

## Paine's mixed response to Smith Bay Co.'s revised exploration plan

On Aug. 15, the Alaska Department of Natural Resources' Division of Oil and Gas received a revised plan of exploration 2025-2026 from Smith Bay Company Alaska, which is based in Batavia, IL.

The revised plan of exploration requested an extension to the current suspended POE and additionally requested a suspension of rental payments on the Smith Bay Unit leases during the suspension.

In response, on Sept. 8, the agency's Deputy Director Haley Paine sent a certified letter to Smith Bay Company President David Pfeiffer, explaining that in the division's Sept. 4, 2024 decision approving the suspension, the POE suspension was "approved through 60 days following a decision following litigation on the merits of the regulations issued" by the U.S. District Court of the District of Alaska regarding National Petroleum Reserve-Alaska regulations or June 30, 2027, whichever was earlier.

"Since there has not been a decision issued, the current

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## State of Alaska approves 2025 PBU Greater Point McIntyre Area POD

On Sept. 4, the Alaska Department of Natural Resources' Division of Oil and Gas Director Derek Nottingham sent division landman Michael Schoetz of Hilcorp North Slope notice that Hilcorp's Prudhoe Bay Unit Greater Point McIntyre Area 2025 plan of development, or POD, had been approved.

The 2025 POD was effective Oct. 1, 2025, through Sept. 30, 2026

Hilcorp provided a technical review to the division on Aug. 27.

The Greater Point McIntyre Area, or GPMA, consists of six participating areas, or PAs as follows: Combined Niakuk, Lisburne, North Prudhoe Bay, Point McIntyre, Raven, and West Beach. Initial production in the GPMA began with the Lisburne PA on Dec. 15, 1986, which currently produces from

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## Whiskey Gulch Pad amendment approved; connects to Enstar line

On Sept. 5, the Alaska Department of Natural Resources' Division of Oil and Gas told Stetson Sannes, an environmental specialist with Hilcorp Alaska that its Whiskey Gulch Pad Gas Production Pipeline, Lease Plan of Operations Amendment was approved, authorizing the company install a buried natural gas pipeline to support production activities at the Whiskey Gulch Pad near Anchor Point on the Kenai Peninsula.

The application was filed on Aug. 1.

The project involves the installation of a 6-inch-diameter, 4,000-foot pipeline connecting the Whiskey Gulch Pad to the Enstar gas transmission line.

Pipeline installation would be completed using a combination of trenching and horizontal directional drilling techniques. Installation of this infrastructure is intended to facilitate gas production from wells brought online at the Whiskey Gulch Pad.

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DAVID PFEIFFER



DEREK NOTTINGHAM

### FINANCE & ECONOMY

# ANS nears inflection

*Geopolitical risks boost crude despite demand woes, OPEC+ supply raise*

By STEVE SUTHERLIN

Petroleum News

Alaska North Slope crude rose 36 cents Sept. 9 to close at \$68.51 per barrel, while West Texas Intermediate and Brent rose 37 cents each to close at \$62.63 and \$66.39 respectively.

It was the second day of rising prices as geopolitical risks overcame worries about oversupply in crude markets.

ANS leapt 95 cents on Sept. 8 to close at \$68.15, WTI rose 39 cents to close at \$62.26, and Brent gained 52 cents to close at \$66.02.

Continued hostilities in Ukraine raised the risk of additional sanctions affecting Russian oil.

A Sept. 9 Israeli missile strike in Qatar targeting Hamas senior leadership heated geopolitical risk in the Middle East.

Al Jazeera said the strike hit during Gaza ceasefire discussions in the Qatari capital, Doha, citing sources close to Hamas.

"Recent diplomatic initiatives led by the U.S. and Qatar have been dealt a major setback," Jorge Leon, Rystad Energy head of geopolitical analysis said in a note reported in the Wall Street Journal, adding that much could depend on the response of Qatar, a close U.S. ally and Gulf Cooperation Council member.

"Any fallout could amplify tensions across the

*Crude oil prices have been rangebound in the mid-to-upper \$60s with countervailing forces affecting price, but September could see catalysts that would move prices into a new zone.*

Gulf and beyond, underscoring just how precarious the situation has become," he said.

Crude futures rose Sept. 10 for a third consecutive day following reports of Poland shooting down a flock of drones sent into its airspace by Russia.

WTI and Brent each jumped 1.7% to \$63.67 and \$67.49 respectively, shrugging off a substantial jump in U.S. crude inventories.

U.S. commercial crude oil inventories for the week ending Sept. 5 — excluding Strategic Petroleum Reserve supplies — jumped 3.9 million barrels from the previous week to 424.6 million barrels — 3% below the five-year average for the time of year, the U.S. Energy Information Administration said Sept. 10.

Total motor gasoline inventories increased by 1.5 million barrels over the week to 220.0 million barrels — at the five-year average for the season, the EIA said.

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### EXPLORATION & PRODUCTION

# Expanding in NPR-A

*ConocoPhillips applies for seismic permits to find potential drilling sites*

By KAY CASHMAN

Petroleum News

In March 2023, the Interior Department under President Joe Biden issued a Record of Decision regarding the proposed Willow Master Development Plan in the National Petroleum Reserve-Alaska, substantially reducing the size of the project, which is being developed by ConocoPhillips on oil and gas leases acquired beginning in the late 1990s.

As part of its negotiations with Biden's Interior Department to retain the much smaller Willow project, ConocoPhillips also relinquished rights to approximately 68,000 acres of its existing leasehold in NPR-A.

Since President Donald Trump was elected ConocoPhillips officials have talked about expanding in NPR-A, including increasing seismic and drilling, aligning with Trump's goal of increasing U.S. fossil fuel production.

The company applied for permits in July to conduct a three-dimensional geophysical winter seismic survey in NPR-A as part of its plans to drill exploratory wells near, and stepping out from, its Willow oil project.

The 3D seismic program would take place south



RYAN LANCE

of the Greater Mooses Tooth and Bear Tooth units to identify potential drilling sites and expand ConocoPhillips' Arctic operations.

The specific seismic permit applications submitted by ConocoPhillips in July are not yet publicly available through the Interior's Bureau of Land Management website.

A BLM spokesperson in July said that the applications would be released on the agency's website for environmental reviews "at a later date, once analysis is completed."

### Not just NPR-A

ConocoPhillips is continuing to invest some \$1 billion per year in projects in just its base business, said Donald Allan, ConocoPhillips asset development manager on Aug. 27 at the AOGA conference in Anchorage.

"Starting with our legacy business here in Kuparuk and Alpine, you see a combination of opportunities drilling from new pads and from existing pads," Allan said.

At Nuna -- a new drill site on the west side of the Kuparuk area -- ConocoPhillips achieved first oil

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