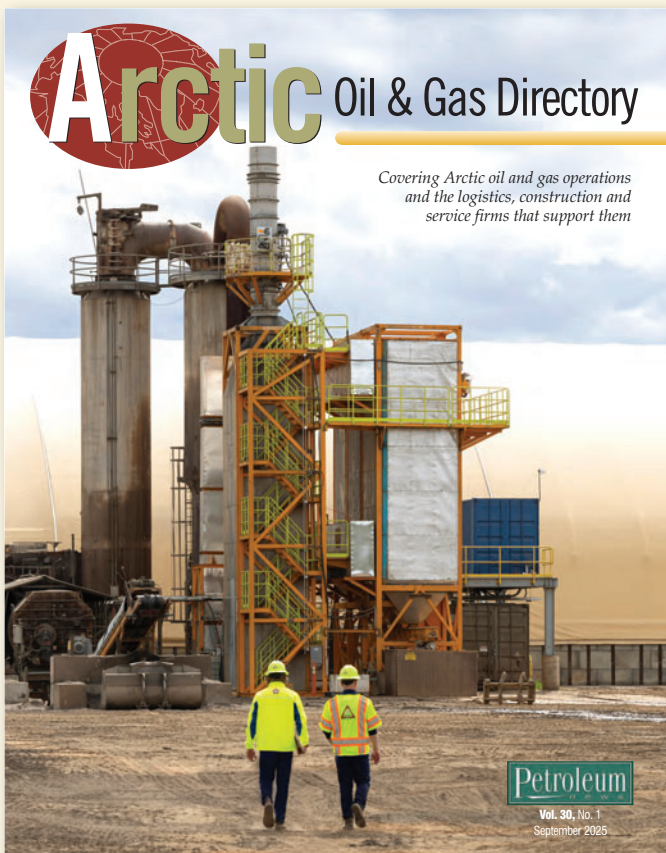




**page 2** Voice of the Arctic Inupiat brings advocacy efforts to Washington

### Latest Arctic Directory released



The Arctic Oil & Gas Directory is a compilation of company news shared by our advertisers throughout the year in the Oil Patch Bits section of Petroleum News, Q&A company profiles, photo features, and directory listings. Entities featured in this issue are Alaska Materials, Lynden, RDC, and TOTE.

### XRG Consortium withdraws offer to acquire 100% of Santos shares

The non-binding, indicative proposal announced on June 16 by a consortium led by XRG P.J.S.C., a subsidiary of Abu Dhabi National Oil Company and including Abu Dhabi Development Holding Company and Carlyle (the XRG Consortium), to acquire 100% of the issued shares of Santos Limited via a cash scheme has been withdrawn by the consortium.

On Sept. 15, the Santos Board advised the XRG Consortium that Santos expected to enter into a SIA (binding scheme implementation agreement) at the agreed



KEVIN GALLAGHER

see **OFFER WITHDRAWN** page 4

### American Energy Alliance: 200 actions guided by A.E. Blueprint

On his first day in office, President Trump made good on his promise to prioritize American energy. With his first executive orders signed, the American Energy Alliance started tracking each action the administration and congressional Republicans were taking to unleash American energy.

That list now sits at 204, the Alliance said in a recent press release. Earlier this year, the Institute for Energy Research unveiled the American Energy Blueprint, a comprehensive set of policy recommendations to guide the new Trump administration's approach to energy policy.

The American Energy Blueprint outlines key reforms in areas such as federal land and water use, expanding consumer choice, reducing subsidies, curbing government spending and taxation, reviewing regulations, and modernizing the permitting process.

—KAY CASHMAN

### FINANCE & ECONOMY

## ANS pops into \$70s

*Fed delivers expected quarter point rate cut, but not desired half point*

By STEVE SUTHERLIN

Petroleum News

Alaska North Slope crude popped into the \$70s Sept. 16, up \$1.21 to close at \$70.26 per barrel, while West Texas Intermediate leapt \$1.22 to close at \$64.52, and Brent jumped \$1.03 to close at \$68.47.

ANS last hit the \$70s Sept. 2, closing at \$71.25. The Alaskan benchmark was in the upper \$60s most of August.

Brent last saw the \$70s July 31 – with a close of \$72.53 – before plunging into the upper \$60s Aug. 1.

The Sept. 16 gains were the culmination of a three-day rise prior to Sept. 17, the date of the announcement from the U.S. Federal Reserve

Chairman regarding whether the Fed would adjust its benchmark interest rate or not.

Financial markets had priced in a downward adjustment – the first of 2025, bullish for equities and commodities – of a quarter point with 96% certainty due to weak job numbers in August.

On top of a weak job report, U.S. Bureau of Labor Statistics said the U.S. economy added 911,000 fewer jobs over the 12 months ending in March than previously estimated – the largest revision on record. The whopping BLS revision raised the possibility of a half-point cut in the Fed rate, which would have more strongly stimulated the economy and energy demand, likely sending oil prices higher.

see **OIL PRICES** page 7

### GOVERNMENT

## BP looks to P&A Gubik

*Staging at/next to Franklin Bluffs Pad; snow trail west to exploration well*

By KAY CASHMAN

Petroleum News

On Sept. 16, Mike McNulty, environmental project manager for BP American Production Company, received approval from the Alaska Department of Natural Resources' Division of Oil and Gas for a temporary land use permit for off road travel and ice construction to build a snow travel road and to travel across State land to conduct plug and abandonment activities at the Gubik 1 exploration well 91 miles southwest of Deadhorse on the North Slope.

The application for the permit had been submitted on April 9 by ERM Alaska on behalf of BP American Production.

However, the Gubik 1 exploration well is located

on Alaska Native lands, so the scope of the permit (LAS 35536) only considers the use of State of Alaska lands and waters that are required to access the site.

The director of the Division of Oil and Gas, Derek Nottingham, has the right at any time to amend or modify any provisions of this permit, or revoke it.

Staging for the P&A project will take place at or adjacent to the Franklin Bluffs Pad and a snow trail will be constructed west to the Gubik 1 well location.

Public notice of the permit and opportunity to comment was posted in the Alaska Online Public Notice System and the division website on May 20 with a deadline for comments of June 3 at 4:30 pm Alaska Time. No comments were received.

see **GUBIK WELL** page 6

### EXPLORATION & PRODUCTION

## Happy Valley plan filed

*Hilcorp Middle Pad natural gas exploration lease operations plan to DNR*

By KAY CASHMAN

Petroleum News

The Alaska Department of Natural Resources' Division of Oil and Gas issued a public notice on Sept. 9 regarding Hilcorp Alaska's Happy Valley Middle Pad natural gas exploration lease plan of operations.

On Sept. 3, the division received the application requesting authorization to build new gas production infrastructure on State of Alaska, or SOA, land on the Kenai Peninsula near Ninilchik.

The project start date is Oct. 20, with the end date sometime in April 2026.

Per the public notice Hilcorp proposes to construct a new 300-by-400-foot gravel pad and a 26-

foot-wide, 3-mile-long gravel access road; drill two grassroots wells from the new pad; and install associated production infrastructure.

This project is anticipated to include the following: gas flowlines, electrical instrumentation, line heaters, separators, compressors, a communication tower, well cellars, and conductors as needed.

The wells will be drilled from the new Happy Valley Middle Pad. One freshwater well will also be drilled to support drilling operations.

Hilcorp Rig 169 or Rig 147 will be used for drilling and well completion activities.

Major equipment components include the following: Drill rig and pipe, boilers, mud tanks/mud

see **HAPPY VALLEY PLAN** page 6



• ASSOCIATIONS

# VOICE brings advocacy efforts to DC

*Harcharek testifies to House Natural Resources, wants respectful partnership between federal government, North Slope Iñupiat*

By PETROLEUM NEWS

On Sept. 16, Voice of the Arctic Iñupiat President Nagruk Harcharek testified before the House Committee on Natural Resources Subcommittee on Oversight and Investigations, sharing the North Slope Iñupiat perspective on federal land management, energy policy, and the critical fight for Iñupiaq self-determination.

This testimony was part of a robust week of advocacy in D.C., which also includes participation in a Congressional briefing about the complexities of the North Slope, VOICE said in a Sept. 16 press release.

In his testimony, Harcharek traced the long history of federal decisions that denied Alaska Native land rights and emphasized that while resource development has funded critical improvements in health, education, and infrastructure, inconsistency in federal policy continues to threaten the economic stability of North Slope communities.

Harcharek noted that while the Biden administration re-approved the Willow project, it also sidelined North Slope voices by moving forward with restrictive National Petroleum Reserve-Alaska, or NPR-A, and the 1002 Area of the Arctic National Wildlife Refuge, or ANWR, rulemaking without meaningful engagement and consultation.

By contrast, he said, the Trump administration’s early actions — including an executive order on Alaska’s resource development potential and a historic visit to Utqiagvik by three cabinet officials — signals a more

direct willingness to engage meaningfully, respectfully, and lawfully with North Slope communities.

Harcharek emphasized that while these steps are encouraging, durable policy must be built on meaningful consultation and engagement that prioritizes Iñupiaq self-determination, regardless of who is in the White House.

“Our partnership must be built on mutual respect,” said Harcharek in his oral testimony. “We need policies informed by the voices of the North Slope Iñupiat.”

Throughout the testimony, Harcharek repeatedly returned to how the North Slope Iñupiat’s day-to-day lives are impacted by the decisions that DC lawmakers make.

### Responds to Nick Begich

In response to a question from Alaska’s Rep. Nick Begich on how jobs and infrastructure will impact the North Slope Iñupiat and what policymakers can do to help them, Harcharek detailed immediate needs facing the eight communities on the North Slope.

“Schools need to be built, water and sewer facilities need to be built — an \$80 million water and sewer system in the community of Point Lay needs to be built,” Harcharek said. “It’s not necessarily jobs in the fields; it’s allowing people to stay in those communities and



NAGRUK HARCHAREK

provide those services for those communities and be able to earn an income at home and then go out and subsist and further provide for their families.”

This was the second time Harcharek testified in front of a House Natural Resources subcommittee, having first testified on the impact the 2023 proposed NPR-A and ANWR rules would have on the North Slope Iñupiat in September 2023. While policy around NPR-A and ANWR has since shifted with the new administration, VOICE’s demand for respect for North Slope Iñupiaq self-determination has remained steadfast.

### About VOICE

Voice of the Arctic Iñupiat is a nonprofit organization established in 2015 by the region’s collective elected Iñupiat leadership and is dedicated to preserving and advancing North Slope Iñupiat cultural and economic self-determination.

Its members include local governments, Alaska Native corporations, federally recognized tribes, and tribal non-profits across the North Slope of Alaska.

In 2017, VOICE’s board passed a resolution in support of opening the 1002 Area of the Arctic National Wildlife Refuge to oil and gas exploration and development. VOICE was the first organization to file a lawsuit to challenge the 2024 National Petroleum Reserve in Alaska rule, which was crafted without meaningful engagement with those who live on the North Slope and presented serious risks to survival of Indigenous communities and North Slope Iñupiaq culture. ●

## contents

Petroleum News Alaska’s source for oil and gas news

### ON THE COVER

#### ANS pops into \$70s

Fed delivers quarter point rate cut, but not desired half point

#### BP looks to P&A Gubik

Staging near Franklin Bluffs Pad; snow trail west to exploration well

#### Happy Valley plan filed

Hilcorp Middle Pad gas exploration lease operations plan to DNR

#### XRG Consortium withdraws offer to acquire 100% of Santos shares

#### American Energy Alliance: 200 actions guided by A.E. Blueprint

### ASSOCIATIONS

2 VOICE brings advocacy efforts to DC

### EXPLORATION & PRODUCTION

8 GPTU map released early September

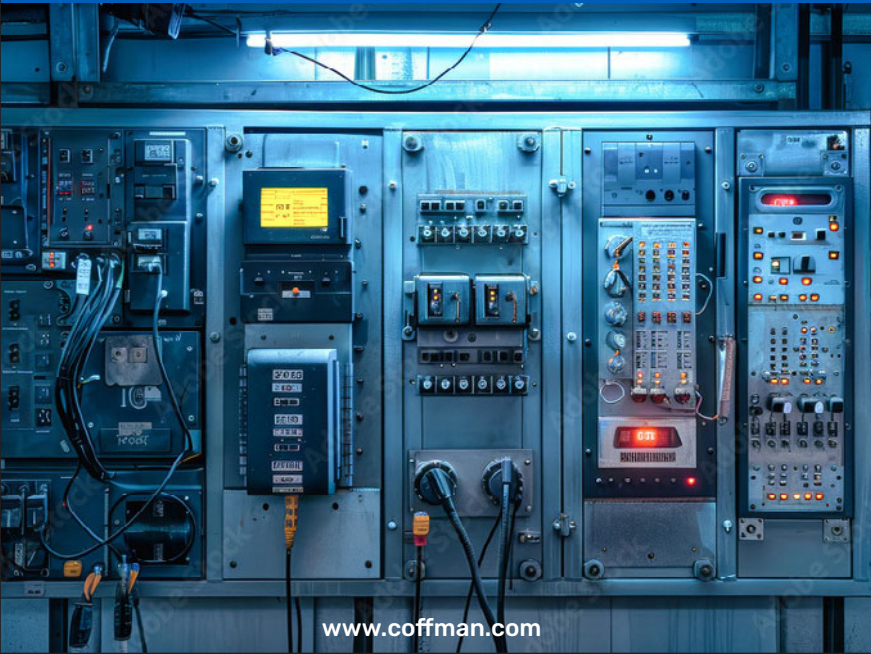

### THIS MONTH IN HISTORY

#### 4 Devon on brink of reviving Beaufort drilling

20 years ago: First exploratory well since ‘89, but tensions build over access to Mackenzie gas pipeline by independent explorers



Trusted upstream coverage >>  
www.petroleumnews.com



www.coffman.com

## AUTOMATION AND CONTROLS



Innovative and reliable automation solutions to enhance operational efficiency, reduce downtime, and improve overall productivity.

#### DESIGN AND ENGINEERING

- ▶ Detailed Design Documentation
- ▶ System Architecture and Network Design
- ▶ Validated Architecture Reviews
- ▶ ICS Master Planning
- ▶ Instrument Indexes and Schedules
- ▶ Instrument Specification and Data Sheets

#### AUTOMATION

- ▶ PLC Programming and Configuration
- ▶ HMI and SCADA Development
- ▶ DCS Configuration
- ▶ System Integration
- ▶ Commissioning and Startup Support



THIS MONTH IN HISTORY

# Devon on brink of reviving Beaufort drilling

20 years ago: First exploratory well since '89, but tensions build over access to Mackenzie gas pipeline by independent explorers

Editor's note: This story first appeared in the Sept. 25, 2005, issue of Petroleum News.

By GARY PARK

Petroleum News Canadian Contributing Writer

All Devon Canada needs now is an Arctic freeze-up to spud the first exploratory well since 1989 in the Canadian Beaufort Sea, in hopes of extending gas supplies for a Mackenzie Valley pipeline.

It embarks on the high-stakes gamble armed with 3-D seismic data that was not available to explorers before the region was consigned to the deep-freeze after logging 26 significant discovery licenses from 41 shallow and 50 deepwater wells.

"We have seen formations that we could not have seen with 2-D," Michel Scott, vice president of government and industry relations, told Petroleum News.

The company, facing an expected bill of C\$55 million-\$60 million for the Paktoa well, needs all the certainty it can muster.

That includes "some encouragement" from the well and the assurance of "fair and reasonable" access to the planned Mackenzie Valley gas pipeline, Scott said.

### SDC towed to site

For the well, Devon has brought back to life a steel drilling caisson, or SDC, built 23 years ago for now-defunct Dome Petroleum, then mothballed in Alaska for a decade before EnCana dusted it off to drill north of Prudhoe Bay in the 2002-03 winter.

The SDC, now owned by a Norwegian, was returned to storage at Herschel Island off the Yukon coast before being towed about 70 miles by a Russian icebreaker to the Paktoa



JUDY PATRICK

For the well, Devon has brought back to life a steel drilling caisson, or SDC, built 23 years ago for now-defunct Dome Petroleum, then mothballed in Alaska for a decade before EnCana dusted it off to drill north of Prudhoe Bay in the 2002-03 winter.

site in August.

Devon gained its entry to the Beaufort in 2001 when it acquired Anderson Exploration, taking control of four exploration licenses covering 846,000 acres, which carry a work commitment of C\$225 million and require four wells by the winter of 2008-09.

The company identified 10 possible drilling locations on Exploration License 420 before narrowing the field down to Paktoa, which sits in 43 feet of water off the western part of Beluga Bay.

The well is expected to be drilled to a depth of about 7,700 feet, starting in the third or fourth week of December and scheduled for completion in mid-February.

Scott said the objective is to find a "large structure" to continue drilling over the following three winters.

### Geological Survey estimate

These plans put Devon in the forefront of extending Canada's Arctic interest beyond the Mackenzie Delta, where most of the efforts to support the Mackenzie Gas Project have been concentrated.

The Geological Survey of Canada estimates the Beaufort-Mackenzie basin has 67 trillion cubic feet of recoverable gas, both discovered and undiscovered, and 7 billion barrels of oil, accounting for more than one-fifth of Canada's frontier prospects.

But even if Devon posts a discovery in the hoped-for range of 3 tcf, it would likely be 2014 or 2015 before that gas could be fed into the Mackenzie pipeline.

For now, the Mackenzie gathering system proposes capacity of 830 million cubic feet per day from the three anchor fields on the Delta and another 245 million cubic feet per day from third-party producers.

### Agreement with Imperial elusive

Negotiating an agreement between Imperial Oil, the Mackenzie Gas Project's lead partner, and the Mackenzie Explorer Group has so far proven elusive, forcing the independents to apply more pressure.

Dissatisfied with their efforts to "work things out we decided to take our case to the National Energy Board," Scott said. However, he described the move as "the normal

see HISTORY page 4



**Alaska Resource  
EDUCATION**

BRIDGING THE GAP BETWEEN  
INDUSTRY & STUDENTS



Alaska is rich in natural resources but young minds are the state's greatest resource. ARE teaches students of all ages about Alaska's minerals, energy, and forestry resources.

AKRESOURCE.ORG



**ASRC  
ENERGY**

Energy Support  
Engineering  
Environmental  
Remediation  
Construction  
Talent Solutions

SOLUTIONS FOR A  
SUSTAINABLE FUTURE

asrcenergy.com



continued from page 1

## OFFER WITHDRAWN

offer price of US\$5.626 if a binding proposal was received from the XRG Consortium on acceptable terms on or prior to Sept. 19.

In response the XRG Consortium notified the Santos Board of its decision to withdraw its proposal and not proceed with the transaction.

The XRG Consortium said it had not found anything in due diligence that would lead it to withdraw its indicative proposal.

The consortium confirmed that it maintains a positive view of the Santos business and has respect for the management team.

The Santos Board had expressed its concern to the XRG Consortium about delays in agreeing to the SIA. The consortium would not agree to acceptable terms that protected the value of the potential transaction for Santos shareholders, Santos said.

Further, under the SIA the XRG Consortium would not agree to an appropriate allocation of risk between it and Santos shareholders. This included the obligation of the consortium to secure regulatory approvals and the

provision of a reasonable commitment to the development and supply of domestic gas.

### Pikka Phase 1

On Aug. 27, Santos hosted a live webcast providing an overview of its half-year 2025 results.

Led by Santos Managing Director and CEO Kevin Gallagher, the webcast revealed the latest news about the Pikka Phase 1 development in northern Alaska, including the fact it was 91% complete and that production was expected to be 80,000 barrels of oil per day..

Gallagher said the project was "progressing well" and that Santos has brought first oil guidance forward from mid-2026 to first quarter 2026, with the ramp-up to plateau expected in the second quarter.

"This is another outstanding example of Santos' self-execution project delivery model in action," Gallagher said. "The pipeline was completed a year ahead of schedule and the challenging logistics of river-lifting key processing modules from Canada and barging the seawater treatment plant from Indonesia have been executed flawlessly. "

Combination wells together with "deployment of other innovative drilling technologies and techniques

are delivering real cost savings and faster job completion times," Gallagher said.

"This represents a significant value upside opportunity for future developments in Alaska," Gallagher said.

Six wells have been "flowed back" in 2025, including three producers, bringing average expected flow rates per well to 7,000 barrels per day at start-up, Santos said Aug. 27.

### Spence speaks

On Sept. 17, Santos Chair Keith Spence said: "Our two major development projects, Barossa and Pikka phase 1, are well advanced and materially de-risked through our proven self-execute capability, positioning Santos for around a 30% increase in production by 2027.

"As these projects come online, Santos' capacity to generate free cash flow will materially strengthen, supporting greater returns to shareholders under our capital allocation framework."

—KAY CASHMAN

Contact Kay Cashman  
at publisher@petroleumnews.com

**Airgas**  
an Air Liquide company

**Gases, Welding & Safety**  
Serving Alaska for over 50 years



907.562.2080 | Airgas.com

continued from page 3

## HISTORY

course of business."

Anadarko Canada, BP Canada Energy, Chevron Canada Resources, Devon, EnCana and Nytis Exploration filed a notice of motion earlier this month asking the federal regulator to order Imperial to make public several documents, including the proposed Mackenzie gas gathering and processing facilities development and operating agreement, the DOA, and the proposed transportation and processing agreement, TPA.

The group, with only Petro-Canada declining to participate, believes the board must approve the tolls and the access and tariff provisions for the gathering system if the Mackenzie project is to be accessible to producers other than just Imperial, Shell Canada, ConocoPhillips Canada and ExxonMobil Canada.

Scott said the group wants to settle on an appropriate return on equity, debt rate and expansion policy.

"From an explorers' standpoint we're supportive of the project and we want to see it go forward, but in reality we're dealing with competitors," he said.

The explorers, in their filing, indicated some displeasure that Imperial will only provide the DOA and TPA to those producers who sign and return a capacity request agreement.

Those applicants will also be required to choose between the DOA and the TPA by Sept. 30 or risk not having their requested capacity included in the initial design for the Mackenzie gathering system, which includes a natural gas liquids pipeline from Inuvik to Norman Wells in the Northwest Territories and a gas processing plant near Inuvik.

### Neither document submitted

The explorer group was rebuffed in its

request to Imperial to provide the DOA and TPA by Aug. 26 and neither of the agreements has been submitted to the National Energy Board.

The notice of motion said the projects sponsors have "offered no reasonable justification" for keeping the two agreements confidential and for not making them part of the public record. It argued that the board is simply unable to be satisfied that the access and tariff provisions will "be just and reasonable until it knows what those provisions may be."

Imperial has countered that the Canadian Oil and Gas Operation Act, under which the gathering system approval will be granted, does not allow for the National Energy Board to regulate fees, tariffs and access matters.

It further said the explorer group should not fear that the Mackenzie proponents will try to exercise market power without regulatory oversight and arbitrarily impose terms and conditions.

The explorers have already made a case to ensure the gathering system is large enough to handle gas discoveries beyond the 5.69 tcf of discovered resources in the Delta anchor fields.

Scott said one of the worries is that a producer finding just 20 million cubic feet per day of volumes would face a sizeable barrier to entry.

The federal regulator expects to decide its next move based on a request for comments.

\* Editor's note: a significant discovery license allows an exploration license owner to hold, beyond the term of the license, a portion of an exploration license where a significant discovery has been made. A significant discovery is the first well on a geological feature where flow testing and geological and engineering factors suggest a hydrocarbon accumulation with the potential for sustained production. ●

**Petroleum**  
news

www.PetroleumNews.com

<b>Kay Cashman</b>	PUBLISHER & FOUNDER
<b>Mary Mack</b>	CEO & GENERAL MANAGER
<b>Kristen Nelson</b>	EDITOR-IN-CHIEF
<b>Susan Crane</b>	ADVERTISING DIRECTOR
<b>Heather Yates</b>	BOOKKEEPER
<b>Marti Reeve</b>	SPECIAL PUBLICATIONS DIRECTOR
<b>Steven Merritt</b>	PRODUCTION DIRECTOR
<b>Alan Bailey</b>	CONTRIBUTING WRITER
<b>Eric Lidji</b>	CONTRIBUTING WRITER
<b>Steve Sutherlin</b>	CONTRIBUTING WRITER
<b>Judy Patrick Photography</b>	CONTRACT PHOTOGRAPHER
<b>Forrest Crane</b>	CONTRACT PHOTOGRAPHER
<b>Renee Garbutt</b>	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. 38 • Week of September 21, 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.

**ALASKA**  
**STEEL CO.**

Since 1982

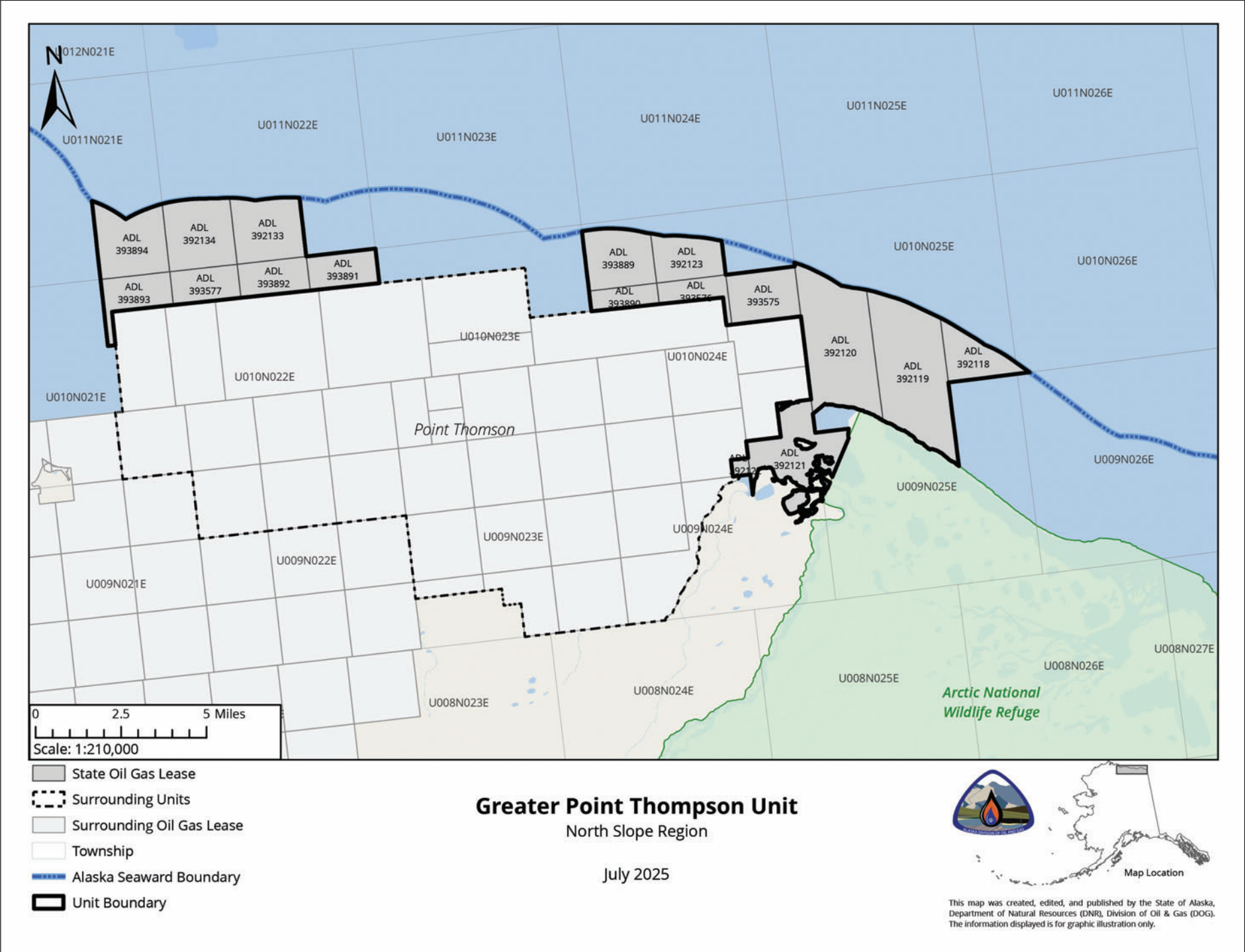
**Full Line Steel and Aluminum Distributor**

**Specializing in low temperature steel**

6180 Electron Drive  
Anchorage, AK 99518  
**(907) 561-1188** **www.alaskasteel.com**

**(800) 770-0969**  
Kenai • Fairbanks





• EXPLORATION & PRODUCTION

# GPTU map released early September

By **KAY CASHMAN**  
*Petroleum News*

On Sept. 4, the Alaska Department of Natural Resources' Division of Oil and Gas released on its website the latest Greater Point Thomson Unit map, which was dated July 2025.

As reported in the July 6 issue of Petroleum News, Donkel Oil and Gas' plan of exploration for the Greater Point Thomson Unit, or GPTU, on and offshore the eastern North Slope was recently conditionally approved by the Alaska Department of Natural Resources' Division of Oil and Gas.

On the east the GPTU borders the Arctic National Wildlife Refuge. Working interest owners are Daniel Donkel and Samuel Cade, with Donkel Oil & Gas as unit operator.

Donkel O&G wanted the GPTU to

cover 58,790 acres but based upon the division's review the agency reduced the acreage to 35,122 acres.

The approved unit includes both western and eastern acreage but excludes unleased state lands and the Bachner/Forsgren acreage because unleased lands cannot be in a unit and Bachner/Forsgren didn't ratify the proposed GPTU agreements.

The division excluded leases that its analysis doesn't show contain a hydrocarbon reservoir/accumulation as required by statute and said the company's 5-year exploration plan "fails to show a determined commitment to developing the resources that potentially underlie those leases."



**JIM WINEGARNER**

Donkel O&G committed to drill a single well on the western portion of the GPTU.

The division wants two exploration wells drilled — one in the western acreage and one in the eastern. It requires Donkel O&G to post a \$2.5 million bond, with half by June 25, 2026, and half by June 25, 2028. Upon completion of the two exploration wells, the \$2.5 million bond will be returned to the applicant.

In a July 3 text to Petroleum News, Jim Winegarner, owner/manager of Three Mountain Oil, said he had traveled to Seoul, Tokyo and Taipei on behalf of Donkel and Cade: "We had very good

meetings. All were impressed with the Donkel/Cade technical team and the Greater Pt Thomson Unit technical work presented. All recognized the synergy between the Alaska LNG project and the opportunity to add more resources to the Alaska LNG project at the Greater Pt Thomson Unit.

"Our message to each company was that 'Alaska is open for business and a great place to invest.'"

"We have generated a lot of interest in the GPTU opportunity and Alaska." •

Contact Kay Cashman  
at [publisher@petroleumnews.com](mailto:publisher@petroleumnews.com)

**www.OwlRidgeNRC.com**

**Regulatory & Ecological Support for Alaska**

- Permitting Compliance
- Aquatic Monitoring
- Environmental Assessment
- Stakeholder Engagement
- Strategic Planning

**OWL RIDGE**  
NATURAL RESOURCE CONSULTANTS

**A limited offer from Petroleum News!**

Special offer ends September 30

## Subscribe & Save

**First time subscribers** mention this ad to receive \$10 off an e-book subscription or \$20 off the print edition.

**CONTACT**  
Renee Garbutt  
281-978-2771  
[rgarbutt@petroleumnews.com](mailto:rgarbutt@petroleumnews.com)



continued from page 1

## GUBIK WELL

### BP last company standing

BP wasn't the operator when the Gubik Unit 1 exploration well was drilled on the North Slope in 1963, but of the three drilling partners -- operator Colorado Oil and Gas, Sinclair Oil & Gas Co. and BP Exploration Company (Alaska) -- BP was the only company left standing.

As such, the Alaska Oil and Gas Conservation Commission called on BP in November 2022 after it found that the well, drilled on federal lease ADF 020932, was only partially plugged in 1966. AOGCC said its records show the well lacked a surface plug, a requirement of the agency's regulations both in 1966 and currently.

The commission gave BP 30 days to provide documentation showing the well had been properly plugged and abandoned, or that the company was not responsible for the P&A.

Otherwise, BP had 90 days to apply for the P&A work, with operations to be completed by April 2024.

BP, through Remediation Management Services Co., requested an extension to

allow time for a site visit and to provide for adequate time to plan and execute the work; an extension which the commission granted to April 2025.

A December 2024 request for an extension to April 2026, also granted by the commission, was based on time required to complete surface water and soil sampling at the site required by the Alaska Department of Environmental Conservation and to install thermistors along the required winter trail to the site, work only partially completed during the summer of 2024, Remediation Management Services told the commission, the delay was due to maintenance issues with the helicopter company.

### P&A work

The division said it received a land use permit application July 10 from BP for off road travel in support of the Gubik 1 P&A.

The land use permit application was from ERM Alaska Inc. on behalf of BP American Production Co. for authorization for P&A activities at Gubik some 18 miles east-northeast of Umiat.

Summer 2025 work included an archaeological survey and installation of 15 thermistors along the proposed snow trail route, with winter site work and snow

trail construction scheduled for February through April 2026.

The division said equipment for winter activities will be staged at the west side of Franklin Bluffs Pad.

The application is for use of up to approximately 764 acres.

The application says BP's objective at Gubik 1 is to simultaneously address AOGCC P&A requirements and ADEC regulatory requirements.

ERM Alaska said the snow trail is similar to routes historically used to reach Umiat and Gubik 1.

The correction action at Gubik 1 "will require the removal and disposal of contaminated materials, including hydrocarbon impacted material, empty drums, and potentially gravel," the company said; materials which will be removed using the snow trail.

BP's P&A contractor Cudd Well Control will be responsible for plugging and abandonment work and has indicated that a "top job" will be required to properly P&A the well, ERM said. That will involve "drilling through some of the ice in the well, installing concrete surface plugs, and cutting the well off below the ground surface. The lower well seals will be left in place."

A snubbing unit will be required for the P&A work and will be mobilized over the snow trail, with the rig in pieces and a crane required to erect it.

ERM said up to 15 people are anticipated to be traveling along the access trail at any time during winter activities, including pre-packing and snow trail construction. The number includes on-site crew and drivers of machinery and transport vehicles.

A temporary landing strip near the project site will be built with snow trail construction techniques and most personnel will fly in and out.

### Not commercial

Following the drilling of Gubik Unit 1, the U.S. Geological Survey determined that results were not sufficient to hold the unit, considering its distance from market and the costs to transport the small amount of natural gas discovered. The well was a vertical hole reaching a total depth of 4,406 feet.

USGS told operator Colorado Oil and Gas in a Nov. 29, 1963, letter that it did not consider Gubik 1 a commercial producer, based on information from the company that the well was possibly capable of initial production of only 600 mcf, thousand cubic feet, per day, as indicated by the company's final test on Nov. 12, 1963, the completion date of the well. USGS required additional drilling operations at Gubik to begin by May 11, 1964, to hold the unit.

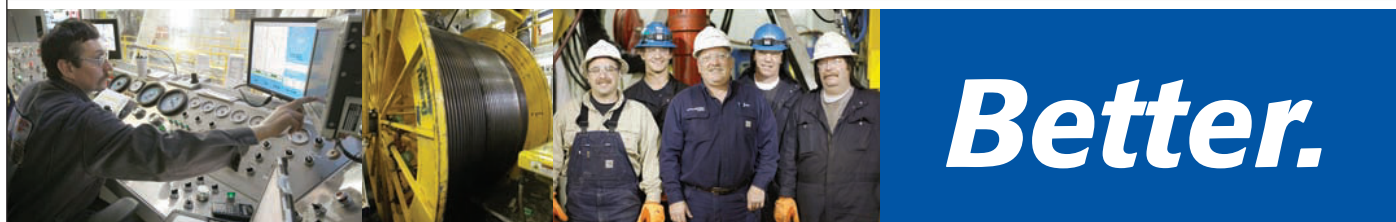
In a Jan. 22, 1964, response to USGS, Colorado Oil and Gas said while preliminary results from the well "indicate that westward locations would be attractive," there was litigation pending on unleased acreage to the west and drilling equipment

see **GUBIK WELL** page 7



nabors.com

**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**

continued from page 1

## HAPPY VALLEY PLAN

pumps, rig generator, work trailers for supervisory staff and support staff, and light plants.

Hilcorp may use additional support equipment for infrastructure installation, which may include, but is not limited to, an excavator, mini excavator, super sucker, zoom boom, and weld truck.

Drilling will be a 24-hour operation, with a trailer staged on the pad to house various supervisory personnel and a minimum number of support personnel

The project is intended to advance the ongoing development of natural gas resources in the surrounding region.

The bonding requirement for the project is satisfied through Hilcorp's Financial Assurance Agreement with DNR

The application was signed by Hilcorp environmental specialist Stetson Sannes.

The application package is available for review at the division's permitting section, 550 West 7th Ave., Suite 1100, Anchorage, AK 99501 or online at <http://dog.dnr.alaska.gov/Newsroom> Comments can be emailed to [dog.permitting@alaska.gov](mailto:dog.permitting@alaska.gov), or to the address above.

All comments must be in writing.

A copy of the final decision will be sent to any person who provided written comments. An eligible person affected by this decision may appeal or request the DNR commissioner's reconsideration in accordance with 11 AAC 02.

All comments must be received by the comment deadline: 4:30 pm, Alaska Daylight Time, Oct. 13, 2025. ●

Contact Kay Cashman  
at [publisher@petroleumnews.com](mailto:publisher@petroleumnews.com)



continued from page 1

## OIL PRICES

Crude futures were near their Sept. 16 closing prices before the announcement of the expected quarter point cut just after 10:30 am Alaska time Sept. 17, supported by a massive drawdown of U.S. crude inventories. But absent the half point adjustment, crude slipped lower following the Fed remarks.

Stephen Miran, sworn in as a Federal Open Market Committee member on Sept. 15 after being appointed by President Trump to fill a vacancy, was the sole dissenting vote to the quarter point rate cut decision, opting instead for a half point cut.

“Recent indicators suggest that growth of economic activity moderated in the first half of the year; job gains have slowed, and the unemployment rate has edged up but remains low,” the FOMC said in a statement, adding, “Inflation has moved up and remains somewhat elevated.”

WTI and Brent ended the day Sept. 17 at \$64.05 and \$67.95 respectively. Both benchmarks continued slightly lower in early Asian trade Sept. 18 as Petroleum News went to press.

### Massive U.S. crude drawdown

U.S. commercial crude oil inventories for the week ended Sept. 12 staged a massive surprise drawdown of 9.3 million barrels from the previous week to 415.4 million barrels – 5% below the five-year aver-

age for the time of year, according to data released Sept. 16 by the U.S. Energy Information Administration.

Analysts surveyed by the Wall Street Journal had – on the average – expected crude inventories to be unchanged.

Total motor gasoline inventories decreased by 2.3 barrels for the period to 217.7 barrels – 1% below the five-year average for the season, the EIA said.

Distillate fuel inventories increased by 4 million barrels to 124.7 million barrels – 8% below the five-year average for the time of year.

The Wall Street Journal poll had called for no change in gasoline stocks and a build in diesel.

The crude price runup going into the Fed announcement was further supported by a slide of the dollar against the Euro and other currencies. A lower dollar is bullish for oil, which is priced in dollars – which must be purchased by holders of foreign currencies to buy crude.

Geopolitics also played a role, as Ukraine successfully hit Russian oil facilities to further interrupt Russia’s number one source of foreign currency.

ANS gained 74 cents Sept. 15 to close at \$69.05, as WTI gained 61 cents to close at \$63.30, and Brent added 45 cents to close at \$67.44.

On Sept. 12, ANS rose 30 cents to close at \$68.31, WTI rose 32 cents to close at \$62.69, and Brent rose 62 cents to close at \$66.99.

The specter of demand destruction was

not absent from the trading week, however. ANS plunged \$1.43 Sept. 11 to close at \$68.01, as WTI plunged \$1.30 to close at \$62.37, and Brent plunged \$1.12 to close at \$66.37.

Crude had an up-day Sept.10, seeing ANS up 93 cents to close at \$69.44, as WTI jumped \$1.04 to close at \$63.67 and Brent jumped \$1.10 to close at \$67.49.

ANS gained \$1.75 over the trading week from a close of \$68.51 Sept. 9, to \$70.26 Sept 16.

ANS closed at a \$5.74 premium over WTI Sept. 19, and at a \$1.79 premium over Brent.

### Indy producers drive U.S. upstream

Independent oil and gas producers have been the primary force in the U.S. upstream in 2022 through 2024, lifting some 85% of crude and 90% of gas.

Per a Rystad Energy study commissioned by the American Exploration Production Council, independents operated 95% of producing onshore wells and drilled 90% of new wells, World Oil reported Sept. 16.

Independents will support 3.1 million jobs this year, pay \$129 billion in taxes and contribute \$488 billion to gross domestic product, Rystad said.

“Independents are the backbone of America’s oil and natural gas production and the economic strength it delivers,” said Anne Bradbury, CEO of AXPC. “Their contributions go far beyond reliable energy – they create millions of jobs and deliver revenues that strengthen communities nationwide.” ●

Contact Steve Sutherlin  
at [ssutherlin@petroleumnews.com](mailto:ssutherlin@petroleumnews.com)

continued from page 6

## GUBIK WELL

on the North Slope was not available and looked to be engaged in other operations for most of the next two years, with drilling parties in the Gubik well -- Sinclair, BP and Colorado Oil and Gas - - "actively engaged in such other exploratory efforts, which for the most part are operations required under development contracts negotiated with the

United States Geological Survey."

The companies did not appeal the USGS decision but did request that the unit be preserved for two years, until May 12, 1966, to allow for a second well. No second well was drilled, and the unit was terminated April 1, 1965.

Colorado Oil and Gas completed final abandonment of the Gubik 1 Sept. 13, 1966. ●

Contact Kay Cashman  
at [publisher@petroleumnews.com](mailto:publisher@petroleumnews.com)



### PND wins PDCA 2025 outstanding Project of the Year

PND Engineers Inc. said recently that it has won the Pile Driving Contractors Association 2025 Project of the Year for its innovative use of its proprietary OPEN CELL SHEET PILE™ system at the Oliktok Seawater Treatment Plant at Oliktok Point on the North Slope of Alaska. The STP Dock, a high-capacity facility constructed early 2024 in the Beaufort Sea, serves Santos’ Pikka oil field development and represents the northernmost extent of industrial facilities west of Prudhoe Bay.



COURTESY PND

PND, a multidisciplinary Alaska-based firm founded in 1979 in Anchorage, has provided civil, structural, and geotechnical engineering services for Pikka infrastructure since 2015, first conducting high-level route alternative analyses and preliminary geotechnical investigations. Since then, PND has delivered a comprehensive suite of services, including environmental and permitting support, route reconnaissance, surveying, mine site development, hydrology, fabrication support, construction administration, and field inspection. Among the key infrastructure, PND has designed a 27-mile gravel road network, two bridges, community boat launch, and the award-winning STP Dock and associated uplands development.

“In my 46 years of experience working on the North Slope, PND has delivered unmatched design, execution, and overall project support in accordance with our Santos Lifesaving Rules,” Santos Bridge-Civil-Marine Superintendent Jim Christianson said.

The project was featured in PileDriver magazine, Issue 4, 2025, with a picture of the pile-driving operation on the cover of PDCA’s national publication. PND has won seven PDCA Project of the Year honors; this year’s awards program was advertised as “the most competitive year in the history of the program.”

## Oil Patch Bits



# 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 .....4
- Airport Equipment Rentals
- Alaska Air Cargo
- Alaska Dreams
- Alaska Frontier Constructors (AFC)
- Alaska Fuel Services
- Alaska Marine Lines
- Alaska Materials
- Alaska Railroad
- Alaska Resource Education (ARE) .....3
- Alaska Steel Co. ....4
- Alaska Textiles
- Alaska West Express
- Arctic Controls
- Armstrong
- ASRC Energy .....3
- ASTAC (Arctic Slope Telephone Assn. Coop, Inc)

### B-F

- Bombay Deluxe Restaurant
- Brooks Range Supply
- Calista Corp.
- Coffman Engineers .....2
- Colville Inc.

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

### G-M

- GCI
- GeoLog
- Greer Tank & Welding
- Guess & Rudd, PC
- Inspirations
- Judy Patrick Photography
- Lennon Crane
- Little Red Services, Inc. (LRS)
- Lounsbury & Associates
- Lynden Air Cargo
- Lynden Inc.
- Lynden Logistics
- Lynden Oilfield Services
- Lynden Transport

#### Matson

### N-P

- Nabors Alaska Drilling .....6
- NANA Worley
- Nature Conservancy, The
- NEI Fluid Technology
- Nordic Calista
- Northern Solutions
- NSTI (North Slope Telecom Inc.)
- Owl Ridge Natural Resource Consultants .....5
- Petroleum Equipment & Services, Inc.
- PND Engineers, Inc.
- PRA (Petrotechnical Resources of Alaska)
- 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



# NEED TO STRETCH YOUR DOLLAR?

## Becoming a contracted advertiser

To become a Petroleum News 'contracted advertiser' you simply have to agree to run 12 ads of any size over a 12-month period. In return we'll give you this additional marketing exposure:

### Exposure in the weekly Petroleum News

- You make the List
- Your employees are spotlighted
- Your news gets in Oil Patch Bits

#### OIL PATCH BITS



#### COMPANY LIST

### Exposure in the semiannual Arctic Oil & Gas Directory



#### NEWS ITEMS

#### PHOTO FEATURES

#### STANDALONE PHOTOS



- Your news gets featured
- Company photos promote your business
- You're included in the buyer's guide

#### LISTINGS SECTION

## Exposure in co-op ads for your customers

As a contracted advertiser your company would be listed in the co-op ads that run at least 12 times a year in Petroleum News, congratulating oil companies for new discoveries, field start-ups, entering Alaska, and welcoming new oil company presidents or managers to the state.

#### CO-OP ADVERTISEMENTS



## If your annual contract exceeds \$7,100

**We'll profile your company** We'll work with you on a two-page Q&A company profile that will appear in the Arctic Oil & Gas Directory. Afterwards, you can frame it or use it as a company brochure or flyer.

**We'll give you free online advertising** When Petroleum News readers click on articles each week they will see your ad, which will appear in rotation on the current story pages. The size of your annual contract determines the size of your online ad.

#### BUSINESS SPOTLIGHT



#### COMPANY PROFILES



#### WEB ADS