



page 2 February ANS output down 0.8% led by GMT; up at Kuparuk, Nikaitchuq

Early bird registration kicks off for AOGA's annual conference

REGISTRATION FOR the Alaska Oil and Gas Association's 2025 annual conference is now open.

This year's conference and kickoff party will be held Aug. 26-28 at the Dena'ina Center in Anchorage.

The action-packed event is your annual opportunity to connect with oil and gas industry leaders and experts.

Join hundreds of colleagues and influencers in learning about developments in Alaska's oil patch, national and worldwide energy and political trends, and the latest challenges and opportunities facing the oil and gas industry in Alaska.

To register, visit AOGA's website at <https://www.aogaconference.org/register/>

Take advantage of substantial savings by registering now; prices go up on June 30.

Again, the dates involved are the evening of Tuesday Aug. 26 with the employee appreciation and kickoff event.

see **INSIDER** page 8

Furie signs with Hilcorp for use of Spartan 151 jack-up this year

Furie Operating Alaska said March 31 that it has renewed an agreement with Hilcorp Jack-Up Rig Co. for use of the Spartan 151 jack-up, the only jack-up in Cook Inlet, during this year's drilling season.

Furie said it plans up to two natural gas wells beginning as early as mid-April.

"Furie recently increased the number of wells that can be drilled from our platform, and now with the help of Hilcorp's jack-up rig, we will drill this spring," John Hendrix, president and chief executive officer of Furie, said in a March 31 statement.

"We committed last year that if we received royalty relief we would drill, and we drilled in 2024," he said. The company's royalty relief application was approved by the Alaska Department of Natural Resources in early February, Hendrix

see **RIG AGREEMENT** page 11

Hilcorp permitting new pad at Pretty Creek on inlet's west side

Hilcorp Alaska is permitting a second pad at the Pretty Creek unit on the west side of Cook Inlet. The small gas field was brought online by Union Oil Company of California in late 1986, producing from a single well with production becoming sporadic and a second well brought online in late 2001. Clearly in decline by late 2010, the field was part of the Chevron/Unocal Cook Inlet assets acquired by Hilcorp in late 2011, at a time when the field had no production.

Production since has been sporadic, with no production for months at a time, until Hilcorp brought online a sidetrack to the single producing well at the field, Pretty Creek Unit 2, last November. By February of this year Alaska Oil and Gas Conservation Commission data show the PCU 2A was in regular production, averaging 1,596 thousand cubic feet per day.

Current plans

In its most recent plan of development for Pretty Creek, filed March 10, Hilcorp said it planned two "exploration/delineation

see **PRETTY CREEK PAD** page 11

FINANCE & ECONOMY

Dispute settled

ConocoPhillips, Santos sign KRU road use agreement for Pikka, Quokka, more

By **KAY CASHMAN**
Petroleum News

Retroactive to Jan. 1, Santos' operating subsidiary in Alaska, Oil Search (Alaska), and ConocoPhillips Alaska entered into a Kuparuk River Unit Road Use and Maintenance Agreement that will impact Santos exploration and development in northern Alaska, in particular in the Pikka, Quokka, and Horseshoe units, as well as in joint leases — all on behalf of the working interest owners.

Santos told Alaska's Division of Oil and Gas on March 21 that the joint leases consist of all North Slope leases in which Santos has a working interest



BRUCE DINGEMAN

and for which Santos is the operator.

The agreement was confirmed on April 1 in an email to Petroleum News from ConocoPhillips' Anchorage-based spokeswoman Rebecca Boys.

The company's official statement reads as follows: "ConocoPhillips Alaska is pleased to have signed a commercial agreement with Santos for the use of the Kuparuk River Unit (KRU) road system.

The long-term road use agreement follows precedent and recognizes the long-standing custom and practice on the North Slope for operators to enter into commercial agreements governing third-party

see **ROAD DISPUTE** page 8

NATURAL GAS

AGDC, Glenfarne deal set

Private party takes over from state corporation to move Alaska LNG to FID

By **KRISTEN NELSON**
Petroleum News

The Alaska Gasline Development Corp. has been working to recruit a private company to move the Alaska LNG Project through to a final investment decision and on March 27 AGDC and Glenfarne Alaska LNG LLC, an affiliate of Glenfarne Group LLC, said they had reached a definitive agreement.

Glenfarne becomes the majority owner of Alaska LNG and will lead "development to construction and operations of the entire project," the companies said.

Glenfarne is acquiring 75% of 8 Star Alaska, the subsidiary AGDC created to hold and manage



BRENDAN DUVAL

Alaska LNG assets, assuming "the role of Alaska LNG's lead developer" for remaining development work from front-end engineering and design through to a final investment decision, expected by the end of the year. Glenfarne will fund the work

AGDC remains 25% owner of 8 Star Alaska.

The project includes the 807-mile 42-inch pipeline, the 20 million tonne per annum liquefied natural gas facility and export terminal in Nikiski and the North Slope-based carbon capture plant.

To date the state has invested some \$1.1 billion in various plans to move North Slope natural gas.

see **GLENFARNE DEAL** page 9

FINANCE & ECONOMY

ANS tests upper \$70s

Oil and gas imports exempted from US tariffs announced April 2

By **STEVE SUTHERLIN**
Petroleum News

Alaska North Slope crude continued its run in the upper \$70s April 2 despite moving 55 cents lower to close at \$76.26 per barrel. West Texas Intermediate gained 51 cents on the day to close at \$71.71 and Brent gained 46 cents to close at \$74.95.

WTI and Brent turned sharply lower in Asian trading after the close, however, directly following the conclusion of an afternoon April 2 press conference at the White House called by President Donald Trump to announce a new slate of tariffs on imported goods, to be imposed on a host of U.S. trading partners.

Later in the day, Reuters reported that imports of

Oil traders shouldn't look to U.S. shale to fill the gap, Innes said. Exploration and production companies are "laser-focused on capital returns, not crude patriotism."

oil, gas and refined products were exempted from the new tariffs, based on a White House source.

The trade protections do not apply to energy imports from Canada or Mexico — which are already exempted under the United States-Mexico-Canada Agreement free trade deal — nor do they apply to energy imports from any other country, a White House official said, according to the report.

see **OIL PRICES** page 10

● EXPLORATION & PRODUCTION

ANS production down by 0.8% in February

Largest volume month-to-month declines at Greater Mooses Tooth, Milne, Prudhoe; biggest increases at Kuparuk River, Nikaitchuq

By **KRISTEN NELSON**

Petroleum News

Alaska North Slope production averaged 485,263 barrels per day in February, down 0.77%, 3,759 bpd, from a January average of 489,022 bpd but up 0.7% from a February 2024 total of 481,904 bpd. Crude production, 88.59% of the total, averaged 429,900 bpd in February, down 3,258 bpd, 0.75%, from a January average of 433,158 bpd but up 1.52% from a February 2024 average of 423,459 bpd. Natural gas liquids production on the Slope, 11.41% of the total, averaged 55,363 bpd in February, down 501 bpd, 0.9%, from a January average of 55,864 bpd and down 5.27% from a February 2024 average of 58,445 bpd.

The North Slope Borough temperature averaged -6.2 degrees F in February, down from a January average of -0.8 degrees F but up 9.1 degrees F from a 1925-2000 mean of -15.3 degrees F.

Temperature data are from the county time series maintained by NOAA's National Centers for Environmental Information, which has North Slope Borough temperatures beginning in 1925.

Production data come from the Alaska Oil and Gas Conservation Commission which reports production by field and well on a month delay basis.

Month-over-month gains

The largest February-over-January gain was at the ConocoPhillips Alaska-operated Kuparuk River field, which averaged 83,933 bpd in February, up 1,024 bpd,

1.24%, from a January average of 82,909 bpd and up 6.9% from a February 2024 average of 78,517 bpd.

In addition to the main Kuparuk pool, Kuparuk produces from Coyote, Tabasco, Tarn, Torok and West Sak.

ConocoPhillips is the majority working interest owner at Kuparuk. The only other WIO, ExxonMobil, holds just 0.36%.

ConocoPhillips is adding production at Kuparuk from two new areas, Coyote and Nuna, with two Coyote wells online.

The other large-volume month-over-month increase was at Nikaitchuq, which Hilcorp Alaska acquired from Eni late last year. Nikaitchuq averaged 15,239 bpd in February, up 1,010 bpd, 7.1%, from a January average of 14,229 bpd and up 11.11% from a February 2024 average of 13,716 bpd.

Hilcorp Alaska's Northstar averaged 5,276 bpd in February, up 78 bpd, 1.51%, from a January average of 5,198 bpd, but down 5% from a February 2024 average of 5,496 bpd. Northstar crude, 51.12% of the field's total volume, averaged 2,697 bpd in February, down 27 bpd, 0.99%, from a January average of 2,724 bpd, and down 10.84% from a February 2024 average of 3,025 bpd. Northstar NGLs, 48.88% of the field's volume, averaged 2,579 bpd in February, up 105 bpd, 4.26%, from a January average of 2,474 bpd and up 4.37% from a February 2024 average of 2,471 bpd, when NGLs' accounted for 44.96% of Northstar volume.

Hilcorp's Endicott averaged 5,775 bpd in February, up 25 bpd, 0.43%, from a January average of 5,750 bpd,

see **ANS OUTPUT** page 5

Cook Inlet gas up 2.85%

Natural gas production from Cook Inlet averaged 192,567 thousand cubic feet per day in February, up 5,341 mcf per day, 2.85%, from a January average of 187,226 mcf per day but down 6.78% from a February 2024 average of 206,568 mcf per day.

Volumes are calculated from Alaska Oil and Gas Conservation Commission data, reported on a month-delay basis. For natural gas AOGCC reports measurements in thousands of cubic feet, mcf.

There are currently 22 fields in Cook Inlet producing natural gas, with the majority of that gas coming from the seven largest fields, which in February accounted for 87.31% of inlet natural gas production, an average of 168,121 mcf per day.

The Hilcorp-operated Beluga River field, in which Chugach Electric Association holds the majority working interest, averaged 43,701 mcf per day in February, 22.69% of inlet production, down 195 mcf per day, 0.45%, from a January average of 43,897 mcf per day but up 8.9% from a February 2024 average of 40,130 mcf per day.

Hilcorp's North Cook Inlet averaged 42,420 mcf per day in February, 22.03% of the inlet total, up 1,659 mcf per day, 4.07%, from a January average of 40,761 mcf per day but down 6.04% from a February 2024 average of 45,148 mcf per day.

see **INLET GAS** page 5

contents

Petroleum News

Alaska's source for oil and gas news

ON THE COVER

Dispute settled

Conoco, Santos sign road use agreement for Pikka, Quokka, more

AGDC, Glenfarne deal set

Private party takes over to move Alaska LNG to FID

ANS tests upper \$70s

Oil and gas imports exempted from US tariffs announced April 2

Oil Patch Insider: Early bird registration kicks off for AOGA's annual conference

Furie signs with Hilcorp for use of Spartan 151 jack-up this year

Hilcorp permitting new pad at Pretty Creek on inlet's west side

EXPLORERS PREVIEW

6 Key milestone for 88E's Project Phoenix

EXPLORATION & PRODUCTION

2 ANS production down by 0.8% in February

Largest volume month-to-month declines at Greater Mooses Tooth, Milne, Prudhoe; increases at Kuparuk River, Nikaitchuq

SIDEBAR, PAGE 2: Cook Inlet gas up 2.85%

4 Baker Hughes US rig count down 1 at 592

GOVERNMENT

6 Maximum Arctic sea ice extent record low

THIS MONTH IN HISTORY

7 Exploration heads north of Barrow Arch

If you think you're paying too much...
YOU PROBABLY ARE.



Tank Monitors • Scheduled Deliveries • App with Instant Pricing • Prudhoe Bay Delivery
www.alaskafuelservices.com (907)374-9992

Alaska-Mackenzie Rig Report

Rig Owner/Rig Type Rig No. Rig Location/Activity Operator or Status

Alaska Rig Status

North Slope - Onshore

All American Oilfield LLC			
IDECO H-37	AAO 111	Magtec Yard, Stacked	Available
Doyon Drilling			
Dreco 1250 UE	14 (SCR/TD)	Milne Point, S-53	Hilcorp Alaska LLC
Dreco 1000 UE	16 (SCR/TD)	Deadhorse, Standby	Available
Dreco D2000 Uebd	19 (SCR/TD)	Deadhorse, Standby	Available
AC Mobile	25	Kuparuk, 3S-723	ConocoPhillips
OIME 2000	141 (SCR/TD)	East North Slope, Sockeye-2	Armstrong
	142 (SCR/TD)	Kuparuk, 3T-731	ConocoPhillips
TSM 700	Arctic Fox #1	Deadhorse, Standby	Available
ERD	26	Alpine, Standby	ConocoPhillips
Hilcorp Alaska LLC			
Rotary Drilling	Innovation	Prudhoe Bay, Z Pad	Hilcorp Alaska LLC
TSM-850	169	Prudhoe Bay	Hilcorp Alaska LLC
Nabors Alaska Drilling			
AC Coil Hybrid	CDR-2 (CTD)	Prudhoe Bay	Hilcorp Alaska LLC
AC Coil	CDR-3 (CTD)	Prudhoe Bay	Hilcorp Alaska LLC
Dreco 1000 UE	7-ES (SCR-TD)	Kuparuk, Workover	ConocoPhillips
Dreco 1000 UE	9-ES (SCR/TD)	Stacked	Available
Oilwell 2000 Hercules	16-E (SCR/TD)	Stacked	Brooks Range Petroleum
Emsco Electro-hoist			
Oilwell 2000 Canrig 1050E	27-E (SCR-TD)	Stacked	Available
Academy AC Electric CANRIG	99AC (AC-TD)		Available
OIME 2000	245-E (SCR-ACTD)	12 Acre Pad, stacked	Available
Academy AC electric CANRIG	105-E (AC-TD)	Megrez-1	Pantheon Resources
Academy AC electric Heli-Rig	106AC (AC-TD)	Stacked	Available
Nordic-Calista LLC			
Superior 700 UE	1 (SCR/CTD)	Deadhorse	Available
Superior 700 UE	2 (SCR/CTD/TD)	Deadhorse, stacked	Available
Ideco 900	3 (SCR/TD)	Kuparuk	ConocoPhillips
Rig Master 1500AC	4 (AC/TD)	Oliktok Point	Hilcorp Alaska LLC
Parker Drilling Arctic Operating LLC			
NOV ADS-10SD	272	Pikka	Santos
NOV ADS-10SD	273	Milne Point	Hilcorp Alaska LLC

North Slope - Offshore

Doyon Drilling			
Sky top Brewster NE-12	15 (SCR/TD)	Nikaitchuq, Standby	Hilcorp Alaska LLC
Nabors Alaska Drilling			
OIME 1000	19AC (AC-TD)	Oooguruk, Cold Stacked	Hilcorp Alaska LLC

Cook Inlet Basin – Onshore

BlueCrest Alaska Operating LLC			
Land Rig	BlueCrest Rig #1	Stacked	BlueCrest Alaska Operating LLC
Nordic-Calista LLC			
	Rig 37	Kenai	Available
Hilcorp Alaska LLC			
TSM-850	147	Beluga, Stacked	Hilcorp Alaska LLC

Cook Inlet Basin – Offshore

Hilcorp Alaska LLC			
National 110	C (TD)	Platform C, Stacked	Hilcorp Alaska LLC
	Rig 51	Steelhead Platform, Stacked	Hilcorp Alaska LLC
	Rig 56	Monopod A-13, stacked	Hilcorp Alaska LLC
Baker Marine			
ILC-Skidoff, jack-up	Spartan 151	Cook Inlet	Hilcorp Alaska LLC
Glacier Oil & Gas			
National 1320	35	Osprey Platform, activated	Glacier Oil & Gas

Mackenzie Rig Status

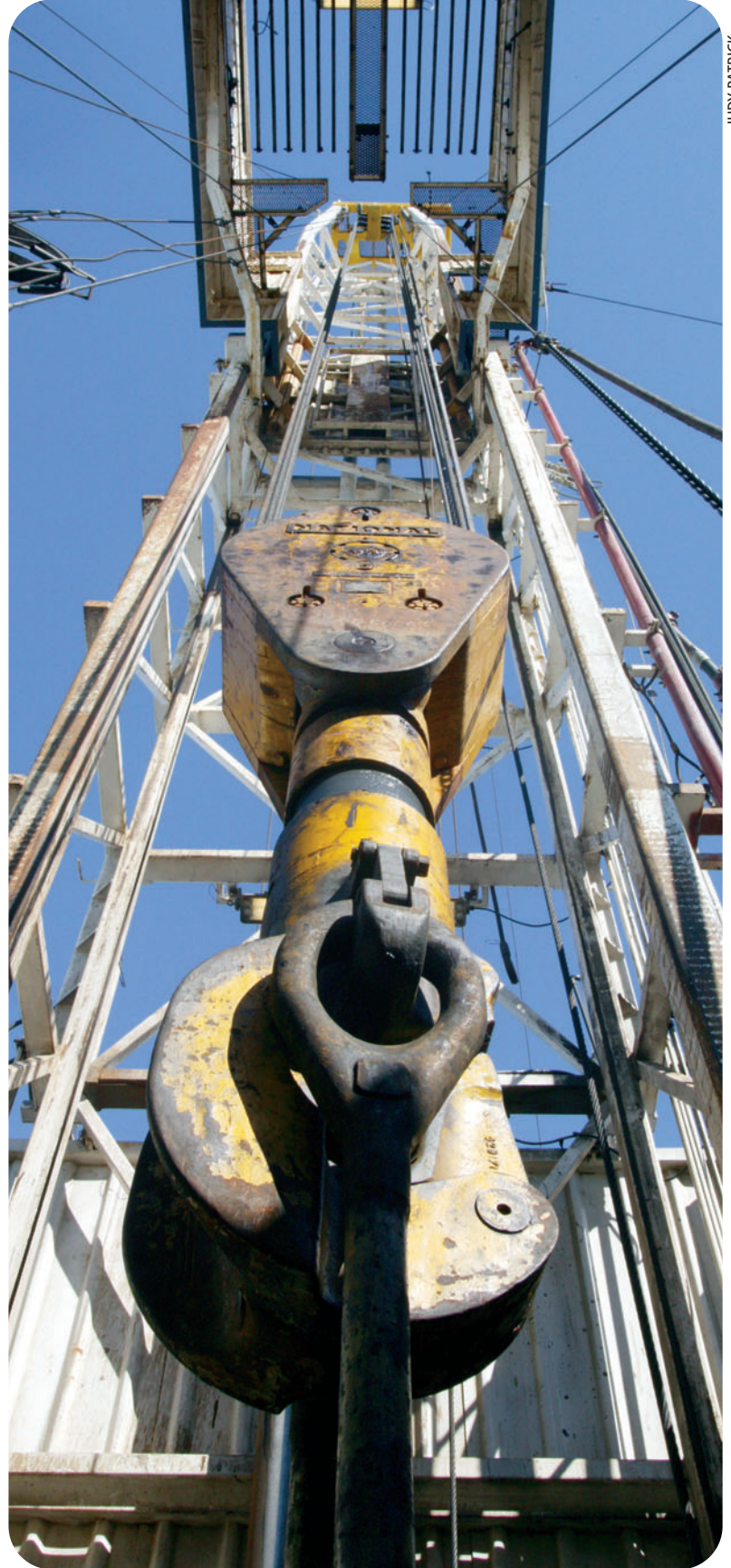
Canadian Beaufort Sea

SDC Drilling Inc.			
SDC Mobile Offshore Drilling Unit Rig #2		Set down at Roland Bay	Available

The Alaska-Mackenzie Rig Report as of April 2, 2025.
Active drilling companies only listed.

TD = rigs equipped with top drive units WO = workover operations
CT = coiled tubing operation SCR = electric rig

This rig report was prepared by Marti Reeve



JUDY PATRICK

Baker Hughes North America rotary rig counts*

	March 28	March 21	Year Ago
United States	592	593	621
Canada	163	180	151
Gulf of Mexico	12	12	18

Highest/Lowest

US/Highest	4530	December 1981
US/Lowest	244	August 2020

*Issued by Baker Hughes since 1944

The Alaska-Mackenzie Rig Report
is sponsored by:



● EXPLORATION & PRODUCTION

Baker Hughes US rig count down 1 at 592

By **KRISTEN NELSON**
Petroleum News

The Baker Hughes' U.S. rotary drilling rig count was 592 on March 28, down by one from the previous week, down by 29 from 621 a year ago and

unchanged from two weeks ago. Over the last eight weeks the rig count was up in five weeks, down in two and unchanged in one with a combined gain of 12 against a loss of two.

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 March 28 count includes 484 rigs targeting oil, down by two from the previous week and down 22 from 506 a year ago, with 103 rigs targeting natural gas, up by one from the previous week and down nine from 112 a year ago, and five miscellaneous rigs, unchanged from the

Baker Hughes shows Alaska with 10 rotary rigs active March 28, unchanged from the previous week and down by four from a year ago when the state's count was 14.

previous week and up by two from a year ago.

Fifty of the rigs reported March 28 were drilling directional wells, 529 were drilling horizontal wells and 13 were drilling vertical wells.

Alaska rig count unchanged

Ohio (10) was up by one rig from the previous week.

New Mexico (101) and Pennsylvania (14) were each down by a single rig.

Rig counts in other states were unchanged from the previous week: Alaska (10), California (8), Colorado (8), Louisiana (30), North Dakota (32), Oklahoma (53), Texas (280), Utah (12), West Virginia (11) and Wyoming (21).

Baker Hughes shows Alaska with 10 rotary rigs active March 28, 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 297 and down by 19 from 316 a year ago. ●

Contact Kristen Nelson
at knelson@petroleumnews.com

NEI FLUID TECHNOLOGY

Phone:
907.561.4820
Fax:
907.562.2316
Email:
krussell@neifluid.net

Suppliers of:

- Petrochemical refueling & testing equipment
- Meters and valve systems for oil & gas industry
- Portable measurement for petroleum, chemicals and bulk liquids
- Refrigerant recovery/recycling equipment



A HIGHER LEVEL OF RELIABILITY®

Acuren provides state-of-the-art NDT, inspection, engineering and rope access enabled industrial services. We strive to exceed our customers' expectations while maintaining the highest industry standards, providing safe working environments, and minimizing our impact on the environment.



www.acuren.com | info@acuren.com  **BEYOND INSPECTION**

Petroleum news

www.PetroleumNews.com

Kay Cashman	PUBLISHER & FOUNDER
Mary Mack	CEO & GENERAL MANAGER
Kristen Nelson	EDITOR-IN-CHIEF
Susan Crane	ADVERTISING DIRECTOR
Heather Yates	BOOKKEEPER
Marti Reeve	SPECIAL PUBLICATIONS DIRECTOR
Steven Merritt	PRODUCTION DIRECTOR
Alan Bailey	CONTRIBUTING WRITER
Eric Lidji	CONTRIBUTING WRITER
Gary Park	CONTRIBUTING WRITER (CANADA)
Steve Sutherlin	CONTRIBUTING WRITER
Judy Patrick Photography	CONTRACT PHOTOGRAPHER
Forrest Crane	CONTRACT PHOTOGRAPHER
Renee Garbutt	CIRCULATION MANAGER

ADDRESS
P.O. Box 231647
Anchorage, AK 99523-1647

NEWS
907.522.9469
publisher@petroleumnews.com

CIRCULATION
281.978.2771
circulation@petroleumnews.com

ADVERTISING
Susan Crane • 907-250-9769
scrane@petroleumnews.com

Petroleum News and its supplement, Petroleum Directory, are owned by Petroleum Newspapers of Alaska LLC. The newspaper is published weekly. Several of the individuals listed above work for independent companies that contract services to Petroleum Newspapers of Alaska LLC or are freelance writers.



OWNER: Petroleum Newspapers of Alaska LLC (PNA)
Petroleum News (ISSN 1544-3612) • Vol. 30, No. 14 • Week of April 6, 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.

Bombay Deluxe

The Spice of Life...

Serving the finest Indian Cuisine in Alaska



Traditional chicken, lamb, seafood dishes
& Indian naan bread cooked in our
Tandoor (clay oven).

Vegetarian Specialties
Delicious Appetizers — Samosas, Pakoras

SOUTH ANCHORAGE
1120 Huffman Road, Suite 5
Open seven days a week: 3-9 p.m.

907-644-4521

www.BombayDeluxe.com

MIDTOWN ANCHORAGE
555 W. Northern Lights (Valhalla Center)
Monday through Friday: 11 a.m.-9 p.m.
Saturday & Sunday: 12-9

907-277-1200

Order on-line for pick-up or delivery at www.FoodOnTheWay.com

Airgas
an Air Liquide company

Gases, Welding & Safety
Serving Alaska for over 50 years



Visit your local store today

Anchorage • Fairbanks • Homer • Kenai • Wasilla

907.562.2080 | Airgas.com

continued from page 2

ANS OUTPUT

but down 7.5% from a February 2024 average of 6,243 bpd. Endicott crude averaged 5,359 bpd in February, 92.79% of the field's total, up 126 bpd, 2.4%, from a January average of 5,233 bpd but down 2.4% from a February 2024 average of 5,461 bpd. Endicott NGLs averaged 416 bpd in February, 7.21% of the field's total, down 101 bpd, 19.49%, from a January average of 517 bpd and down 46.79% from a February 2024 average of 782 bpd, when NGLs were 12.52% of the field's total volume.

Mustang Holding's Southern Miluveach averaged 12 bpd in February — based on one day of production in the month — up 8 bpd, 200%, from a January average of 4 bpd, also one day of production in the month. The field was not in production in 2024.

Month-over-month decreases

The largest month-over-month decrease was at ConocoPhillips Greater Mooses Tooth in the National Petroleum Reserve-Alaska, which averaged 17,948 bpd in February, down 1,698 bpd, 8.64%, from a January average of 19,647 bpd and down 7.9% from a February 2024 average of 19,488 bpd. The field produces from two oil pools, Lookout and Rendezvous, with Rendezvous the most productive, accounting for 93.85% of production in February.

Hilcorp Alaska's Milne Point averaged 47,143 bpd in February, down 1,302 bpd, 2.69%, from a January average of 48,445 bpd but up 11.23% from a February 2024 average of 42,382 bpd. Milne Point produces primarily from the Schrader Bluff and Kuparuk oil pools, with minor Sag River and Ugnu volumes.

Hilcorp North Slope-operated Prudhoe Bay averaged 263,469 bpd in February, down 1,111 bpd, 0.42%, from a January average of 264,580 bpd and down 3.87% from a February 2024 average of 274,089 bpd. Prudhoe crude averaged 211,101 bpd in February, 80.12% of the total, down 605 bpd, 0.29%, from a January average of

211,706 bpd and down 3.56% from a February 2024 average of 281,898 bpd. Prudhoe NGLs averaged 52,368 bpd in February, 19.88% of the total, down 506 bpd, 0.96%, from a January average of 52,874 bpd and down 5.12% from a February 2024 average of 55,192 bpd.

In addition to the primary reservoir, production volumes from Prudhoe include Aurora, Borealis, Lisburne, Midnight Sun, Niakuk, Polaris, Point McIntyre, Put River, Raven and Schrader Bluff.

ConocoPhillips Alaska holds 36.5% of the working interest ownership at Prudhoe; ExxonMobil Alaska Production holds 36.4%; operator Hilcorp North Slope holds 27.1%.

Savant Alaska's Badami averaged 1,483 bpd in February, down 859 bpd, 36.67%, from a January average of 2,342 bpd but up 72.34% from a February 2024 average of 861 bpd. Savant is a Glacier Oil and Gas company.

Hilcorp-operated Point Thomson averaged 4,169 bpd in February, down 130 bpd, 3.02%, from a January average of 4,299 bpd. The field was not in production last February following pipeline issues.

Operator Hilcorp holds 36.148% of Point Thomson, with ExxonMobil Alaska Production the majority working interest owner at 61.637% and other owners collectively holding 2.215%.

ConocoPhillips' Colville River averaged 34,648 bpd in February, down 751 bpd, 2.12%, from a January average of 35,399 bpd and down 3.62% from a February 2024 average of 35,951 bpd.

In addition to oil from the main Alpine pool, Colville includes production from the Nanuq and Qannik oil pools.

Hilcorp Alaska's Oooguruk averaged 6,166 bpd in February, down 54 bpd, 0.87%, from a January average of 6,220 bpd but up 19.48% from a February 2024 average of 6,161 bpd.

Cook Inlet crude up 5%

Cook Inlet crude oil averaged 7,781 bpd in February, up 374 bpd, 5.05%, from a January average of 7,407 bpd but down 12.19% from a February 2024 average of 8,861 bpd. The majority of Cook Inlet production,

99.14%, is crude, with 0.86% from NGLs, all from the Swanson River unit.

The largest month-over-month increase was at Cook Inlet Energy's West McArthur River, which averaged 996 bpd in February, up 238 bpd, 31.42%, from a January average of 758 bpd and up 13.87% from a February 2024 average of 874 bpd. CIE is a Glacier Oil and Gas company.

Hilcorp Alaska's McArthur River averaged 2,049 bpd in February, up 154 bpd, 8.14%, from a January average of 1,895 bpd but down 18.25% from a February 2024 average of 2,507 bpd.

CIE's Redoubt Shoal averaged 635 bpd in February, up 137 bpd, 27.4%, from a January average of 499 bpd, but down 4.07% from a February 2024 average of 662 bpd.

Hilcorp's Swanson River averaged 756 bpd in February (689 bpd crude, 67 bpd NGLs), up 55 bpd, 7.87%, from a January average of 700 bpd but down 4.18% from a February 2024 average of 789 bpd.

The largest month-over-month decline was at Hilcorp's Granite Point, which averaged 1,857 bpd in February, down 85 bpd, 4.37%, from a January average of 1,942 bpd and down 13.21% from a February 2024 average of 2,140 bpd.

Hilcorp's Trading Bay averaged 804 bpd in February, down 77 bpd, 8.78%, from a January average of 882 bpd and down 11.67% from a February 2024 average of 911 bpd.

BlueCrest's Hansen averaged 525 bpd in February, down 35 bpd, 6.22%, from a January average of 559 bpd and down 23.92% from a February 2024 average of 689 bpd.

Hilcorp's Beaver Creek averaged 159 bpd in February, down 13 bpd, 7.67%, from a January average of 173 bpd and down 44.86% from a February 2024 average of 289 bpd.

ANS crude oil production peaked in 1988 at 2.1 million bpd; Cook Inlet crude oil production peaked in 1970 at more than 227,000 bpd. ●

Contact Kristen Nelson
at knelson@petroleumnews.com

continued from page 2

INLET GAS

Hilcorp's Ninilchik averaged 26,305 mcf per day in February, 13.66% of the total, up 1,511 mcf per day, 6.09%, from a January average of 24,794 mcf per day but down 32.09% from a February 2024 average of 38,736 mcf per day.

Hilcorp's Kenai field averaged 19,997 mcf per day in February, 10.38% of the total, up 1,614 mcf per day, 8.78%, from a January average of 18,383 mcf per day and up 4.77% from a February 2024 average of 19,087 mcf per day.

Furie's Kitchen Lights averaged 14,513 mcf per day in February, 7.54% of the total, up 937 mcf per day, 6.9%, and up 18.65% from a February 2024 average of 12,232 mcf per day. Furie brought a sidetrack, KLU A-1A, online in mid-December, accounting for 23.19% of the field's February production.

Hilcorp's Swanson River averaged 10,654 mcf per day in February, 5.53% of inlet production, up 913 mcf per day, 9.37%, from a January average of 9,742 mcf per day and up 64.12% from a February 2024 average of 6,492 mcf per day.

Hilcorp's McArthur River averaged 10,531 mcf per day in February, 5.47% of inlet production, down 577 mcf per day, 5.19%, from a January average of 11,108 mcf per day and down 17.4% from a February 2024 average of 12,749 mcf per day.

Fifteen smaller fields account for the remaining 12.69% of inlet production in February.

Hilcorp's Beaver Creek averaged 5,375 mcf per day in February, down 192 mcf per day, 3.45%, from a January average of 5,567 mcf per day and down 45.28% from a February 2024 average of 9,823 mcf per day.

Hilcorp's Granite Point averaged

2,779 mcf per day in February, down 72 mcf per day, 2.53%, from a January average of 2,851 mcf per day and down 9.96% from a February 2024 average of 3,086 mcf per day.

Hilcorp's Deep Creek averaged 2,629 mcf per day in February, down 55 mcf per day, 2.04%, from a January average of 2,684 mcf per day and down 22.71% from a February 2024 average of 3,402 mcf per day.

Hilcorp's Cannery Loop averaged 2,593 mcf per day in February, down 2,185 mcf per day, 45.72%, from a January average of 4,778 mcf per day and down 49.85% from a February 2024 average of 5,172 mcf per day.

Hilcorp's Lewis River averaged 2,265 mcf per day in February, down 8 mcf per day, 0.35%, from a January average of 2,273 mcf per day but up 35.04% from a February 2024 average of 1,677 mcf per day.

AIX's Kenai Loop averaged 1,844 mcf per day in February, up 263 mcf per day, 16.61%, from a January average of 1,581 mcf per day but down 14.49% from a February 2024 average of 2,156 mcf per day.

Vision Operating's North Fork averaged 1,704 mcf per day in February, down 10 mcf per day, 0.58%, from a January average of 1,714 mcf per day and down 14.55% from a February 2024 average of 1,995 mcf per day.

Hilcorp's Pretty Creek averaged 1,596 mcf per day in February, up 1,510 mcf per day, 1,757.58%, from a January average of 86 mcf per day. Hilcorp sidetracked the single producing well at Pretty Creek. That sidetrack came online in November and had its first full month of production in February. The field was not in production in February 2024.

Hilcorp's Ivan River averaged 1,485 mcf per day in February, up 341 mcf per day, 29.77%, from a January average of

1,144 mcf per day but down 22.67% from a February 2024 average of 1,920 mcf per day.

Hilcorp's Trading Bay averaged 752 mcf per day in February, down 3 mcf per day, 0.39%, from a January average of 755 mcf per day and down 32.29% from a February 2024 average of 1,110 mcf per day.

BlueCrest's Hansen averaged 561 mcf per day in February, down 83 mcf per day, 12.94%, from a January average of 644 mcf per day and down 43.61% from a February 2024 average of 995 mcf per day.

Amaroq's Nicolai Creek averaged 370 mcf per day in February, down 23 mcf per day, 5.79%, from a January average of 393 mcf per day but up 201.84% from a February 2024 average of 123 mcf per day.

Cook Inlet Energy's West McArthur River averaged 207 mcf per day in

February, up 2 mcf per day, 1.2%, from a January average of 204 mcf per day and up 4.9% from a February 2024 average of 197 mcf per day. CIE is a Glacier Oil and Gas company.

Hilcorp's Nikolaevsk averaged 152 mcf per day in February, down 4 mcf per day, 2.68%, from a January average of 156 mcf per day and down 6.78% from a February 2024 average of 163 mcf per day.

CIE's Redoubt Shoal averaged 134 mcf per day in February, down 1 mcf per day, 0.82%, from a January average of 136 mcf per day and down 23.58% from a February 2024 average of 176 mcf per day.

Cook Inlet natural gas production peaked in 1990 at more than 850,000 mcf per day.

—KRISTEN NELSON

Contact Kristen Nelson
at knelson@petroleumnews.com

LOUNSBURY & ASSOCIATES
Surveyors • Engineers • Planners
ESTABLISHED 1949

**PARTNERS IN QUALITY
GROWING TOGETHER**

Surveying • Engineering • GIS • Oil & Gas

experience you can use
ESTABLISHED 1949

www.lounsburyinc.com

GOVERNMENT

Sea Ice Extent, 22 Mar 2025



This year's maximum winter Arctic sea ice extent.

Maximum Arctic sea ice extent record low

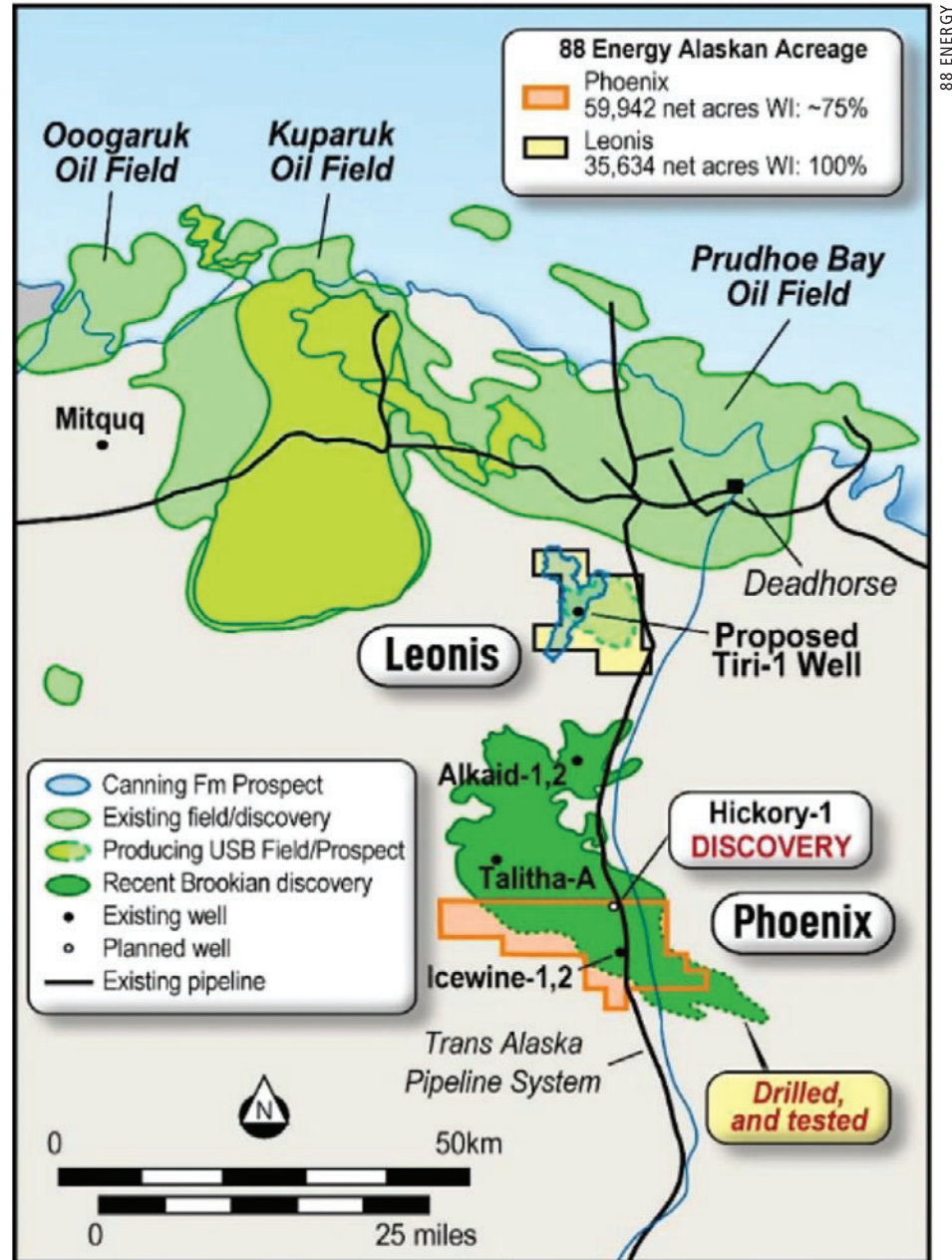
The Arctic sea ice cover has reached its maximum extent for this winter, with the lowest extent recorded since satellite recording of the ice cover began 47 years ago, the National Snow and Ice Data Center has reported. The ice cover appeared to have reached a maximum extent of 5.53 million square miles on March 22, NSIDC said.

This year's maximum fell 506,000 square miles below the 1981 to 2010 average level, NSIDC said. The previous lowest maximum extent was observed on March 7, 2017, and was 31,000 square miles greater than this year's maximum. NSIDC also commented that the date at which the winter maximum extent has happened has varied significantly over the years, being observed at dates ranging from Feb. 24 to April 2.

Low extents of seas ice persisted around most of the Arctic during the 2024 to 2025 winter season, NSIDC said. In particular, the Gulf of St. Lawrence remained virtually ice free, while Russia's Sea of Okhotsk, to the northeast of Japan, had substantially lower than average sea ice cover. Bering Sea ice cover was low for much of the winter, but ice formation between late February and late March resulted in a late winter ice extent closer to average. Only the East Greenland Sea experienced a near average ice cover for most of the season.

NSIDC attributes this year's low ice extent to Arctic winter temperatures around 2 F to 4 F above average.

—ALAN BAILEY



EXPLORERS PREVIEW

Key milestone for 88E's Project Phoenix

88 Energy advances Leonis with completion of independent certified resource estimate paving way for farm-out process

By KAY CASHMAN

Petroleum News

Throughout 2024, Australia-based 88 Energy Limited's efforts centered on advancing key projects, optimizing its portfolio and positioning the company to unlock future value, the company said in its 2024 annual report released March 4, 2025.

The successful flow test at the Hickory-1 well on Alaska's central North Slope marked a key moment for the company's Project Phoenix. This milestone, 88 Energy said, validated the potential of multiple primary and secondary reservoirs, confirming the presence of mobile hydrocarbons and achieving natural oil flow (no nitrogen lift) to surface, an indicator of commercial potential.

The company also monitored regional activity, including Pantheon Resources PLC's Megrez-1 extended well test targeting the Ahpun Eastern Topset reservoir. The anticipated Q1 CY25 results could provide valuable insights into the area's broader commercialization potential.

2024 also saw progress at 88 Energy's Leonis Project, where the completion of an independent certified resource estimate highlighted the potential of the Upper Schrader Bluff reservoir. This paved the way for the launch of a formal farm-out process aimed at accelerating

exploration via a planned exploration well, the Tiri-1.

In December 2024, 88 Energy was the successful bidder on four additional leases, covering approximately 10,203 acres. This acreage is west of the Dalton

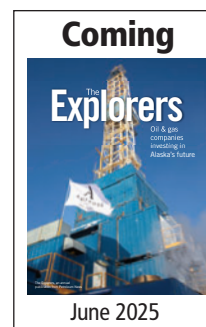
Highway south of Prudhoe. Once the leases are officially awarded by the state of Alaska, the additional acreage will grow the Leonis Project's footprint to more than 35,000 contiguous acres.

These leases were targeted based on additional prospectivity mapped within the deeper Canning formation reservoir interval, enhancing Leonis' position as a highly prospective, multi-zone opportunity, the company said.

Project Phoenix

Project Phoenix is an oil-bearing conventional reservoir play identified during the drilling and logging of Icewine-1 and Hickory-1 and adjacent offset drilling and testing. Project Phoenix is strategically located on the Dalton Highway with the Trans-Alaska Pipeline System bisecting the acreage.

88 Energy advanced discussions with Phoenix joint venture partner Burgundy Xploration LLC during the year. In February 2025, the company and Burgundy entered into binding terms for a farm-out participation agreement in relation to



NANAWorley

nanaworley.com | [in](#) [f](#)

- Engineering & Design
- Project Management
- Procurement & Logistics
- Construction Support
- Laser Scanning
- Project Support Services
- Controls, Scheduling, Estimating



THIS MONTH IN HISTORY

Exploration heads north of Barrow Arch

20 years ago this month: Shell, ConocoPhillips purchase leases north of traditional North Slope exploration plays at MMS OCS sale

By ALAN BAILEY

For Petroleum News

Does the MMS Beaufort Sea lease sale held in late March 2005 signal the beginning of a new era for the Alaska oil and gas industry?

Traditional exploration plays in northern Alaska have tended to focus on a structural high called the Barrow Arch that runs approximately along the Beaufort Sea coast. Fields like Prudhoe Bay and Endicott lie on the Arch in a rock sequence known as the Ellesmerian. Other fields like Kuparuk River and Alpine lie in another sequence known as the Beaufortian. The Ellesmerian sequence consists of strata ranging in age from Devonian to Jurassic, while the Beaufortian sequence ranges from Jurassic to early Cretaceous.

Pioneering exploration needed

Ken Boyd, an oil and gas consultant and former state Division of Oil and Gas director, told Petroleum News that someone needs to pioneer new exploration north of the Barrow Arch. Boyd thinks that offshore areas such as the Beaufort and Chukchi Seas present the best potential for major new oil finds in northern Alaska.

Shell may be looking to do exactly this type of pioneering exploration. At the March 30, 2005, MMS sale the company purchased swathes of leases along a trend stretching east from Harrison Bay to an area north of the Arctic National Wildlife Refuge. These leases lie well north of the Barrow Arch in an area where a relatively young rock sequence known as the Brookian dominates the geology.

The Brookian consists of sediments that eroded from the Brooks Range during Cretaceous and Tertiary times. The sediments spilled out over the North Slope and onto the Beaufort Sea continental shelf. North Slope fields such as Tarn, Meltwater and Tabasco have

Brookian reservoirs.

Brookian plays

Susan Banet, an MMS supervisory geologist, told Petroleum News that most of the new Shell leases appear to be on Brookian plays. The leases include the 100 million to 200 million barrel Hammerhead field and the 160 million to 300 million barrel Kuvlum Field. These fields were discovered from drilling in 1986 and 1992 and have reservoirs in Brookian fault blocks.

Shell made its biggest bid of \$12,220,173 for the block containing Hammerhead.

Shell also purchased leases on the prospective Camden anticline, a major structure in Tertiary Brookian strata north of ANWR.

There's a cluster of intriguing Shell leases at the extreme east end of the sale area. These leases appear to lie in the Brooks Range fold and thrust belt, where

the target plays are unclear and could involve several different rock sequences.

"That's a big question mark," Banet said.

ConocoPhillips picks up leases to the west

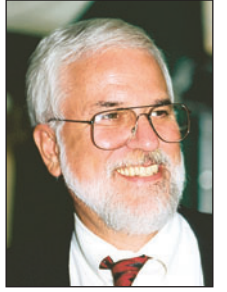
ConocoPhillips picked up some leases in what appear to be Brookian plays, at the west end of the sale area, some distance offshore northeast of Dease Inlet. These leases occur in an area where a series of hinge-line faults slice through Brookian strata. The faults mark the transition from the continental shelf to the continental slope of the Arctic Ocean.

"They would be the Brookian faulted western either topset or turbidite (play)," MMS geophysicist Peter Johnson said.

ConocoPhillips has also purchased blocks around the Brookian McCovey prospect near Beechey Point. It's not clear whether ConocoPhillips plans to explore the McCovey play but the leases are too far north for a classic Barrow Arch play.

"It would not be any of the traditional Ellesmerian — that type (of play)," Banet said. "It's too far out."

Armstrong, the other main bidder at the lease sale, picked up a substantial group of blocks in Harrison Bay. The new Armstrong leases form an extension of the company's acreage northwest of the Kuparuk River Unit. Armstrong probably wants to consolidate its exploration position, looking for the more traditional Barrow Arch plays, a state geologist told Petroleum News after the sale.



KEN BOYD

Bringing new technology offshore

Compared to the south side of the Barrow Arch the north side has not had the benefit of the newest technology. "Some 3D seismic has been shot, but the

see HISTORY page 8

continued from page 6

EXPLORERS PREVIEW

Project Phoenix. Under the agreement, Burgundy will fully fund up to US\$39 million of Project Phoenix's total gross future work program costs in exchange for up to an additional 50% working interest in Project Phoenix from 88 Energy, through its wholly owned subsidiary, Accumulate Energy Alaska Inc. This provides a clear funding avenue to advance Project Phoenix towards a final development decision via a two-phase farm-in arrangement.

- Phase 1: Burgundy to fund US\$29 million for CY25/26 work program, including drilling of a horizontal well and production testing scheduled for H1 CY26

- Phase 2: Upon Phase 1 success, Burgundy to fund up to US\$10 million

for an additional well or other CAPEX program.

Project Leonis

In June 2024, 88 Energy reported a maiden internal net mean prospective resource estimate of 381 million barrels of recoverable oil at the Upper Schrader Bluff formation in Project Leonis.

This followed a review of an extensive data suite that included 3D and 2D seismic data, well logs from Hemi Springs Unit-3 and Hailstorm-1, as well as nearby wells adjacent to the Project Leonis acreage, along with extensive petrophysical analysis and mapping.

The Upper Schrader Bluff formation is the same proven producing zone as nearby Polaris, Orion and West Sak oil fields to the northwest.

Subsequent reprocessing and interpretation of 3D seismic data identified a

high-energy Canning formation top-slope turbidite sequence, with analogues in the productive Tabasco field just 23 miles to the northwest.

Encouragingly, the Tabasco field outline bears a remarkable resemblance to the Canning at Leonis, said 88 Energy.

In January 2025, the company reported a new prospective resource for the Canning with a total estimated net mean prospective resource of 283 million barrels recoverable from the formation.

Project Leonis is now a multi-reservoir opportunity of scale with a combined internal gross mean prospective resource estimate across the Canning and Upper Schrader Bluff prospects of 798 million barrels, 88 Energy said. ●

Contact Kay Cashman
at publisher@petroleumnews.com

WE GO THE EXTRA 10,000 MILES FOR YOUR BUSINESS.

Alaska's only redundant fiber network means safer systems and better efficiency.



continued from page 1

ROAD DISPUTE

use of private improvements and facilities, including the KRU road system.”

In its March 21 notification to the Division of Oil and Gas, Santos said “as indicated in previous correspondence and filings, Santos has always been willing to enter a reasonable commercial road use agreement with ConocoPhillips. Certainty

of access is critical to progressing our next phases of development in Alaska, and it was in the interest of certainty that we executed the new road use agreement.”

Flawed decision

“With the new agreement in place and in coordination with the State of Alaska,” Santos said it will immediately file a motion to withdraw its appeal of the related lower court decision to the Alaska Supreme Court.

“We acknowledge that the State will continue to advance its appeal of the flawed decision as it seeks to promote access to and development of the State’s resources and protect the interests of all Alaskans,” Santos told the division.

Road use agreement

The recitals, or reasons in the Kuparuk River Unit Road Use and Maintenance Agreement, that explain why the contract exists are as follows:

A. The KRU working interest owners constructed, and maintain and solely own, the KRU Road System comprising the private system of roads within and for the KRU, including but not limited to crossings, bridges, and other fixtures to, through, across, and over the KRU.

B. The KRU Road System is not a public utility or public road and does not operate as such.

C. Effective March 2, 2018, the parties executed a KRU Ad Hoc Road Access and Use Agreement that granted Santos road users limited, non-exclusive use of the KRU Road System.

D. The parties now desire a new agreement for long-term access to and use of certain roads and associated structures that are part of the KRU Road System.

Except as otherwise permitted in writing by KRU operator ConocoPhillips, Santos road users now have access to the Limited KRU Road System, including that part of the road system that starts at the easternmost side of the Kuparuk River Bridge.

Under the agreement ConocoPhillips must “exercise reasonable efforts to support Santos’ access and use of roads within the Prudhoe Bay unit that KRU operator maintains, to the extent that KRU operator has influence over such access and use,” per the agreement. (Hilcorp is the current operator of Prudhoe Bay.)

ConocoPhillips must also make sure that the Santos users have access to the Kuparuk River Bridge, to the Nanushuk Road (Spine Road), the Y to Oliktok Point, the Oliktok Point Road to Mine Site E,

“Certainty of access is critical to progressing our next phases of development in Alaska, and it was in the interest of certainty that we executed the new road use agreement.” -Santos

Spine Road to Mine Site F, Nanushuk Road to 2P pad (OS-2P), Oliktok Point Road to Nuna pad (DS-3T).

Terminations, disputes

KRU operator ConocoPhillips may terminate the road use agreement by notice to Santos if Santos remains in payment default for 90 days following receipt of notice of default, or upon cessation of KRU operations.

The KRU operator will provide written notice of cessation of KRU operations to Santos “as soon as reasonably possible and no later than 180 days prior to the beginning of the year in which KRU operator intends to cease KRU operations.”

Upon termination of the agreement the KRU operator, Santos and Santos road users “shall have no rights of access to or use of the Limited KRU Road System. All payment and indemnity obligations accrued as of the date of termination shall survive termination.”

Santos may terminate the KRU road use agreement for any reason upon 30 days’ notice to KRU operator ConocoPhillips.

Any dispute under the agreement may be brought only in state or federal court in Anchorage, Alaska. Each party waives, to the fullest extent permitted by applicable laws, any right it may have to a trial by jury in respect of any claims or disputes in connection with, related to, or arising from the agreement.

The road use agreement was executed by Bruce Romberg of ConocoPhillips and Bruce Dingenman of Santos. ●

Contact Kay Cashman
at publisher@petroleumnews.com

continued from page 1

INSIDER

And Wednesday, Aug. 27 through Thursday, Aug. 28 for the actual conference.

The location is the Dena’ina Civic & Convention Center in Anchorage.

Sponsorship opportunities or hosting a booth in the exhibit hall are available on the conference’s website.

Note: Whether a new or a returning exhibitor, this premier oil and gas industry event always sells out, with 500 in attendance in a typical year.

Exhibitor load in and booth set up is Wednesday, Aug. 27, from 7:30 a.m. to 10:30 a.m.

The exhibit hall is open Wednesday, Aug. 27 (reception begins in foyer at 4:45 p.m.) and Thursday, Aug. 28, from 8 a.m. to 3 p.m.

Booth options: In appreciation of their support, conference sponsors will receive a discount of \$250 per booth space. To learn about sponsorship and combination opportunities, check out the registration website above.

There are a limited number of booth

spaces available.

Early bird premium exhibit booth costs \$2,250 (normal rate is \$2,500).

The opportunity to select premium booth space is first come, first served:

•One 10-foot by 10-foot booth space gives you two complimentary conference registrations (up to \$1,000 value) and recognition on the conference app. Up to two meals for booth attendants (in addition to those attending full conference).

All booth attendants are invited to enjoy conference breaks and refreshments.

The Alaska Oil and Gas Association is a nonprofit, professional trade association whose mission is to foster the long-term viability of the oil and gas industry for the benefit of all Alaskans.

AOGA members represent the majority of companies that are exploring, developing, producing, refining, or marketing oil and gas on the North Slope, in the Cook Inlet, and in the offshore areas of Alaska.

Questions?

Email reilly@aoga.org

—Oil Patch Insider
is compiled by Kay Cashman



UNCONVENTIONAL RESOURCES TECHNOLOGY CONFERENCE

URTeC

Opening Plenary Session:

Shaping the Future: Leveraging Technology Innovation and
Championing Sustainable Development in Unconventional Resources



Thaimar Ramirez
President and General
Manager, Midland Basin
Business Unit, OXY



George Koperna
Chief Executive Officer
Advanced Resources
International (ARI)



Leen Weijers
Senior Vice President of
Engineering, Liberty Energy



Oscar Bustos
Senior Vice President
Unconventionals
ADNOC

FUELED
BY



URTeC.org

9-11 JUNE

2025

HOUSTON

**REGISTRATION
NOW OPEN!**
SAVE \$125 BY 9 MAY 2025

continued from page 7

HISTORY

offshore begs to have more — and more modern — data. New technology doesn’t make better rocks but it will certainly help sort out the complexities in this underexplored part of Alaska. Having an experienced explorer like Shell at the helm doesn’t hurt either,” Boyd said.

Risks and rewards

With promising geology but very sparse well data, exploring north of the

Barrow Arch involves significant risk but major potential. Problems in BP’s Badami field illustrate the technical risks — Badami’s reservoir is in a Brookian stratigraphic trap. However, several fields in the Brookian have proved successful.

“These Brookian reservoirs work in some places like Tam and Meltwater but they don’t work everywhere,” Boyd said.

It’s all a voyage into the unknown.

“The offshore is as unknown as the onshore 20 years ago,” Boyd said. ●

Contact Alan Bailey
at abailey@petroleumnews.com

A special offer from Petroleum News!

Spring into Action!

Get 5% off your new
subscription or renewal
in April. Take advantage
of this sunny deal!

CONTACT

Renee Garbutt | 281-978-2771
rgarbutt@petroleumnews.com

(Discount not available online, special
offer ends May 1)



continued from page 1

GLENFARNE DEAL

Glenfarne will pay the state's share of remaining work through to a final investment decision but wanted a backstop for the up to \$50 million estimated to get to final investment decision on the phase one pipeline — covering Glenfarne's costs if it determines not to go ahead with a final investment decision.

The Alaska Industrial Development and Export Authority board agreed to provide that backstop. Initially the \$50 million was included in the budget, but when this drew objections, AIDEA Executive Director Randy Ruaro told legislators the agency determined it could issue a corporate guarantee whereby funds to meet the up to \$50 million were held within the agency backed by its own assets, eliminating the need for the \$50 appropriation.

Pipeline first

The plan is to phase the project, starting with the pipeline — but only from the North Slope to a connecting point with Enstar's natural gas pipeline system on the west side of Cook Inlet.

"In light of steadily declining gas production from Cook Inlet, which has historically been Alaska's primary in-state natural gas basin, phase one of the project will kick off immediately, prioritizing the development and final investment decision of the pipeline infrastructure needed to deliver North Slope gas to Alaskans as rapidly as possible," the companies said.

Following a successful final investment decision, the state retains a 25% stake in 8 Star Alaska and can invest up to 25% in any of the three 8 Star Alaska sub-projects — the conditioning plant, the pipeline and the

LNG facility.

In the March 27 statement on the agreement, Alaska Gov. Mike Dunleavy called it "a historic day" noting the Prudhoe Bay oil was discovered some 57 years ago "and since then Alaskans have never given up on finding a way to also benefit from our North Slope natural gas." To date, he said, the state "has made a significant investment to develop Alaska LNG to the point where we can engage Glenfarne, a well-qualified industry header, to bring this great project to the finish line."

AGDC President Frank Richards praised the work of the team at AGDC over the last 11 years and said he looked "forward to working with Glenfarne as they lead Alaska LNG forward."

Glenfarne

"Glenfarne's financial, project management, and commercial expertise is well matched to lead this vital project forward," Brendan Duval, Glenfarne chief executive officer and founder, said in the March 27 statement. "Alaska LNG will provide desperately needed energy security and natural gas cost savings for Alaskans and give Glenfarne unmatched flexibility to simultaneously serve LNG markets in both Asia and Europe through our three LNG projects. Glenfarne strongly believes in the benefit of partnering with the communities where we work, and we are already building our Alaska team to bring Alaska LNG to life."

Glenfarne's other LNG projects are in the Lower 48. Neither is in production. Texas LNG, which recently announced its capacity is fully sold out with a final



MIKE DUNLEAVY

investment decision expected later this year. Magnolia LNG, a late-stage LNG export project in Lake Charles, Louisiana, is owned by a Glenfarne affiliate which is the largest importer of LNG into Colombia.



FRANK RICHARDS

AGDC

In a March 27 update to the AGDC board, Richards noted that Taiwan's state-owned energy company, CPC Corp., signed a non-binding letter of intent March 20, expressing an interest in an offtake of 6 million tonnes per annum for 20 years and the potential of an equity investment.

Bills have been introduced in the Legislature requiring a direct spur line to Fairbanks and establishing the Alaska Gasline Finance Corp. which would offer shares to the public and have primary responsibility for financing a natural gas pipeline in the state. Richards said the finance corporation proposal, Senate Bill 125, directly conflicts with AGDC's statutory power and duties.

On the Fairbanks spur line bills, House Bill 199 and SB 114, Richards said AGDC designed and permitted a Fairbanks spur under ASAP, and said AGDC has a preliminary agreement with a qualified Fairbanks company to fund, construct and operate a Fairbanks spur line. That company has requested confidentiality, but AGDC will share completed permit and design work for ASAP with that entity, minimizing cost and schedule. That line would start up simultaneously with the main line, he said. ●

Contact Kristen Nelson
at knelson@petroleumnews.com

Petroleum NEWS

Oil Patch Bits



EXP delivers solutions for Bombardier's aircraft assembly center

As reported by EXP News March 31, EXP has contributed project management services to various components of the design and development of Bombardier's new Global Aircraft Assembly Centre at Toronto Pearson International Airport. The project is a milestone for the Canadian aerospace industry, as it will produce the most advanced and efficient business jets in the world.

The construction of the global manufacturing plant was the main focus of the project and had a construction cost of about CAD \$525 million. Bombardier's new plant design will optimize the final assembly operations for all global business jets through the use of state-of-the-art technology, such as automated positioning systems that are guided by laser-measuring technology.

EXP's infrastructure construction team and designers completed the early works which included storm water management studies, design and contract administration including

underground temporary ponds, site grading, offsite servicing including water, wastewater, airside connections at Pearson Airport to Region of Peel trunk sewer, traffic impact and signal timing modeling and transportation to accommodate 2,500 employees for both City of Mississauga and the Region of Peel, soil management and earthworks, in which design, geotechnical and contract management services were provided during construction. The team also completed the facility concept design and detailed design, contract administration and change management during the project duration.

The collaboration between the client and partners was a crucial aspect of this project. EXP's Senior Director of Construction Dudistir Gookul said, "Working with the talented team from Bombardier over the past years has been very beneficial, their experience in project management and process controls made for great team support. We're proud to have worked on this major project."

For more information visit www.exp.com/news.

Companies involved in Alaska's oil and gas industry

ADVERTISER	PAGE AD APPEARS	ADVERTISER	PAGE AD APPEARS	ADVERTISER	PAGE AD APPEARS
A			N-P		
ABR, Inc.		CONAM Construction		Nabors Alaska Drilling	
Acuren	4	Construction Machinery Industrial (CMI)	12	NANA Worley	6
AES Electric Supply, Inc.		Cook Inlet Tug & Barge		Nature Conservancy, The	
Airgas, an Air Liquide Company	4	Cruz Construction		NEI Fluid Technology	4
Airport Equipment Rentals		Doyon Associated		Nordic Calista	10
Alaska Air Cargo		Doyon Drilling, Inc.		NORTECH	
Alaska Dreams		Doyon, Limited		Northern Solutions	
Alaska Frontier Constructors (AFC)		EXP Energy Services		NSTI (North Slope Telecom Inc.)	
Alaska Fuel Services	2	F. R. Bell & Associates, Inc.		Owl Ridge Natural Resource Consultants	
Alaska Marine Lines		Flowline Alaska		Petroleum Equipment & Services, Inc.	
Alaska Materials		Frost Engineering, a division of PumpTech LLC		PND Engineers, Inc.	
Alaska Railroad		G-M			
Alaska Steel Co.		GCI	7	PRA (Petrotechnical Resources of Alaska)	
Alaska Textiles		GeoLog		Price Gregory International	11
Alaska West Express		Greer Tank & Welding	11	Q-Z	
Arctic Controls		Guess & Rudd, PC		Republic Services (formerly US Ecology)	10
Armstrong	3,10	Inspirations		Resource Development Council	
ASRC Energy		Judy Patrick Photography		Sheet Metal Inc.	
ASTAC (Arctic Slope Telephone Assn. Coop, Inc)		Lennon Crane		Strategic Action Associates	
B-F				Tanks-A-Lot	
Bombay Deluxe Restaurant	4	Little Red Services, Inc. (LRS)		TOTE Maritime Alaska	
Brooks Range Supply		Lounsbury & Associates	5	Udelhoven Oilfield System Services Inc.	
Calista Corp.		Lynden Air Cargo		Western Pacific Crane & Equipment	
Coffman Engineers		Lynden Inc.			
Colville Inc.		Lynden Logistics			
Computing Alternatives		Lynden Oilfield Services			
		Lynden Transport			
		Matson			

All of the companies listed above advertise on a regular basis with Petroleum News

continued from page 1

OIL PRICES

Trump told reporters at the press conference that the tariffs being announced that day did not apply to Canada and Mexico, without specifying any special treatment for U.S. energy imports.

As Petroleum News went to press, the prices of WTI and Brent were reversing some earlier April 3 Asia trade losses, but the benchmarks were still in the red.

ANS came into April 2 at an elevated price, jumping earlier in the week after Trump threatened Russia with an expansion of oil sanctions as Russia balked in the peace process for its war on Ukraine. Trump also notified Iran that the United States would take military action against Iran if it didn't come to the table to negotiate an agreement on nuclear weapons.

ANS fell 52 cents April 1 to close at \$76.81, as WTI shed 28 cents to close at \$71.20 and Brent shed 25 cents to close at \$74.49.

March 31 gains were robust, as the escalated risk premium drove ANS \$2.15 higher to close at \$77.33, while WTI jumped \$2.12 to close at \$71.48 and Brent gained \$1.11 to close at \$74.74.

The risk premium supported prices, even on April 2 after the U.S. Energy Information Administration reported a massive build in commercial crude inventories in its Weekly Petroleum Status Report.

U.S. inventories for the week ended March 28 — excluding the Strategic Petroleum Reserve — increased by 6.2 million barrels from the previous week to 439.8 million barrels, 4% below the five-year average for the time of year, the EIA said.

Total motor gasoline inventories fell by 1.6 million barrels for the period to 237.6

million barrels — 2% above the five-year average for the time of year, the EIA said. Distillate fuel inventories increased by 0.3 million barrels to 114.6 million barrels — 6% below the five-year average for the season.

On March 28, ANS fell 77 cents to close at \$75.18, while WTI fell 56 cents to close at \$69.36 and Brent fell 40 cents to close at \$73.63.

ANS added 23 cents to close at \$75.75 March 27, as WTI added 27 cents to close at \$69.92 and Brent added 24 cents to close at \$74.03.

From Wednesday to Wednesday, ANS gained 54 cents from its March 26 close of \$75.72, to \$76.26 April 4.

Oil prices may pull back, but then rise

Oil prices may pull back beginning April 2 as some investors bet that tariffs will hurt the economy and hit energy demand, according to Stephen Innes, managing partner at SPI Asset Management.

Much of the recent crude rally “hasn’t been driven by booming fundamentals,” Innes told MarketWatch for a March 31 report.

For now, “it’s geopolitical noise pricing

in worst-case outcomes,” however the supply-side narrative offers some justification for strength in prices, he said.

“Venezuela’s in the crosshairs this week, and while their barrels don’t swing global supply, the headline risk is enough to keep hedgers busy and (commodity trading advisors) twitchy. The real question is: Who’s next?” said Innes. “If that crude disappears, either by sanctions bite or back-channel reroutes, it only tightens an already edgy market.”

“Stack Venezuela pressure on top of Iran’s restrictions and Canada’s headaches, and it’s a classic supply squeeze without needing a demand boom to ignite the rally,” he said.

The Organization of the Petroleum Exporting Countries and its allies may step in, but “let’s not pretend they’ll open the spigots without a serious price incentive,” Innes said.

Oil traders shouldn’t look to U.S. shale to fill the gap, Innes said. Exploration and production companies are “laser-focused on capital returns, not crude patriotism.” ●

Contact Steve Sutherlin
at ssutherlin@petroleumnews.com

SOLUTIONS FOR
ALASKA'S
ENERGY NEEDS

RIG-37

EXPLORATION DRILLING
CONFIGURABLE DESIGN
EFFICIENT RIG UP
SNOW ROAD CAPABLE

DESIGNED FOR THE LONG HAUL

NORDIC CALISTA

Providing Alaska Sustainable Solutions

As a leader with more than 70 years in environmental services, we're committed to offering the most complete set of Environmental Solutions to our customers.

ANCHORAGE | FAIRBANKS | MOOSE CREEK
KENAI | PRUDHOE BAY | PALMER

RepublicServices.com/ES
833.246.3367

REPUBLIC SERVICES

A

ARMSTRONG

Oil & Gas, Inc.

continued from page 1

RIG AGREEMENT

said, and Furie has committed to a drilling program which will cost \$40 million in 2025.

“We are an Alaskan owned company, and we are executing on our commitments. Drilling will allow new gas to be online for the Railbelt in advance of the 2025/2026 winter. Together with Hilcorp, we are demonstrating that Alaskans working together can develop more critically needed energy from the Cook Inlet basin,” he said.

Furie said it was working with local companies on the current drilling program, including Fairweather LLC, Cook Inlet Tug & Marge, Maritime Helicopters, CISPRI, Pollard Wireline Services, Petrotechnical Resources of Alaska and Weaver Brothers.

Recent work

Furie used the Spartan 151 last year to drill the

Kitchen Lights unit A-1A sidetrack. That well, drilled in October, came online in mid-December. Furie told the Alaska Oil and Gas Conservation Commission in a February application that one Beluga formation perforation was added after drilling the KLU A-1A and two additional perforations of that formation were planned for March, an application the commission approved.

Kitchen Lights averaged 14,513 thousand cubic feet per day in February, the most recent month for which AOGCC data are available, up 18.65% from February 2024.

Kitchen Lights produces from the Julius R platform and production has been limited because the platform had only six surface well slots. Work the company completed recently doubled the number of surface well slots to 12, Hendrix told Petroleum News in March. He said at that time that the possibility of operating more wells from the platform gives Furie greater confidence in signing long-term gas supply contracts, as it provides the potential for

backup wells in support of its gas production.

Hilcorp

Hilcorp purchased the Spartan 151 in May 2024 with the intention of assuring that the jack-up remained in Alaska. The Spartan 151 is a 150 H class independent leg, cantilevered jack-up capable of drilling up to 25,000 feet and operating in water up to 151 feet deep. Hilcorp Jack-Up Rig Company LLC is a wholly owned subsidiary of Hilcorp.

In February, Furie provided 7.54% of inlet natural gas, while Hilcorp — excluding Chugach Electric Association’s majority share in the Beluga River field — accounted for 73.98% of inlet natural gas. Because Hilcorp is the Beluga operator, it is responsible for producing 89.96% of inlet natural gas.

—KRISTEN NELSON

Contact Kristen Nelson
at knelson@petroleumnews.com

continued from page 1

PRETTY CREEK PAD

wells north of the existing Pretty Creek Pad,” necessitating a new road and pad. Sterling and Beluga are the main objections with Tyonek a possible secondary objection and bottomhole locations potentially “outside of the existing unit boundary.”

In its March 10 unit plan of operations application to the Alaska Department of Natural Resources’ Division of Oil and Gas Hilcorp is requesting authorization to build the Diamond Pad at Pretty Creek.

Pretty Creek, on the west side of Cook Inlet, is between the Beluga River and Ivan River units.

A map accompanying the application shows the proposed Diamond Pad in the northern part of the unit, northeast of the existing Pretty Creek Pad.

The division’s March 28 public notice on the application requests comments by a deadline of 4 p.m. April 28.

Pad and road

The application includes a new gravel pad, road, pipeline, pig launching pad and operational facilities with vegetation clearing and grubbing proposed for April; pad and road installation in May; pipeline and operational facilities installation June through August; installation of cellars and conductors, mobilization of drilling equipment and the beginning of drilling in

September; and drilling of up to five wells completed by the end of the year.

The Diamond Pad will be a 425-foot by 400-foot gravel pad, the road will be 832 feet long by 40 feet wide, connecting to the existing Beluga Road. There will be geofabric laid down prior to gravel placement on the road to support local hydrology.

The project will include an overburden materials berm and a 40-foot by 60-foot pig launching pad.

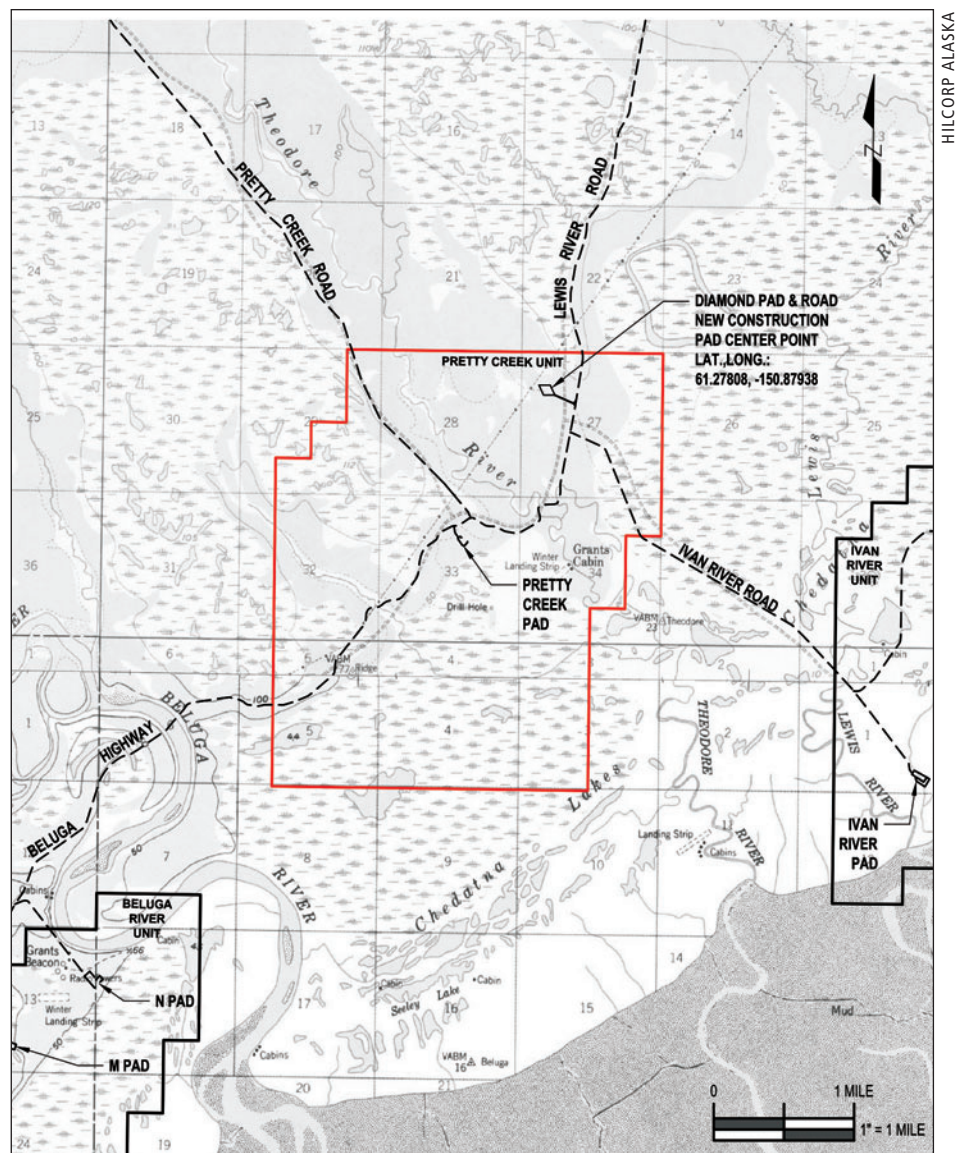
The pipeline, 1,232 feet long and 6-inches in diameter, would be buried and tied into existing infrastructure.

“The project will support existing natural gas development happening in the area,” Hilcorp said in its application.

Once the gravel pad is in place, a generator building and electrical building will be constructed on the Diamond Pad. Electrical cables will be trenched with the natural gas pipeline, providing power for outlets and lights, with transformers, switches, panels and communications devices stored in the electrical building. Equipment to be delivered to the site this summer includes an air compressor, air dryer, pad dehydration skid, compressor skids, produced water tank and communications tower. Hilcorp said materials for the project will be brought into the area from a previously permitted source on existing roads.

—KRISTEN NELSON

Contact Kristen Nelson
at knelson@petroleumnews.com




Trusted upstream coverage
To advertise
call Susan at 907.250.9769



WEIR ESCO



OPTIMIZE MACHINE PERFORMANCE WITH ESCO® AND CONSTRUCTION MACHINERY INDUSTRIAL

Ultralok® Tooth System

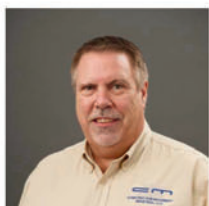
SXDP Super Extreme-Duty Plate Lip Bucket



Construction Machinery Industrial, LLC

CONTACT THE BRANCH NEAREST YOU FOR ALL YOUR EQUIPMENT NEEDS

www.cmiak.com



ANCHORAGE
Mike Miller
P: 907-563-3822
F: 907-563-1381



FAIRBANKS
Clayton Dunn
P: 907-931-8808
F: 907-931-8838

JUNEAU
P: 907-802-4242
F: 907-802-4340

KETCHIKAN
P: 907-247-2228
F: 907-247-2229