

page 4 GAO: Joint Pipeline Office needs to clarify agency roles, update ops

Vol. 30, No. 25 • www.PetroleumNews.com

A weekly oil & gas newspaper based in Anchorage, Alaska

Week of June 22, 2025 • \$2.50

Santos gets \$18.7B cash offer from ADNOC to grow global gas biz

SANTOS LIMITED, LED BY chief executive Kevin Gallagher, said on June 16 that it received a non-binding indicative proposal from a consortium led by XRG P.J.S.C., a subsidiary of Abu Dhabi National Oil Co., or ADNOC, which is looking to grow a global gas business. ADNOC, through its investment arm XRG, with Abu Dhabi Development Holding Co. and U.S.-based private-equity firm Carlyle, made the US\$18.7 billion proposal for the acquisition of all of the ordinary shares on issue in Santos. The cash offer of US\$5.76 per share, represented a 28% premium to the Australian company's close on June 13.

The Santos board confirmed that, subject to reaching agreement on acceptable terms of a binding scheme implementation agreement, or SIA, it "intends to unanimously recommend that Santos shareholders vote in favor of the potential transaction, in the absence of a superior proposal and subject to an independent expert concluding, and continuing to conclude, that the potential transaction is fair and reasonable and in the best interests of Santos shareholders."

see **INSIDER** page 7

Interior moves to reopen up to 82% of NPR-A for oil and gas leasing

On June 17, the U.S. Department of the Interior announced a new step to support American energy independence and unleash the vast resource potential of Alaska's National Petroleum Reserve.

A draft analysis released for public comment supports the selection of a new alternative from the 2020 plan that would reopen up to 82% of the 23-million-acre reserve to oil and gas leasing and development, consistent with the Trump administration's commitment to Energy Dominance and regulatory reform.

The proposal advances the Bureau of Land Management's process to update its Integrated Activity Plan in line with the 2020 framework for managing the reserve. The draft environmental assessment reflects the latest available data and supports Executive Order 14153 and Secretary's Order 3422, both of which prioritize maximizing Alaska's vast resources to strengthen America's energy and economic security, the department said.

see **NPR-A PLAN** page 5

9th Circuit affirms in part and reverses in part Willow decision

In a June 13 decision on appeal, a three-judge panel of the U.S. Court of Appeals for the 9th Circuit affirmed in part and reversed in part a federal district court's decision on ConocoPhillips Alaska's development of the Willow project. The appeal was over a 2023 Bureau of Land Management approval of the Willow project.

The appeals panel, while remanding the district court decision, did not vacate it. The panel said it did not vacate the decision because BLM's lone error was procedural.

"Vacatur was unwarranted because the procedural error was minor and the on-the-ground consequences of vacatur would be severe," the appeals panel said.

BLM said in the supplemental environmental impact statement that it was required to approve development of all economic oil and gas. But in the record of decision, it adopted an alternative which did not accord with that reasoning, eliminating an option for an additional drilling pad, thus stranding

see **WILLOW DECISION** page 6

EXPLORATION & PRODUCTION

Focus on seismic

Armstrong reprocessing 3D from many shoots across most of 325,000 acres

By **KAY CASHMAN**

Petroleum News

Operator Bill Armstrong and his partners in the Lagniappe acreage on Alaska's eastern North Slope are in the process of reprocessing all of the 3D seismic from "multiple shoots" across "most" of the 325,000-acre block, he told Petroleum News in a recent text.

"We have delayed the drilling of appraisal wells and wildcats around Sockeye until early 2027. ... Now that we have drilled a well and better understand the subsurface Apache/Armstrong/Santos have all agreed that that made the most sense," Armstrong said.

When asked about recoverable reserves, Armstrong is estimating 700 million barrels recoverable in the "main Sockeye pay sand."

"That number will more than likely be adjusted with future drilling," he said.

Sockeye-2 discovery

On April 24, APA Corp. and its partners Lagniappe Alaska, an Armstrong company, and Oil Search (Alaska), a Santos subsidiary, announced the results of a successful flow test of the Sockeye-2 exploration well.

APA's Apache holds a 50% working interest, operator Armstrong/Lagniappe and partner Santos

see **SEISMIC PROGRAM** page 5

FINANCE & ECONOMY

War = ANS upper \$70s

Israeli attack on Iran nuclear facilities ups prices to five-month high

By **STEVE SUTHERLIN**

Petroleum News

Alaska North Slope crude exploded into the upper \$70s June 13 on news that Israel had struck nuclear facilities and other targets in Iran in a surprise attack, propelling the Alaska benchmark \$4.32 skyward to close at \$77.69 per barrel. West Texas Intermediate launched \$4.94 to close at \$72.98 and Brent popped \$4.87 to close at \$74.23. The gains were the largest one-day rise since March 2022.

The United States denied involvement in the attacks.

"Tonight, Israel took unilateral action against Iran," Secretary of State Marco Rubio said in a

The geopolitical crude premium is between \$5 and \$10 today, Kenneth Medlock, a Rice University professor told Barron's June 13. The premium "could easily step into the double-digits" in the event of a longer conflict, even if Israel hasn't hit Iranian oil infrastructure.

statement released late on June 13. "We are not involved in strikes against Iran and our top priority is protecting American forces in the region."

Numerous analysts saw the war premium prices as unsustainable, due to their basis in geopolitical

see **OIL PRICES** page 6

EXPLORATION & PRODUCTION

North Slope gas options

USGS team uses downhole well pressure data to assess potential gas resources

By **ALAN BAILEY**

For Petroleum News

With recent moves towards the potential development of a natural gas pipeline from Alaska's North Slope to the Cook Inlet, scientists in the U.S. Geological Survey have been conducting research into where the best areas in northern Alaska may be for gas exploration and development. The research has involved using historic exploration well data to determine where downhole well pressures are particularly high.

A prime reason for the high downhole pressures is likely to be the presence of natural gas at pressures amenable to commercial gas production: The forma-



DAVE HOUSEKNECHT

tion of gas in underground porous rocks, sealed in by impermeable rocks, tends to increase the hydrostatic pressure within the rock, the team conducting the research told Petroleum News in a recent interview.

Dave Houseknecht, senior research geologist emeritus, said that USGS has been trying to better understand and constrain the natural gas resources in Arctic Alaska, including offshore regions, especially given that in the past, given the lack of a market

for gas from the region, gas resources discovered during exploration drilling have tended to be discounted.

"What we have set out as an objective is to better

see **GAS OPTIONS** page 8

● EXPLORATION & PRODUCTION

Corps applications for North Slope work

ConocoPhillips Alaska, Hilcorp North Slope, Afognak Leasing have facilities work including dredging, completion of storage pad

By **KRISTEN NELSON**
Petroleum News

The U.S. Army Corps of Engineers Alaska District has posted notice of applications for work on the North Slope from ConocoPhillips Alaska, Hilcorp North Slope and Afognak Leasing.

The Corps posted a notice June 10 that ConocoPhillips Alaska applied for annual screeding of some 2.5 acres and annual dredging of some 5.84 acres from May 1 to Oct. 31 in Simpson Lagoon. The purpose is to provide vessel access to Oliktok Dock and maintain seawater flow at the Seawater Treatment Plant intake bays.

The Corps said a maximum of 10,000 cubic yards of material would be dredged and disposed of at five upland locations.

The public comment period expires June 25.

The Corps said the request meets the terms of Executive Order 14156, in which President Trump declared a national emergency, making the request “subject to special emergency permitting procedures to address an energy supply situation which would result in an unacceptable hazard to life, a significant loss of property, or an immediate, unforeseen, and significant economic hardship if corrective action requiring a permit is not undertaken within a time period less than the normal time needed to process the application under standard procedures.”

A state water quality certification is required from the Alaska Department of Environmental Conservation for this work and that application was noticed June 11, with a closing date for comments of June 26.

DEC said the project provides barge access to the Oliktok

Dock and allows continued seawater flow to ConocoPhillips Alaska’s saltwater treatment plant, which provides water to the Kuparuk and Alpine oil fields.

DEC said there are no practical alternatives to the project, “given that the intake bays at STP must remain clear to maintain proper function and for large vessels to access Oliktok Dock” and “similar activities have been conducted at STP for the past 35 years.”

Temporary water quality impacts are possible but this is “an area where wave action and other natural processes already contribute to increased turbidity,” the department said.

Hilcorp North Slope

The application from Hilcorp North Slope is for work to address seasonal flooding in Sagavanirktok River in the Prudhoe Bay unit, operated by Hilcorp. The notice was posted June 13 and expires June 30.

The project is to improve flow under the Sag River vehicle bridge and pipe bridge and involves “dredging and recontouring the river bottom to follow the natural slope of the riverbed.”

The Corps said the work would involve removing some 45,000 cubic yards of material from 13 acres of riverbed.

In its project description Hilcorp said high areas would be excavated down to the 4 feet above sea level elevation and low areas would be filled back up to the 4-foot elevation.

Downstream of the bridges, areas “would be scoured to remove gravel that tends to plug the pump supplying water for the Prudhoe Bay Operations Center,” with leftover material “placed in the bridge bulkhead area to replenish the east bank.”

Work would begin in October and be conducted during the period of lowest flow of the river, with an anticipated timeframe of 45 days.

In its project description Hilcorp said Sag River seasonal flooding impacts the bridges, deposits “large quantities of silt and gravel immediately upstream and downstream of the bridges and causes scour depressions around the bridges support structures.”

The company said this is a request for modification to an existing multi-year maintenance permit.

“The maintenance is expected to decrease flood damage to infrastructure including pipelines, roads, and production pads on the Sag River flood plain. Endicott Road is a vital transportation corridor and is the only summer vehicle access route for the Duck Island Unit.”

Afognak Leasing


Afognak Leasing began work on the Cama’i gravel storage pad in the Kuparuk River unit in 2019 after receiving a lease for the pad area from the state of Alaska and a permit from the Corps.

The Corps said at that time that the proposal was for a 21.88-acre pad to “support operational and logistical needs of various North Slope oil and gas operators in an area that minimizes the distance operators have to travel to get their supplies.”

The project was to be built in three phases on an as-needed basis, with phase 1 the placement of some 92,500 cubic yards of fill material on 11.2 acres of wetlands, offset 30 feet from the Spine Road near Mustang Pad and DS-2S, with


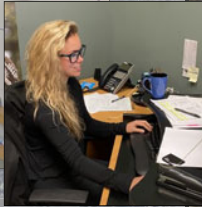

see **CORPS NOTICES** page 3

contents		Petroleum News	Alaska’s source for oil and gas news
ON THE COVER		EXPLORATION & PRODUCTION	
Focus on seismic	Armstrong reprocessing 3D shoots from most of 325,000 acres	2 Corps applications for North Slope work	ConocoPhillips Alaska, Hilcorp North Slope, Afognak Leasing have work including dredging, completion of storage pad
War = ANS upper \$70s	Israeli attack on Iran nuclear facilities ups prices to five-month high	3 Baker Hughes US rig count drops 4 to 555	
North Slope gas options	USGS uses downhole well pressure data to assess gas resources	GOVERNMENT	
Oil Patch Insider: Santos gets \$18.7B cash offer from ADNOC to grow global gas biz		4 GAO cites gaps in TAPS oversight by JPO	
Interior moves to reopen up to 82% of NPR-A for oil and gas leasing		LAND & LEASING	
9th Circuit affirms in part and reverses in part Willow decision		4 No substantial new info for northern sales	
		UTILITIES	
		4 Cook Inlet subsea transmission line progressing	



- Geoscience
- Engineering
- Operations
- Project Management

Alaska's Oil & Gas Consultants



3000 A St., Suite 410
Anchorage, AK 99530

Phone: (907) 272-1232
Fax: (907) 272-1344

www.petroak.com
info@petroak.com

● EXPLORATION & PRODUCTION

Baker Hughes US rig count drops 4 to 555

By KRISTEN NELSON
Petroleum News

Baker Hughes' U.S. rotary drilling rig count was 555 on June 13, down by four from the previous week — the seventh consecutive week of drops, down by 35 from 590 a year ago and down by eight from two weeks ago. Over the last eight weeks the rig count was up in one week and down in seven with a combined loss of 32 against a gain of two. This is the lowest the rig count has been since November 2021.

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 June 13 count includes 439 rigs targeting oil, down by three from the previous week and down 49 from 488 a year ago, with 113 rigs targeting natural gas, down by one from the previous week and up 15 from 98 a year ago, and three miscellaneous rigs, unchanged from the previous week and down by one from a year ago.

Forty-one of the rigs reported June 13 were drilling directional wells, 502 were drilling horizontal wells and 12 were drilling vertical wells.

Alaska rig count unchanged

There were no states with week-over-week rig count increases.

Baker Hughes shows Alaska with 10 rotary rigs active June 13, unchanged from the previous week and up by one from a year ago when the state's count was nine.

Texas (262) was down two rigs from the previous week.

New Mexico (90) and Oklahoma (49) were each down by a single rig.

Rig counts in other states were unchanged from the previous week: Alaska (10), California (6), Colorado (8), Louisiana (31), North Dakota (30), Ohio (11), Pennsylvania (18), Utah (10), West Virginia (7) and Wyoming (21).

Baker Hughes shows Alaska with 10 rotary rigs active June 13, unchanged from the previous week and up by one from a year ago when the state's count was nine.

The rig count in the Permian, the most active basin in the country, was down by two from the previous week at 273 and down by 36 from 309 a year ago. ●

Contact Kristen Nelson
at knelson@petroleumnews.com

continued from page 2
CORPS NOTICES

phase 1 scheduled for the winter and summer of 2019.

In the current Corps notice, dated June 16 and with comments due by July 2, the Corps said Afognak proposes discharging some 135,500 cubic yards of fill onto 16.24 acres of palustrine wetland "to facilitate the completion of the Cama'i gravel pad." The Corps said work under the prior authorization, dated May 15, 2019, was not completed before the authorization expired April 30, 2024, with the project proposed for three phases.

The new application is for completion of the work.

The Corps said work already completed includes a portion of the phase 1 gravel pad and two access roads, totaling 5.63 acres, with the completed Cama'i pad to have a total of some 182,000 cubic yards of fill and a footprint of 21.88 acres. ●

Contact Kristen Nelson
at knelson@petroleumnews.com

Computing Alternatives



Information Technology Professionals

WE OFFER THE FOLLOWING SOLUTIONS TO PUBLIC AND PRIVATE SECTORS

- Custom Web, Desktop, & Mobile apps
- IT Business Analysis
- Database Design & Modeling
- Microsoft Server Maintenance
 - SQL Server Database Administration
- Oil & Gas Risk Assessment and Regulatory Compliance Tools
 - Hospitality Systems

Ph| 907-644-4522
Fx| 907-644-4523
services@Computing-ALT.com
www.Computing-ALT.com
5701 Silverado Way, Ste. J203
Anchorage, AK 99518



safer. smarter.



Better.

Our CDR2-AC rig reflects the latest innovations in Arctic drilling to provide our customers with incident free performance and operational and technical excellence.

CDR2-AC is the first Arctic rig designed and built by Nabors specifically for Coil Tubing Drilling operations. The rig was built to optimize CTD managed pressure drilling to provide precise control of wellbore pressures for improved safety, decreased costs, and increased wellbore lengths. Combining safety and environmental excellence with greater efficiency means CDR2-AC can deliver the high value results customers have come to expect from Alaska's premier drilling contractor.

Learn more about Nabors' new drilling technologies at Nabors.com.



NABORS – MISSION TO ZERO
Safer, Smarter - Incident Free

GOVERNMENT

GAO cites gaps in TAPS oversight by JPO

Government Accountability Office recommends clarifying roles of Joint Pipeline Office agencies, updating operations

By **KAY CASHMAN**
Petroleum News

In 1989, the supertanker Exxon Valdez spilled more than 11 million gallons of oil into Prince William Sound. Since its formation in response to this incident, the Joint Pipeline Office, or JPO, has played a critical role in coordinating Trans-Alaska Pipeline System oversight among federal and state agencies.

Almost 35 years after the spill, some

stakeholders have expressed concern that JPO no longer effectively coordinates safety oversight. For example, the joint office continues to coordinate oversight but has scaled back shared activities since its formation.

The U.S. Government Accountability Office, or GAO, was asked to review changes in JPO’s activities, as well as JPO’s collaborative efforts.

GAO found the agencies work together well in some areas but haven’t updated

common goals. For example, the joint office has a goal to issue public reports but hasn’t done so since 2007.

In its June 12 report GAO recommended that the Interior Department’s Bureau of Land Management collaborate with the other agencies to redefine the joint office goals and clarify agency roles. These actions could help improve safety oversight, GAO said.

When GAO released the results of its study in the June 12 report to Congress and the public, it (1) described how JPO’s safety oversight activities have changed since 1990, and (2) evaluated the extent to which JPO’s safety oversight activities align with leading collaboration practices.

GAO reviewed documents and interviewed officials from four federal and four Alaska state JPO agencies. GAO conducted site visits in Valdez and Anchorage. It also analyzed Pipeline and Hazardous Materials Safety Administration, or PHMSA, data on pipeline accidents; reviewed relevant statutes and regulations; and interviewed 13 stakeholders from industry, safety, environmental, and other groups.

reporting.

JPO agencies initially shared a physical office and published public reports on their joint monitoring activities. Starting in 2005, JPO reduced its joint activities and public reporting due to fewer projects along the pipeline and shifts in federal roles.

In recent years, individual JPO agencies have continued to provide oversight and JPO has served as a forum for participating agencies to share information and coordinate oversight.

GAO found that JPO’s activities generally align with five of eight leading practices that are critical for effective interagency collaboration, such as identifying and sustaining leadership and including relevant participants.

However, JPO’s activities do not align with three leading collaboration practices: defining common outcomes, clarifying roles and responsibilities, and updating written agreements. Specifically, JPO no longer works toward several intended outcomes that it documented in 2008, including producing public reports.

In addition, some JPO agencies and stakeholders said JPO members’ roles and responsibilities were unclear and raised concerns about possible gaps in oversight, especially at the Valdez Marine Terminal.

Redefining and documenting the intended outcomes of JPO’s oversight activities, such as those aiming to inform the public of its oversight efforts, would help JPO agencies work toward shared goals, GAO determined.

In addition, clarifying and documenting participating agencies’ roles and responsibilities would help it identify any potential gaps in oversight that could affect safety. ●

LAND & LEASING

No substantial new info for northern sales

The Alaska Department of Natural Resources’ Division of Oil and Gas has issued a decision finding no substantial new information for its 2025 North Slope, North Slope Foothills and Beaufort Sea areawide sales. The June 11 decision, signed by division Director Derek Nottingham, follows a March 19 call for new information for the sales; the submission period ended April 21.

Final best interest findings were issued for the North Slope in April 2018, for the North Slope Foothills in 2021 and for the Beaufort Sea in 2019. Best interest findings are good for 10 years, with annual calls for substantial new information. The division has issued decisions of no substantial new information for all three sales every year since the best interest findings were issued.

The division said it “generally considers substantial new information to include published research, studies, or data that are directly relevant to the matters listed in AS 38.05.035(g) with respect to the lands covered in the final findings and that have become publicly available over the past year.”

The division received timely comments from the U.S. Department of the Interior, Fish and Wildlife Service on the North Slope Foothills and Beaufort Sea sales.

The F&WS comments, as summarized in the decision, were extensive, but in every case the division found that while the information might be used when a new best interest finding was done, it was not substantial new information requiring a supplement to the current best interest finding.

—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. 25 • Week of June 22, 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.

What JPO does

The Joint Pipeline Office coordinates oversight of the Trans-Alaska Pipeline System including six federal agencies such as Interior’s BLM, which is the lead federal agency, and the Pipeline and Hazardous Materials Safety Administration, or PHMSA, as well as six Alaska state agencies.

TAPS includes an 800-mile pipeline and the Valdez Marine Terminal, where the oil is loaded onto tankers.

What GAO found

GAO found that since JPO’s formation in 1990, member agencies have scaled back their approach to joint oversight and

UTILITIES

Subsea transmission line progressing

AEA project for subsea line under the Cook Inlet progressing on schedule but will need additional funding in a couple of years

By **ALAN BAILEY**
For Petroleum News

A project for the construction of a 38-mile high-voltage, direct current electricity transmission line under Cook Inlet from the west coast of the Kenai Peninsula to the Beluga area on the northwest side of the inlet, to connect with the transmission grid in the Anchorage area, is progressing to plan, Curtis Thayer, executive director of the Alaska Energy Authority, told Petroleum News on June 13.

Now named the Cook Inlet Power Link, the project has a \$206 million award from the U.S. Department of Energy. The funding comes through the federal Grid Resilience and Innovations Partnerships, or GRIP, award program and requires



CURTIS THAYER

matching funds from sources other than the federal government. Although some federal grant program funding has been frozen under President Trump’s administration, the funding for the transmission system is still in play. The Secretary of Energy has indicated that the administration supports transmission and generation projects, Thayer said.

The concept behind the planned new transmission line is to significantly increase the power transmission capacity between the Kenai Peninsula and the Anchorage region while also eliminating the single point of potential failure represented by the single, relatively low capacity transmission line that currently connects

see **SUBSEA LINE** page 5

continued from page 1

NPR-A PLAN

“This plan is about creating more jobs for Americans, reducing our dependence on foreign oil and tapping into the immense energy resources the National Petroleum Reserve was created to deliver,” Acting Assistant Secretary for Land and Minerals Management Adam Suess was quoted as saying: “Under President Trump’s leadership, we’re cutting red tape and restoring common-sense policies that ensure responsible development and good stewardship of our public lands.”

Congress designated the reserve for oil and gas exploration in response to the 1970s energy crisis, recognizing its critical role in national energy strategy. The Bureau of Land Management manages the reserve under the Naval Petroleum Reserves Production Act, which mandates an “expeditious program of competitive leasing” while safeguarding key surface resources.

This proposed plan also builds on the department’s efforts to reverse burdensome regulations — such as the planned rescission of the 2024 rule that restricted leasing in the reserve — ensuring the United States can meet current and future energy needs.

The public is invited to review and comment on the draft analysis through the BLM National NEPA Register. Comments may be submitted online via the “Participate Now” button. The comment period will remain open until July 1, 2025.

Proposed Action

Compared to the No Action alternative, the Proposed Action focuses on allowing for the possibility of expanded development while managing its potential effects. Under this alternative, approximately 18.7 million acres, or 82% of the NPR-A’s subsurface estate, would be available for oil and gas leasing. New infrastructure would be prohibited on approximately 4.3 million acres.

All of the Teshekpuk Lake Special Area would be available for leasing, with potential impacts on caribou calving habitat and important bird habitat primarily mitigated through NSO (no surface occupancy) stipulations and TLs (timing limitations), among other operational measures.

The extent of NSO coverage means that some areas, while technically available for leasing, would not be within reach of current directional drilling technology; however, keeping those areas available for leasing allows for advances in future technology.

Project description

The BLM Alaska State Office has prepared an Environmental Assessment, or EA, to evaluate new circumstances and information that have arisen since the publication of the 2020 National Petroleum Reserve in Alaska (NPR-A) Integrated Activity Plan Environmental Impact Statement (2020 IAP/EIS) to ensure that the environmental analysis previously conducted is sufficient or is updated and expanded upon, as appropriate.

The BLM is undertaking this review of the 2020 IAP/EIS to determine the appropriate management of all BLM-managed 23 million acres in the NPR-A in a manner consistent with existing statutory direction, Executive Order (EO) 14153, and Secretary’s Order (SO) 3422.

Comment period

The comment period was initiated on June 17 and lasts for a period of 14 days, ending on July 1 at 9:59 pm AKDT.

The BLM welcomes all substantive comments.

—KAY CASHMAN

Contact Kay Cashman
at publisher@petroleumnews.com

continued from page 1

SEISMIC PROGRAM

each hold 25% working interests in the 325,411-acre block which is on state of Alaska lands.

“This is very exciting for us, our partners and for the state of Alaska,” Armstrong told PN on June 10.

“This discovery also confirms our geological models and exploration methodology,” he said. “There is so much more to do in Lagniappe.”

The Sockeye-2 well, located approximately 10 miles from the Badami oil field and its open access pipeline, was successfully drilled to a depth of approximately 10,500 feet and encountered a high-quality Paleocene-aged clastic reservoir with an average porosity of 20%.

The vertical Sockeye-2 was completed in a single 25-foot interval at approximately 9,200 feet true vertical depth.

On April 24 Armstrong said the well was “very old school in its performance, in that there was no stimulation or fracking required. It was completely natural.”

During the 12-day production test, the well averaged 2,700 barrels of oil per day in the final flow period, without artificial lift.

The results of the flow test indicate

When asked about recoverable reserves, Armstrong is estimating 700 million barrels recoverable in the “main Sockeye pay sand.”

significantly higher reservoir quality compared to similar topset discoveries to the west.

Armstrong said the discovery “significantly extends the prolific Brookian topset play first established with our Pikka discovery in 2013. We have identified analogous anomalies to investigate following on this success.”

The Sockeye-2 well was “based off of reprocessed 3D seismic. It showed us the same seismic signature that we recognized 94 miles to the west when we discovered the Pikka field,” Armstrong said following the discovery announcement. “That sort of expansion to one of the world’s best oil plays is a really big deal.”

“We are especially encouraged by the great reservoir rock. Our average permeability is more than 10 times that of Willow, and five times the permeability of the Pikka and Alpine fields,” he said. ●

Contact Kay Cashman
at publisher@petroleumnews.com



We Keep Alaska Moving

At Lynden, we know that what we carry is so much more than freight. We supply communities, keep projects on track, and help move the world’s most vital industries forward.

From mechanics and drivers, to customer service and support teams, we are proud of the people who do this hard work every day.



Call us at **1-888-596-3361** or visit our website at **lynden.com**.

continued from page 4

SUBSEA LINE

the two regions.

Reliable and efficient transmission

Having adequate transmission capacity and a more resilient system will enable the more efficient sharing of power generation capacity between the two regions, thus enabling more cost effective power generation and a higher potential to make more use of renewable energy sources. Currently the cheapest source of power in the Alaska Railbelt is the Bradley Lake hydropower facility in the southern Kenai Peninsula. All of the Railbelt electricity utilities make some use of Bradley Lake power.

AEA has been working with consultant firm Stantec on preliminary procurement, scheduling and cost estimates, Thayer said. Cost estimates are within budget, he said. Environmental work is also starting, he added. A next step will be to figure out where to place the terminals on the opposite coasts of the inlet at each end of the transmission line.

Last year the state allocated an initial

\$12.7 million in matching funds for the project and this year has allocated an additional \$1.5 million. The Railbelt utilities have also been able to contribute some available bond funding. Currently AEA has \$65 million in funding towards the \$206 million in matching funds, thus releasing \$65 million in federal funding, Thayer said. The project has enough funding to carry it through the next fiscal year, he said.

The most expensive stages of the project will be the ordering of the components for the line and the eventual line construction. Those components will obviously require significant additional matching funds. Thayer said that AEA is considering a number of possible options for obtaining the required funds. Ordering will probably start in year three of the project, with construction beginning in year five. And, given that the project is still in its first year and that under the rules for the federal grant AEA has eight years to complete the project, Thayer is confident that the project will proceed successfully. ●

Contact Alan Bailey
at abailey@petroleumnews.com



Keeping you covered.

To advertise in Petroleum News,
contact Susan Crane
at 907.250.9769



petroleumnews.com

continued from page 1

WILLOW DECISION

some oil.

A 2020 BLM approval of the project, remanded by the federal district court in 2021, had required BLM to prepare a supplemental environmental impact statement. Environmental groups contested the SEIS.

ConocoPhillips made a final investment decision on Willow in December 2023, following a record of decision from the U.S. Department of the Interior in March 2023 and positive court orders, including the 9th Circuit Court of Appeals denial of plaintiffs' request for an injunction.

In a June 13 statement emailed to Petroleum News, ConocoPhillips said:

"ConocoPhillips welcomes the 9th Circuit Court of Appeals decision, which allows construction on the Willow project to continue. We recently completed another significant winter construction season, and the project remains on track for first oil in 2029. We look forward to continuing the responsible development of Willow, which will enhance American energy security while expanding local employment opportunities and providing extensive benefits to Alaska Native communities and the State of Alaska."

Full development

BLM's 2020 approval was vacated by the district court, which said BLM violated the National Environmental Policy Act because its project alternatives were based on ConocoPhillips having the right to

produce all the oil and gas possible from its leases; the court also said the 2020 EIS failed to "analyze effects of Willow's downstream foreign greenhouse gas emissions."

The appeals panel said that in the SEIS it prepared after the 2021 remand, BLM "insisted that in selecting project alternatives, it could only adopt a development proposal that would fully develop the oil field and not strand a large quantity of oil and gas that, standing alone, was economic to development." The court said BLM reasoned that it did not want to approve a project alternative leaving economic oil undeveloped, which could result in further project applications and piecemeal development.

But in the record of decision for the 2023 SEIS, BLM approved a modified version of the preferred alternative from the SEIS, one that was not analyzed in the SEIS, disapproving a fourth drill site which, in the SEIS, had been deferred.

"By disapproving another drill pad, modified Alternative E barred development on several of ConocoPhillips' leases. BLM never explained whether this constituted full field development or not," the appeals panel said.

Willow milestones

ConocoPhillips has been moving the project along, aiming for first oil in 2029.

In a May 8 first quarter earnings conference call, ConocoPhillips Senior Vice President Kirk Johnson said with winter construction the civil scope of the project — roads, pads, bridges — is roughly 50% complete, and some 80 miles of pipeline are installed (see story in May

18 issue of Petroleum News).

Willow is in the National Petroleum Reserve-Alaska, west of ConocoPhillips' Alpine field.

And "very importantly," Johnson said the project team executed a horizontal directional drill underneath "one of the key waterways and that allows us to connect east-west pipelines. ... Again, we continued build out of that infrastructure."

He said the operations center pad was a critical part of this year's work, and "modules that we sealifted up there last year, those are now set on the pad."

Project operator and subsidiary ConocoPhillips Alaska also opened its Willow Construction Camp, "and that becomes important because it allows us to begin construction work on the North Slope a bit more throughout the year as opposed to being completely confined to the winter season," Johnson said.

Outside of Alaska, engineering and fabrication on Willow's processing modules continues to go well, he said.

"And then, of course, key for us there this year being our second major season on this project is procurement activities and sourcing activities. ... we do expect to source and receive a bulk of the engineered equipment that's required to procure, again, for those process modules as well as all this forward-looking work that we have on the Slope," Johnson said, noting that by year end, the company will have 90% to 95% of that work sourced.

—KRISTEN NELSON

Contact Kristen Nelson
at knelson@petroleumnews.com

continued from page 1

OIL PRICES

fears — juxtaposed against some weakening economic indicators, potential inflation from trade wars and excess capacity amongst cartel members.

That view was not unanimous. Barron's reported that Gavekal research director Tom Holland said in a note that hopes of benchmark prices returning to \$60 a barrel or less "must now be buried."

Holland said Netanyahu's statement that the attacks would continue meant "this time was different" than previous battles between Israel and Iran.

In another red-letter day over the week ended June 18, ANS posted a June 17 surge of \$3.54 to close on the brink of \$80 at \$79.84. WTI surged \$3.07 to close at \$74.84 and Brent surged \$3.22 to close at \$76.45.

The rally was charged by warnings from Israel and the Trump administration for res-

In another red-letter day over the week ended June 18, ANS posted a June 17 surge of \$3.54 to close on the brink of \$80 at \$79.84.

WTI surged \$3.07 to close at \$74.84 and Brent surged \$3.22 to close at \$76.45.

idents of Teheran to evacuate the city.

For ANS, June 17 marked a five-month high, hit despite profit-taking on June 16. ANS closed at \$80.42 Jan. 15.

On June 16, ANS fell \$1.39 to close at \$76.30, WTI fell \$1.21 to close at \$71.77 and Brent fell a dollar to close at \$73.23.

ANS also fell June 12, down 31 cents to close at \$73.37, as WTI slid 11 cents to close at \$68.04 and Brent dropped 41 cents to close at \$69.36.

Massive US inventory drop

Trading on June 18 was subdued, as traders contemplated potential outcomes for

Israel/Iran hostilities.

WTI and Brent slid in early trading June 18, however both rose modestly into the close. WTI added 30 cents to close at \$75.14, and Brent closed at \$76.70, up 25 cents. ANS prices were not yet released as Petroleum News went to press on June 19.

President Trump on June 18 considered possible direct support for Israel's war effort, giving a bullish boost to geopolitical tension worries.

A massive drop in U.S. commercial crude inventories failed to ignite an equally large price gain June 18. Prices were held in check after an announcement by President Trump that Iran wanted to come to the negotiating table.

U.S. inventories for the week ended June 13 plummeted by 11.5 million barrels from the previous week to 420.9 million barrels, 10% below the five-year average for the time of year, the according to data from the U.S. Energy Information released June 18.

Total motor gasoline inventories increased by 0.2 million barrels over the

period, to 230.0 million barrels — 2% below the five-year average for the time of year, the EIA said. Distillate fuel inventories increased by 0.5 million barrels to 109.4 million barrels — 17% below the five-year average for the time of year.

In the four trading days ending June 17, ANS gained \$6.16 from a close of \$73.68 on June 11 to \$79.84 on June 17.

ANS closed at a five-dollar premium to WTI June 17, and at a \$3.39 premium to Brent.

How high will crude go?

The geopolitical crude premium is between \$5 and \$10 today, Kenneth Medlock, a Rice University professor told Barron's June 13. The premium "could easily step into the double-digits" in the event of a longer conflict, even if Israel hasn't hit Iranian oil infrastructure.

"It's not necessarily about the physical flow right now," Medlock said. "It's about the risk of flow tomorrow."

"We believe oil prices could quickly retreat if Iran's response remains limited but could surge beyond \$100 per barrel if Iran moves to disrupt oil transit," according to CFRA analyst Stewart Glickman, Barron's reported. Financial firm Lazard thinks oil prices would surge above \$120 if the Strait of Hormuz is blocked, and the U.S. would probably have to step in to unblock it.

Some shipowners are opting to steer clear of the strait, according to Bimco, a global shipowner's association, CNBC reported June 17. Ship owners are taking an extra degree of caution in the Red Sea and the strait.

Jakob Larsen, Bimco head of security, said the Israel-Iran conflict seems to be escalating, causing concerns in the shipowner community and a "modest drop" in ships sailing through the area.

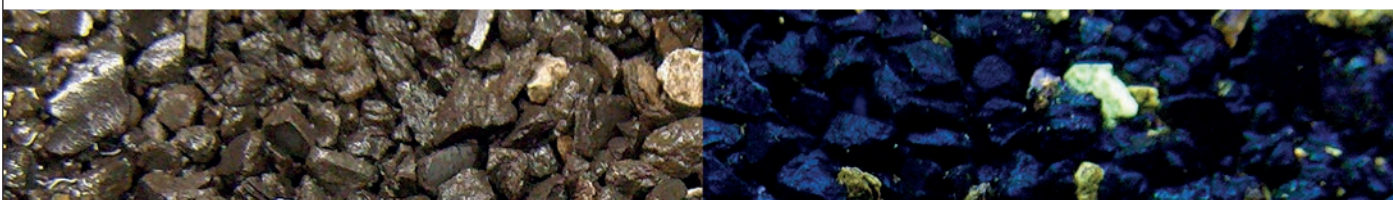
Bimco — which typically doesn't encourage vessels to stay away from certain areas — said the situation has introduced an element of uncertainty.

2023 oil transit through the strait averaged 20.9 million barrels per day, some 20% of global petroleum liquids consumption, the EIA said.●

Contact Steve Sutherlin
at ssutherlin@petroleumnews.com

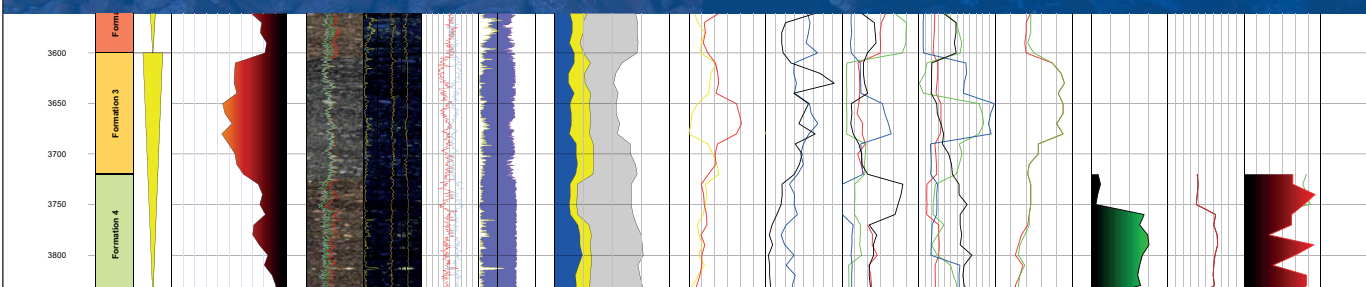
GEOLOG

Surface Logging Services
Drilling Solutions
Lab Studies
Innovation Hub



22 years of surface logging excellence in Alaska Digital-Cuttings™

GEOLOG's new workflow for extracting maximum geological value from fresh & legacy cuttings samples



301 East 92nd Ave., Suite 2, Anchorage, AK 99515 | James R. Carson, Alaska District Manager | +1 907-227-3365 | j.carson@geolog.com

www.geolog.com



continued from page 1

INSIDER

The offer was preceded by two confidential, non-binding and indicative proposals from the XRG Consortium to acquire all of Santos’ shares on March 21 for US\$5.04 in cash per share and on March 28, for US\$5.42 cash per share.



KEVIN GALLAGHER

Golden parachute

“Credit to Gallagher for extracting such a premium offer — he will have earned the payout of his ensuing incentives in doing so,” Saul Kavonic, an energy analyst at MST Marquee, said in a note. “Gallagher has found his escape parachute and it’s made of gold.”

The proposal is subject to the satisfactory completion of confirmatory due diligence by the XRG Consortium and the negotiation and execution of an SIA with Santos on customary terms and conditions, Santos said in its June 16 release.

Goldman Sachs and JB North & Co are acting as financial advisers to Santos; Rothschild & Co. is acting as independent board adviser. Herbert Smith Freehills Kramer is acting as legal adviser to Santos.

Implementation of the scheme under the SIA would be conditional on (among other things) customary approval from the Foreign Investment Review Board, Australian Securities and Investments Commission, National Offshore Petroleum Titles Administrator, PNG Securities Commission, PNG Independent Consumer and

Competition Commission and Committee on Foreign Investment in the United States.

Due diligence access

After “careful consideration” of the indicative proposal (including consultation with its financial and legal advisers), the Santos board has determined that it is in the best interests of Santos shareholders to provide the XRG Consortium with access to confidential information to conduct confirmatory due diligence and negotiate the terms and conditions of an SIA, subject to reaching agreement with the XRG Consortium on the terms on which access to due diligence will be provided, Santos said.

“The XRG Consortium has indicated that it requires Santos to enter into a Process and Exclusivity Deed (to include, among other things, exclusivity restrictions) before it progresses to undertaking confirmatory due diligence and negotiating the terms of the SIA. Santos intends to negotiate the terms of the Process and Exclusivity Deed and an associated Confidentiality Deed with the XRG Consortium,” Santos said.

Santos shareholders do not need to take any action in relation to the indicative proposal. Santos notes that there is no certainty that the XRG Consortium will enter into a binding SIA or that a potential transaction will proceed.

Santos will continue to keep its shareholders informed in accordance with its continuous disclosure obligations, the company said.

What’s being said

According to The Sydney Morning Herald, XRG said it would “maintain Santos’ brand, keep its headquarters in

Adelaide, and its operational footprint in Australia and key international hubs.”

A deal that results in Middle Eastern interests controlling Santos’ key gas assets would be a headache for Jim Chalmers, Treasurer of Australia under Prime Minister Anthony Albanese, Kavonic was quoted as saying in a news report.

“This may be Chalmers’ first big decision on a foreign government bidding for major critical infrastructure,” he said.

Although Chalmers will have the final say on any deal, it must also gain approval from Australia’s Foreign Investment Review Board, or FIRB.

In an ABC news report on June 16, Chalmers said he welcomed a range of opinions on the indicative proposal but said he wasn’t able to comment on it as a potential decision maker: “It would be a big decision. I do intend to take the FIRB advice seriously and I don’t intend to pre-empt that advice.”

Alaska oil assets

Since Santos is operator and part owner of the Pikka oil development project west of the central North Slope in Alaska, as well as a partner with Bill Armstrong’s Lagniappe and Apache Corp. on the big eastern North Slope oil discovery at Sockeye, the state of Alaska and the Trump administration might also be weighing in on the XRG Consortium’s potential takeover of Santos.

Stay tuned....

—Oil Patch Insider is written by Kay Cashman

Contact Kay Cashman
at publisher@petroleumnews.com



Oil Patch Bits



Coffman Engineers’ Wight-Crask earns certification

Coffman Engineers Inc. said June 16 that it congratulates Jesse Wight-Crask on earning his Certified Commissioning Authority certification. This significant milestone reflects Wight-Crask’s dedication to his field and demonstrates his knowledge in overseeing and managing the commissioning process in building projects.

Commissioning is a specialized process verifying a project’s systems, equipment and facilities have been designed, installed, tested, and function according to the operational requirements and design intent.

Wight-Crask brings 7 years of engineering design experience, 5 of which include honing his skills in commissioning building systems and facilities. His experience also includes HVAC design, economic analysis, and construction administration.

Wight-Crask’s hands-on commissioning experience is complemented by his participation in nationally recognized courses from the American Society of Heating, Refrigerating and Air-Conditioning Engineers and AABC Commissioning Group.

“Earning his CxA shows Jesse’s commitment to delivering buildings that perform as



JESSE WIGHT-CRASK

designed — efficiently, reliably, and sustainably. His commissioning capabilities directly help our clients understand how their systems are working together,” said Mechanical Engineering Principal, Brent Little.

SPE Alaska to host 38th annual golf tournament

The Society of Petroleum Engineers recently announced that it will host its 38th annual golf tournament Aug. 28 from 5 a.m. to 5 p.m. at the Anchorage Golf Course.

Entry fees are \$1,100 per four-person team, \$275 per person, for members and non-members. The cost includes green fee, golf cart, door prizes, lunch, and two beverages per person.

The tournament is open to all interested parties; SPE membership is not a requirement. Check-in opens at 6:15 a.m. Participants are expected to be signed in by 6:45 a.m. Shotgun start, rain or shine. For more information, visit <https://connect.spe.org/speak/home>.

The SPE Alaska Section, established on Feb. 15, 1951, is a regional chapter of the Society of Petroleum Engineers that serves professionals in Alaska’s oil and gas industry. Based in Anchorage, the section organizes a variety of events throughout the year, including technical talks, networking gatherings, tournaments, and social events. It also supports local students through scholarship programs aimed at those pursuing petroleum-related studies.

Companies involved in Alaska’s oil and gas industry

ADVERTISER

PAGE AD APPEARS

ADVERTISER

PAGE AD APPEARS

ADVERTISER

PAGE AD APPEARS

A

- ABR, Inc.
- Acuren
- AES Electric Supply, Inc.
- Airgas, an Air Liquide Company
- Airport Equipment Rentals
- Alaska Air Cargo
- Alaska Dreams
- Alaska Frontier Constructors (AFC)
- Alaska Fuel Services
- Alaska Marine Lines5
- Alaska Materials
- Alaska Railroad
- Alaska Resource Education (ARE)8
- Alaska Steel Co.
- Alaska Textiles
- Alaska West Express5
- Arctic Controls
- Armstrong
- ASRC Energy
- ASTAC (Arctic Slope Telephone Assn. Coop, Inc)

B-F

- Bombay Deluxe Restaurant
- Brooks Range Supply
- Calista Corp.
- Coffman Engineers
- Colville Inc.

- Computing Alternatives3
- CONAM Construction
- Construction Machinery Industrial (CMI)
- Cook Inlet Tug & Barge
- Cruz Construction
- Doyon Associated
- Doyon Drilling, Inc.8
- Doyon, Limited
- EXP Energy Services
- F. R. Bell & Associates, Inc.
- Flowline Alaska
- Frost Engineering, a division of PumpTech LLC

G-M

- GCI
- GeoLog6
- Greer Tank & Welding
- Guess & Rudd, PC
- Inspirations
- Judy Patrick Photography
- Lennon Crane
- Little Red Services, Inc. (LRS)
- Lounsbury & Associates
- Lynden Air Cargo5
- Lynden Inc.5
- Lynden Logistics5
- Lynden Oilfield Services5
- Lynden Transport5
- Matson

N-P

- Nabors Alaska Drilling3
- NANA Worley
- Nature Conservancy, The
- NEI Fluid Technology
- Nordic Calista
- NORTECH
- Northern Solutions
- NSTI (North Slope Telecom Inc.)
- Owl Ridge Natural Resource Consultants
- Petroleum Equipment & Services, Inc.
- PND Engineers, Inc.
- PRA (Petrotechnical Resources of Alaska)2
- Price Gregory International

Q-Z

- Republic Services (formerly US Ecology)
- Resource Development Council
- Sheet Metal Inc.
- STEELFAB
- Strategic Action Associates
- Tanks-A-Lot
- TOTE Maritime Alaska
- Udelhoven Oilfield System Services Inc.
- Western Pacific Crane & Equipment

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

continued from page 1

GAS OPTIONS

understand natural gas resources throughout Arctic Alaska,” Houseknecht said.

Houseknecht commented that an overpressured gas accumulation can facilitate the production of gas, particularly from low porosity or low permeability reservoirs.

An indicator of natural gas

William Rouse, the geologist working on the well overpressure project, comment-

ed on the value of overpressure as an indicator of the presence of natural gas.

He said that overpressure occurs when the pressure in a porous rock is higher than what would be the normal pressure resulting from the weight exerted by shallower rocks. In the past over pressures have been studied in the context of well safety and well control, to prevent well kickbacks that can injure workers or damage rigs, he said.

Essentially, a dense, fine grained rock deposited on top of a porous rock tends to increase the pore pressure in the porous rock. Then, if oil in the porous rock cracks

into natural gas, the gas has nowhere to escape and the pressure rises further, Rouse said.

It is possible to directly measure the downhole pore pressure during wireline formation tests when drilling a well, Rouse said. However, companies do not always run that type of test. Instead, they tend to use the weight of the mud that is pumped into the well to prevent a well blowout as a proxy for the pore pressures in the rock formations that are being penetrated. The drillers do not want to risk a blowout by under balancing the mud load but also do not want to lose mud into the rock formation by overbalancing. As a consequence, the drillers try to use mud weights that exert pressures on or slightly above the formation pressures, Rouse said. Hence, it is possible to use the records of mud weights as proxies for the downhole formation pressures in wells, he said.

The use of well data

Rebecca Smith, the physical scientist working on the project, said that the well data required for the study was publicly available from the Alaska Oil and Gas Conservation Commission. She said that it was possible to obtain the required data by going through well history files, including the mud records. The research only used data from exploration wells, rather than production wells. The researchers used data from 649 wells, 240 of which had pore pressure test data while 515 wells had mud weight data. A plot of nearly 1,500 data points where wells had both pore pressure and mud weight data demonstrated that the formation pressures inferred from the mud weights tended, as expected, to be slightly higher than the measured formation pressures.

Rouse said that by using appropriate values for what is considered to be a normal subsurface pressure gradient for Arctic Alaska, it was possible to identify downhole situations where there was overpressure. However, given some known factors that can give rise to incorrect apparent high pressures, the scientists decided to use a relatively high mud pressure gradient of 0.65 pounds per square inch per foot of depth as a cutoff value for identifying significant overpressure situations.

The distribution of over pressures

The outcome was the development of a map showing levels of maximum mud pressure gradients in wells north of the Brooks

Range, including offshore wells, and identifying well locations where there were significantly high overpressures. Smith commented that the resulting map shows much overpressure in the area of the Point Thomson condensate field on the Beaufort Sea coast to the east of Prudhoe Bay, and under the outer continental shelf near Point Thomson.

The depths and ages of the rock formations exhibiting especially high over pressures vary across the region, tending to be older in the more northerly part of the region, near and to west of the Prudhoe Bay area.


Houseknecht commented that a fold and thrust belt associated with the northern edge of the Brooks Range runs west to east from the Chukchi Sea under the foothills of the Brooks Range, before swinging north to pass under the Beaufort Sea near Point Thomson. The overpressure wells in the Point Thomson area are in the region of the thrust belt, as are a number of overpressure wells in the foothills. There are some anomalies to this overall pressure trend, such as the Inigok well in the western NPR-A to the north of the foothills, and the Tunalik 1 well in the western NPR-A, close to the Chukchi Sea coast — both of these wells exhibit significantly high over pressures in rocks at depth. Some wells with relatively high over pressures are located fairly near the Dalton Highway and Trans-Alaska Pipeline. And there are some offshore wells with high over pressures to the east of Point Thomson.

The researchers have extrapolated the likely profiles of over pressured zones between wells, using seismic profiles of the subsurface, to trace zones in the subsurface where overpressure is likely to exist.

Undiscovered oil and gas assessments

William Craddock, USGS supervisory research geologist, commented that for many years USGS has used a formal methodology for assessing the potential for undiscovered oil and gas in regions such as northern Alaska. The overpressure data determined from this new project will now form an input into determining what are termed “assessment units” in these oil and gas assessments. The overpressure information can provide insights into where there may be areas of gas accumulations and how productive gas wells may be, Craddock said. ●

Contact Alan Bailey
at abailey@petroleumnews.com





**Alaska Resource
E D U C A T I O N**


BRIDGING THE GAP BETWEEN INDUSTRY & STUDENTS



**THANK YOU TO OUR
INNOVATION VISIONARY SPONSORS**

**Jim & Vicki Jansen
Foundation**



AKRESOURCE.ORG



DOYON DRILLING, INC.

www.doyondrilling.com




TMI?



Tidal power leads

A transmission upgrade

OPEC minus Russia?

MOST LIKELY.

To subscribe: Call 281-978-2771
or visit petroleumnews.com