.00 2 years  
Overseas (sent air mail) — \$240.00 1 year, \$436.00 2 years

"Periodicals postage paid at Anchorage, AK 99502-9986."  
POSTMASTER: Send address changes to Petroleum News, P.O. Box 231647 Anchorage, AK 99523-1647.



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## OIL PRICES

Business leaders hoping that Trump's April 2 tariff unveiling would end speculation found that the press event at the White House Rose Garden introduced a panoply of variables unlikely to be sorted out quickly.

Many nations came forward quickly to make a deal with the Trump administration to open their markets to U.S. goods in exchange for tariff relief.

China dug in, and — vowing to fight to the end — hit U.S. exporters with huge new tariffs and restrictions, which were met with larger tariffs from Trump.

Crude slogged lower each day as foggy forward visibility prompted a retrenchment of spending plans for business and consumers alike.

But on April 9, Trump surprised markets again with a 90-day pause on the new tariffs, except for China. ANS rocketed \$3.73 higher to close at \$68.81, WTI leapt \$2.77 to close at \$62.35 and Brent leapt \$2.66 to close at \$65.48.

WTI and Brent were down sharply April 9 prior to the tariff abatement announcement. Brent dipped briefly below \$60 per barrel in early trading.

From Wednesday to Wednesday, ANS sank \$7.45 from its \$76.26 close on April 2, to \$68.81 April 9.

On Tuesday April 8, ANS was a whopping \$11.18 lower than its April 2 close after dropping \$2.40 to close at \$65.08. WTI fell \$1.12 on the day to close at \$59.58 and Brent fell \$1.39 to close at \$62.82.

ANS fell a dollar April 7 to close at \$67.48, as WTI fell \$1.29 to close at \$60.70 and Brent fell \$1.37 to close at \$64.21.

On April 9, ANS closed at a \$6.46 premium over WTI and at a \$3.33 premium over Brent.

### Tariff pause overcomes bearish inventory build

Crude prices jumped April 9 despite U.S. commercial crude oil inventories for the week ending April 4 having increased by 2.6 million barrels from the previous week, according to data released by the U.S. Energy Information Administration the same day in its Weekly Petroleum Status Report. At 442.3 million barrels, inventories are 5% below the five-year average for the time of year.

Gasoline and Distillate drawdowns struck a bullish note, however.

Total U.S. motor gasoline inventories decreased by 1.6 million barrels over the week to 236.0 million barrels — level with the five-year average for the time of year, the EIA said. Distillate fuel inventories decreased by 3.5 million barrels for the period, to 111.1 million barrels — 9% below the five-year average for the season.

Also striking a bullish chord for crude was continued dollar weakness, which makes oil easier to afford for buyers that must convert other currencies to make purchases. The U.S. Dollar Index hit a 2025 low of 102.07 on April 3, down from 108.49 on Jan. 1.

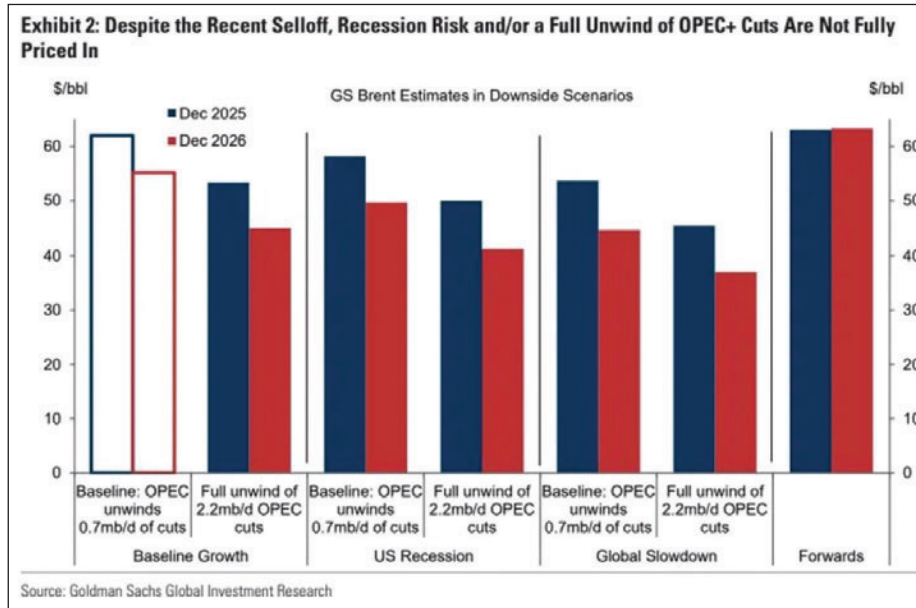
### Saudi cash shortage looms

Saudi Arabia may be forced to raise debt or cut spending as crude prices plunge, to continue to fund its ambitious agenda to diversify its economy.

The International Monetary Fund and economists estimate Riyadh needs oil prices above \$90 to balance its budget, Reuters reported April 8.

Saudi Arabia funds its Vision 2030 reform program off budget, but the government funds mammoth infrastructure projects linked to the program designed to wean the economy from oil.

“Saudi Arabia is likely to rely on debt



financing, and it will have to delay or scale back some planned contracting awards given 2024 was already in a twin deficit,” said Karen Young, senior research scholar at Columbia University's Center on Global Energy Policy.

Before the Trump tariff announcement, Young said analysts had expected Saudi public debt to grow by \$100 billion in three years, after rising 16% to some \$324 billion in 2024.

The Saudi 2025 budget released in November projected a 3.7% fall in total revenue.

The country's \$925 billion Public Investment Fund has spent hundreds of billions of dollars on projects such as a camel dairy farm and a massive futuristic city in the desert.

Future projects include the 2029 Asian Winter Games, featuring artificial snow and a man-made freshwater lake, as well as the

2034 World Cup, with 11 new stadiums and others renovated.

The Saudi budget-balancing price target of \$90 may not be reached anytime soon.

Goldman Sachs has cut its oil price forecast, calling for Brent and WTI prices to drop to \$62 and \$58, respectively, by December 2025, and to \$55 and \$51 by December 2026. The forecast assumes that the U.S. economy will dodge recession and that the Organization of the Petroleum Producing Countries and its allied producing nations will only moderately increase production.

Despite declines of late in oil prices, the impacts of recession risks and/or the full cancellation of OPEC+ production cuts have not yet been fully reflected in crude prices, Goldman Sachs said.

“It is unlikely that oil prices will sustain a significant drop below \$40 per barrel for two reasons: first, U.S. shale oil provides increasingly solid price support at lower prices; second, a potential economic recession in the U.S. in 2025 is unlikely to be deep, partly because there are no significant financial imbalances in the private sector,” Goldman Sachs said. ●

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Badami Unit Production			
Date	Produced Oil (bbls)	Produced Gas (MCF)	Produced Water (Bbls)
Jan-23	15580	10886	1029
Feb-23	14106	10305	434
Mar-23	15653	13585	426
Apr-23	15150	8675	384
May-23	17974	10003	610
Jun-23	31215	17107	718
Jul-23	30483	17536	433
Aug-23	29275	18359	297
Sep-23	27091	16460	301
Oct-23	29106	18452	456
Nov-23	27528	15971	402
Dec-23	27899	16661	1134
<b>2023 Total</b>	<b>281060</b>	<b>174000</b>	<b>6624</b>
Jan-24	26865	16202	249
Feb-24	24959	15532	207
Mar-24	26167	16930	145
Apr-24	22551	10854	228
May-24	26753	12392	281
Jun-24	25190	11819	146
Jul-24	25862	15665	224
Aug-24	25346	17517	57
Sep-24	77011	38404	37
Oct-24	118085	54603	28
Nov-24	97696	41027	27
Dec-24	84558	50635	97
<b>2024 Total</b>	<b>581043</b>	<b>301580</b>	<b>1726</b>
Jan-25	72600	48193	86

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## BADAMI POD

B1-21 for gas injection and storage to enhance gas handling capacity; and execution of pressure-temperature, or PT, surveys on key wells B1-33 and B1-07 and geochemical analyses to guide production optimization and refine geological models.

### Infrastructure

Infrastructure improvements include upgrades to turbine systems, overhaul of injection gas compressors and the Vapor Recovery Unit, or VRU, and staging for anticipated Badami ice road construction.

Glacier Oil intends to conduct an additional well workover on the BI-01 Class 1 injection well to expand injection zones that will aid in grind and inject operations associated with the planned new drills, as economic conditions and exploration plans warrant.

Cuttings from exploration wells are currently hauled off site via ice road for disposal at a third-party G&I site.

Glacier Oil will continue well and facility maintenance and optimization, and explore options to enhance produc-

*The company also intends to advance its plans to construct the proposed Badami East Pad, pending success of its Steller drilling program, with anticipated construction beginning in summer of 2026.*

tion, as appropriate, with the anticipated addition of Steller production which will utilize resources in the existing production facility.

The company also intends to advance its plans to construct the proposed Badami East Pad, pending success of its Steller drilling program, with anticipated construction beginning in summer of 2026.

The Badami Main Pad houses the processing facilities, and the proposed Badami East Pad will serve as a satellite location and tie into the Badami Main Pad, gathering production from new wells drilled from the new Badami East Pad.

In the 22nd POD Glacier Oil will conduct a full overhaul of its Vapor Recovery Unit and a full overhaul of its injection gas compressors IGA and IGB.

The company will upgrade the engine core and control systems for Solar Turbine B in June 2025 along with control system upgrades. This will improve the reliability of the system and aid with additional flexibility in fuel gas compositions.

### Gravel mine-site

During the 22nd POD period Glacier Oil will revive its on-site gravel mine in preparation for anticipated East Pad construction, road maintenance, and drilling operations support.

The company will stage ice road construction equipment on the Badami storage pad in preparation for 2025-2026 winter season ice road construction. Efficiency of ice road construction is significantly improved when crews can build out from both the west and east, Glacier Oil said.

### Exploration, delineation

Plans for the exploration or delineation of any land in the unit not included in a participating area during the 22nd POD includes continued exploration and development activities for the new Badami and Killian sand prospects, pending favorable economic conditions and the ability to raise capital at reasonable terms.

This includes the anticipated drilling of at least one Killian development well of the Steller Prospect from the Badami Main Pad in the 2025-2026 ice road season. This well is a follow-up to the successful Kennicott exploration program and will further de-risk future Killian prospects, advancing them to drill-ready targets of a full Killian development project.

The company will continue geological and geophysical, or G&G, evaluation of the 11,899 acres of newly acquired acreage since 2021, including the most recent acquisition of 2,512 acres in 2024. This includes 1,280 acres to the south of the unit, 2,560 acres to the west and 8,059 acres to the north.

Pascal said that Glacier Oil appreciates “the ongoing collaboration with the Department of Natural Resources, Division of Oil and Gas, and other stakeholders.

“We are looking forward to the technical meeting with the unit manager and DNR staff that follows the submission of the POD to give an in-depth review and answer any questions.” ●

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### DUBHE-1 WELL

gravel driveway and pad to be constructed May 15 through June 30, and the rig moved to the Dubhe Pad July 1, with a targeted spud date of July 15 and drilling July 15-Aug. 31, completion in September and flow testing October through December, with additional flow testing possible from January through March of 2026.

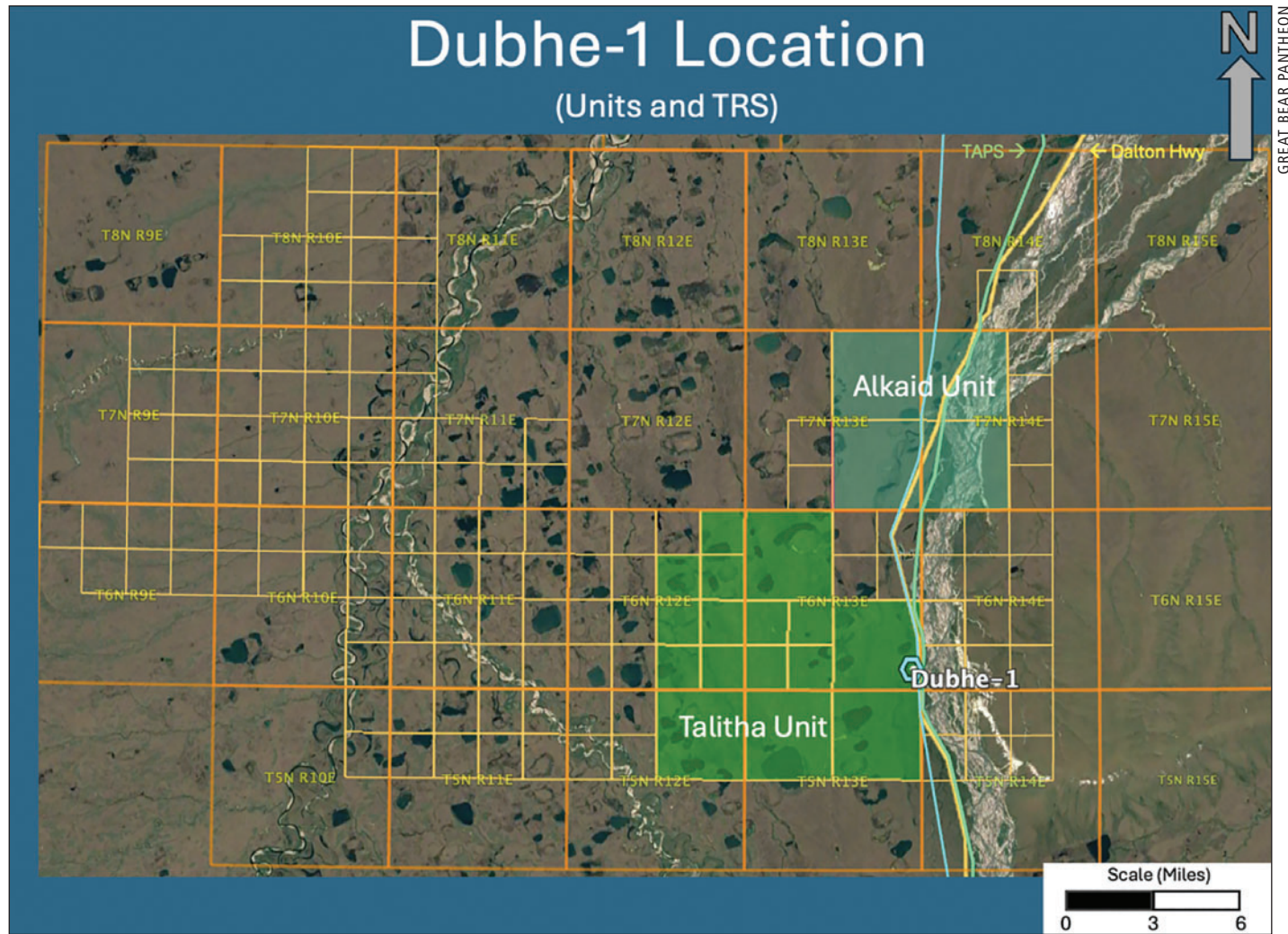
“The Duhbe-1 well will be one of three possible designs, depending upon the upcoming test results at the Megrez-1,” Great Bear said in its application. Options for the well design include “a horizontal well drilled into an Ahpun East lower-perm interval”; “a horizontal well drilled into the Ahpun West Topset interval”; or “a deviated well drilled into an Ahpun East higher-perm interval.”

*Once the well is completed, Great Bear said there may be multi-stage hydraulic fracture stimulation with the length of flow testing depending on initial flow results and other considerations.*

### Following completion

Once the well is completed, Great Bear said there may be multi-stage hydraulic fracture stimulation with the length of flow testing depending on initial flow results and other considerations.

Once drilling and testing are complete the well could be plugged and abandoned, suspended in accordance with Alaska Oil and Gas Conservation Commission regu-



lations or retained as a producing well.

If the well is P&A'd or suspended, equipment would be removed and the site closed, and if the well is P&A'd, Great Bear said it would work with DNR to determine what level of removal of the pad and driveway is in the state's best interest.

There will be a satellite office camp on

the pad with four-bed capacity for the company man and alternate, and sufficient space to offer shelter in place to the entire crew in the event of an emergency. Storage areas will include fuel storage, drilling waste or fluid components storage. There will also be maintenance buildings.

The crew will be housed in Deadhorse

and shuttled to the well site.

There will be 24-hour phone and internet available at the site, with operational radio communications provided using fixed base stations and truck-mounted mobile radios, with small temporary communication towers at the site. ●

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## Oil Patch Bits

### EXP wins excellence award in sustainable wood architecture

As reported by EXP News April 2, the Saint-Georges Multisport Complex recently won an award in the sports buildings category at the 2025 Cecobois Awards of Excellence gala. For this project, EXP's civil engineering, structural engineering and geotechnical teams worked alongside a consortium of architecture firms including ABCP Architecture, Marie-Lise Leclerc Architecte and Bilodeau Bail Leeming Architectes.

The Cecobois Awards of Excellence recognize the innovative use of wood to construct commercial, industrial, institutional and multi-residential buildings.

This project consisted of building a 76,200 SF addition to Saint George High School. Designed to match the original 1974 building, the new construction added four classrooms, two training rooms, a 10-lane competitive pool, a double gymnasium, locker rooms, bleachers and a multipurpose room.

The use of baltic birch and maple wood enhanced the building's aesthetic appeal and supported a sustainable development approach. Long wooden beams were integrated as critical elements of the building's framework and contributed to a refined and natural design.

For more information visit <https://www.exp.com/news>.

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## NORTH FORK SEISMIC

mobilization and recovery of nodes throughout the project, ending Sept. 30. Staging will be from Hilcorp-operated pads.

An overall project map shows the project area stretching from the northeast edge of the North Fork unit to southeast of Hilcorp's Deep Creek unit. Hilcorp is in the process of buying the North Fork unit with that acquisition projected to

close by May 1. Land covered by the survey is owned by the state, the Kenai Peninsula Borough, the Ninilchik Native Association, Cook Inlet Region Inc. and private entities. A lease ownership map posted by the division in February shows some leases in the survey area held by Hilcorp with a considerable portion of the area unleased.

—KRISTEN NELSON

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## CONNECTOR PIPELINE

the interconnect facilities "is to increase and eventually maximize the export of NGLs from the PBU and to safely transport the same to market" by blending the NGLs downstream of the FE-3017 custody transfer flow meter and PS1 upstream of the Alyeska mainline pumping units.

In February, the most recent month for which the Alaska Oil and Gas Conservation Commission has published production volumes, NGL production from the North Slope averaged 58,445 barrels per day, primarily from Prudhoe Bay, but with smaller volumes from Endicott and Northstar.

### Up to 5,000 additional bpd

The application says the proposed interconnect facilities would accommodate throughput of up to 5,000 bpd of incremental daily average NGLs blended into TAPS, with the facilities allowing blending of between 900 and 4,200 bpd,

and the plan "to begin exporting NGLs at a low incremental rate, and then likely increase the rate over time as quality feedback is collected ... taking advantage of additional vapor pressure capacity downstream in TAPS."

"The flow rates in the NGL Pipeline and the Interconnect Facilities will be controlled to remain within vapor pressure specifications for the connection and the TAPS," the application says.

The amount of NGLs exported is expected to be influenced by market conditions and the expectation, the application says, is that there will typically be "significantly reduced NGL exports during the summer months," with the proposed NGL injection expected to occur largely between October and March and the amount based on total crude throughput.

The application said the estimated cost of implementing the plan is \$10 million, which will be paid by Hilcorp North Slope.

—KRISTEN NELSON

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continued from page 1

## NTBU PLAN

The company proposed a sidetrack from the A-10 on the Monopod in its 2019 POD, targeting acreage outside the current NTBU acreage, but the division denied that POD and terminated the unit, finding "there have been and currently are no diligent operations to restore production" to the unit.

Hilcorp appealed to the DNR commissioner. There was a hearing and Hilcorp was invited to submit a new POD identifying drilling targets within 16 months of submission, targets which were to be drilled in a subsequent one-year POD period. The commissioner's decision said if those targets were not drilled, the unit would terminate.

A 20-month POD was approved in September 2021 and Hilcorp attempted to drill the A-10RD2 but encountered mechanical issues; a second attempt to sidetrack also encountered mechanical challenges.

Hilcorp notified the division in July 2022 that alternative drilling plans were underway for a second sidetrack, A-10RD3, to be drilled in 2023 and in 2023 the company twice attempted to drill the A-10RD3 but was unsuccessful.

Hilcorp also failed to complete P&A work on the Spark and Spurr platforms — work deferred because of work required at the Baker Platform in the recently terminated Middle Ground Shoal unit where wells posed a higher risk, pushing Spark and Spurr work into 2026.

### 2024 POD

For the 2024 POD, Hilcorp again evaluated options to restore NTBU production, studying options other than Monopod wells to restore NTBU production.

The division approved the 2024 POD for a shortened period ending May 2, 2025, with 2024 POD conditions not being met, the company said, because it had not made a decision on the economic viability and utility of refurbishment for future drilling.

The division said conditions in the 2024 POD that were not met were to be carried over to the 2025 POD, and Hilcorp provided a plan of refurbishment outlining work required to bring the platforms back to operational status and items that needed further assessment, with a confidential timeline included.

The division said that as part of a March 25, 2025, technical review Hilcorp "provided a presentation that included interpreted data on the remaining resources in place and possible well plans and design."

The company did complete a sub-surface review of access options using the Spark and Spurr platforms and said in its 2025 POD that "Results indicate potentially economic options to restore production from the unit."

It also completed a preliminary assessment of the Spark and Spurr platforms and found them "structurally stable" but requiring "an in-depth engineering review to detail what will be required for reactivation."

### 2025 POD

During the 2025 POD Hilcorp "committed to completing a detailed engineering assessment to evaluate the economics of restoring production to the NTBU and decide on whether refurbishing the platforms to restore production is viable."

In its finding and decision the division approved the 2025 POD through Aug. 1, 2026, but said Hilcorp must provide it with a decision by May 1, 2026, on whether refurbishment of the platforms to restore production is economic.

The division said if Hilcorp's decision is to refurbish the platforms, it must submit an undated plan of refurbishment by May 1, 2026, describing work needed in detail and providing "a reasonable timeline with milestones."

The company is also required to provide detailed well plans and design, including a reasonable timeline and provide the division with all applicable permits for drilling and production.

Annual inspection reports by an independent source on the structural integrity of the platforms and pipelines are required "until such time that refurbishment is complete or final dismantlement, removal, and restoration (DR&R) has occurred."

The division said that if Hilcorp determines pursuing gas or oil targets in the NTBU is not economic, "the unit will automatically terminate and the platforms will move toward DR&R." The MGS State 18746 1 is certified capable of producing in paying quantities, and that certification would be rescinded.

—KRISTEN NELSON

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