



page 20 years ago: BP has conceptual
4 breakthrough on viscous production

Alaska North Slope Pikka project 47% complete as of March 31

In Santos' first quarter report issued April 18, the company said the Alaska North Slope Pikka development project was 47% complete as of March 31, as compared to 37.4% complete as of Dec. 31.

In the first quarter rig operations were completed on seven wells. Four wells have been stimulated with three successfully flowed back. "Flow back results compare favorably with pre-drill expectations," Santos reported.

Vertical support members for the pipeline are more than 65% complete, and pipelaying was more than 61% complete for the winter season objectives.

The seawater treatment plant was 62% complete at the end of the first quarter.

Robust results

Santos Managing Director and Chief Executive Officer Kevin Gallagher said the strong underlying business performance, combined with a disciplined focus on operational excellence, delivered

see **PIKKA UPDATE** page 6



KEVIN GALLAGHER

House Resources hears Narwhal on West Harrison Bay unit issues

Rep. Tom McKay, chair of the Alaska Legislature's House Resources Committee, wants to know why there is no development at the West Harrison Bay unit on the North Slope. He said at a committee hearing April 15 that he was concerned about delays in developing West Harrison Bay, which he said he understands is considered "highly prospective" in the industry and has been described as containing an accumulation as large as Kuparuk.

McKay invited testimony from the parties involved in current issues around development — unit operator Shell Offshore, the Alaska Department of Natural Resources and adjacent leaseholder Narwhal.

He said the committee was unable to have Shell or DNR at

see **NARWHAL TESTIMONY** page 6



TOM MCKAY

88 Energy reports second light oil discovery in Hickory-1 well

In an April 15 ASX announcement 88 Energy Limited reported dual reservoir success at the company's Hickory-1 well with a second light oil discovery at the SMD-B reservoir. Hickory-1 is in Project Phoenix on the North Slope of Alaska.

In an April 2 ASX announcement 88 Energy reported the successful flow testing of the Upper SFS reservoir in the Hickory-1 well with "multiple oil samples recovered, measuring ~40-degree API oil gravity." The USFS test produced at a peak gauge flow rate of over 70 barrels of oil per day.

The SMD-B reservoir showed little to no measurable associated gas flow (low Gas-oil-Ratio, or GOR), which validates the pre-test analysis.

Hickory-1 has now delivered two successful oil flows and

see **HICKORY-1 WELL** page 5



ASHLEY GILBERT

EXPLORATION & PRODUCTION

2023 drilling down

North Slope saw 46 development wells; no Cook Inlet exploration drilling

By ALAN BAILEY

For Petroleum News

According to drilling data published by the Alaska Oil and Gas Conservation Commission, 46 development wells were completed on the North Slope in 2023. That compares with 71 completions in 2022 and 91 in 2019. There were few North Slope wells drilled in 2020 and 2021 because of COVID related restrictions. Six exploration wells were completed on the North Slope in 2023.

Of particular note in the Cook Inlet basin was the absence of any exploration wells completed in 2023. The Cook Inlet did see the completion of 10 development wells. That compares with 19 in 2022, nine in 2021, 10 in 2020 and 14 in 2019.

Hilcorp drilled all 10 of the development wells completed in the Cook Inlet basin in 2023.

North Slope development wells

On the North Slope Hilcorp Alaska drilled 33 development wells in 2023. Of these wells, 21 were in the Prudhoe Bay unit, with 11 drilled into the Prudhoe oil pool, six into the Schrader Bluff Orion pool, one into another Schrader Bluff pool, two into the Borealis oil pool and one into the Aurora oil pool. The company had indicated an intent to increase its drilling activity that addresses production from the

see **2023 DRILLING** page 8

GEOTHERMAL

Drilling Augustine '25

GeoAlaska gains entire southern half island, MT survey planned for summer

By KAY CASHMAN

Petroleum News

On April 16, GeoAlaska told Petroleum News that effective April 1, the Alaska Department of Natural Resources granted GeoAlaska a geothermal prospecting permit (ADL 394374) covering 7,299 acres on Augustine Island. This acreage expands GeoAlaska's existing geothermal footprint at Augustine Island by 240%, encompassing the entire southern half of the island.

The company already had (ADL 394080), which involved 3,031 acres. The two permits total 10,830 acres.



PAUL CRAIG

Based on the expanded acreage and the recommendations contained in an independent geothermal reservoir engineering study commissioned during 2023, GeoAlaska and its partner are commissioning a new magnetotelluric (MT) survey covering the southern half of Augustine Island to be completed during June and July.

GeoAlaska is a geothermal energy company based in Anchorage. The company was founded in May 2020 by Paul L. Craig with the goal of proving sustainable, affordable, carbon-free, baseload geothermal power to the

see **AUGUSTINE GEOTHERMAL** page 7

FINANCE & ECONOMY

Demand fear hits ANS

Iran vs Israel attack falls flat; China woes, US supplies take stage

By STEVE SUTHERLIN

Petroleum News

Alaska North Slope crude plummeted into the \$80s April 17, off \$2.46 to close at \$87.82 per barrel, as West Texas Intermediate plummeted \$2.67 to close at \$82.69 and Brent plummeted \$2.73 to close at \$87.29.

The dramatic movement came as traders factored in no evidence of disruption of crude shipments arising from Iran's massive but thwarted drone and missile attack directed at Israel over the weekend.

"At the end of the day, the conflict between Iran and Israel has not disrupted the supply of oil out-

side of the Houthis' impact on Red Sea transit," said Troy Vincent, senior market analyst at DTN, as quoted in an April 17 MarketWatch report.

"Without the war spilling over into attacks on oil infrastructure in other Gulf nations, or the U.S. stepping up enforcement of Iranian oil-export sanctions, the odds of this war materially impacting oil supply remain low," he said.

In the lull of immediate worries over supply interruptions, traders were free to fret over a surprise build in inventories in the United States and chinks in the armor of China's long awaited economic recovery from pandemic woes.

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