



Santos, Repsol reportedly look to sell 20-25% Pikka; Pokon DEC head

ACCORDING TO RECENT REPORTS from several news sources that have not been confirmed by Pikka project owners Santos and Repsol, the partners are looking to sell a 20-25% non-operating interest in the phased North Slope project, along with interests in nearby undeveloped Quokka and Horseshoe oil fields. Phase 1 of Pikka is scheduled to come online in 2026 at 80,000 barrels a day.

Operator Santos is focused on the Pikka Phase 1 development, but in commenting on a Santos North Slope map Joe Balash, Santos senior vice president of external affairs, said in a Feb. 5 presentation “as you move in sort of a clockwise fashion you see Quokka and Horseshoe as well as some non-unitized acreage. We are a significant holder of state leases, and this area in particular is focused on the Nanushuk formation and plays. These are clinofolds, stratigraphic traps that exist in succession going east to west. And we think there are quite a number of them,” he added.

“Our expectation is that the rocks can sustain multiple projects going forward in the 80,000 barrels per day increments

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Is CBM a possibility at Hilcorp's Seaview? New well may be drilled

Hilcorp Alaska is continuing to study its best options forward at Seaview, the newest and most southerly of the company's onshore Cook Inlet natural gas fields, which produced from June 2021 through August 2022 and has been shut-in since.

Hilcorp filed its fifth plan of development for Seaview with the Alaska Department of Natural Resources' Division of Oil and Gas on May 1. The 2024 POD is effective Aug. 1 through July 31, 2025.

In its 2023 POD, Hilcorp said it would evaluate additional perforations at the Seaview 9 well, one of two wells at the field. It also targeted a coalbed methane injectivity test at the well, which “could include perforating and testing” CBM opportunities.

The company said it was continuing to evaluate installation of a new compressor at the Seaview Pad and said that decision would be determined by other opportunities to install compression during the 2023 POD period.

In discussing work accomplished under the 2023 POD,

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Part 2: Nanushuk Oil Pool AIO for Pikka enhanced oil recovery

On April 16, Santos subsidiary Oil Search (Alaska) LLC, or OSA, as the operator of the Pikka unit applied to the Alaska Oil and Gas Conservation Commission for an Area Injection Order to allow enhanced oil recovery in the Nanushuk Oil Pool.

Conservation Order 807, issued on July 20, 2023, defined the extents of the Nanushuk Oil Pool, or NOP, and prescribed rules for its development. OSA is now seeking authorization to conduct an EOR injection project in the NOP in anticipation of beginning production from the Pikka unit in the coming years.

Consistent with the portion of AOGCC's mission that seeks to promote greater ultimate hydrocarbon recovery, the agency approves injection orders for several purposes, including EOR, storage, and disposal either on an individual well or on an areawide basis in Alaska.

EOR injection orders establish rules for conducting operations that are intended to increase the amount of oil that could

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EXPLORATION & PRODUCTION

A banner season

ConocoPhillips off to strong start in first Willow winter work season

By KAY CASHMAN
Petroleum News

ConocoPhillips is “wrapping up” its first major winter construction season at its Willow project in the National Petroleum Reserve-Alaska “this week,” company Chairman and CEO Ryan Lance said May 2 in prepared remarks for a first quarter earnings conference call.

In the Q&A session the first question came from Devin McDermott, a vice president at Morgan Stanley Research Division. He asked for more details on Willow work.

“We had a really strong start to project execu-



RYAN LANCE

tion here at Willow this year ... we were able to successfully mobilize over 1,200 workers and were able to successfully build out 7 miles of gravel road, 30 miles of gravel pads, 30 acres of gravel pads for future facilities,” replied Kirk Johnson, senior vice president of Global Operations for ConocoPhillips.

In a March 22 presentation to the Alaska Support Industry Alliance, Connor Dunn, vice president, Willow, said the plan was to lay out 60 acres of gravel pad during the winter construction season.

“And we constructed all the pipelines that we planned for this winter season,” Johnson said;

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FINANCE & ECONOMY

ANS outperformance

ANS at \$2.54 premium to Brent as California refiners make summer gasoline

By STEVE SUTHERLIN
Petroleum News

Alaska North Slope crude rose 47 cents May 8 to close at \$86.12 per barrel and hold its commanding premium over West Texas Intermediate and Brent. WTI gained 61 cents to close at \$78.99 and Brent rose 42 cents to close at \$83.58.

At the end of the day, ANS sported a \$7.13 premium over WTI and a \$2.54 premium over Brent.

In recent months Brent has traded at a premium to ANS, but ANS surpassed Brent May 1 by 61 cents.

On May 2 ANS opened its lead, surging \$2.07 to close at \$86.12 while Brent managed a 23-cent

gain to close at \$83.67. WTI lost 5 cents to close at \$78.95 on the day.

Some local West Coast factors may have contributed to the leap for ANS. As California refineries come back online from seasonal maintenance a scramble likely will ensue for crude feedstock to boost supplies of summer blend gasoline ahead of the summer driving season. The California Reformulated Gasoline (CARB) program requires a special summer blend for California which is designed to limit evaporation in summer heat. Refineries begin to produce summer blend in March and April.

This year supply is tight, according to Patrick

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EXPLORATION & PRODUCTION

Ninilchik drilling shift?

Hilcorp considering Clam Gulch well after concentrating on southern end of unit

By KRISTEN NELSON
Petroleum News

Hilcorp Alaska has been actively expanding natural gas production from its Ninilchik unit on the Kenai Peninsula, taking the field from annual production of 11.1 billion cubic feet in 2021 to 13 bcf in 2022 and 15.8 bcf in 2023.

Exploration and drilling have recently been focused at the southern end of the unit, with the unit's five 2023 wells completed there according to Alaska Oil and Gas Conservation Commission records, which currently show no Ninilchik well completions in 2024. The 2023 wells include two exploration wells, Pearl 8 and Pearl 9, and three

development wells, Pearl 10, Pearl 11 and Paxton 12.

AOGCC production data for March, the most recent available, show volumes from the Pearl and Paxton pads, the most southerly at Ninilchik, accounted for 53.6% of the field's volume, with Pearl 9 the field's most productive well by a wide margin, accounting for 14% of Ninilchik production for the month.

In the 20th plan of development for the unit, which Hilcorp submitted to the Alaska Department of Natural Resources' Division of Oil and Gas May 1, the company does list a potential development well at the southern end of the unit as under evaluation for the 2024 POD period, which runs

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