

Non-Compliance History

Hilcorp Alaska, LLC and Hilcorp North Slope, LLC

Updated 12/01/2021

Date	Non-Compliance	Location	AOGCC Action ¹	Comments
April 2012	Missing SVS tests; Failure to notify AOGCC for test witness	Various locations; Westside CI	No action taken; some of testing was Chevron responsibility	Numerous efforts by AOGCC to obtain SVS test results for IRU, PCU, LRU, Stump Lake; some missing SVS tests between 5/2011 and 2/2012; some failure to notify AOGCC for opportunity to witness tests
5/8/2012	Missing Kill Line Valve	Swanson River 21-22 (Aurora Rig #1)	NOV	4/18/12 BOPE test; inspector observed missing kill line valve at kill line inlet to stack (2 required); AOGCC closed out 5/25/12
9/17/2012	Choke Manifold Valves cheated closed during BOPE test	Swanson River 21-27 (Aurora Rig #1)	Corrective actions	Rig crew performing choke manifold test greased and had to cheat choke manifold valves closed to pass pressure test
10/2/2012	Notice of Meter Calibrations	Deep Creek Unit Happy Valley	Corrective actions	AOGCC has not received notice of meter calibration for Happy Valley custody transfer meter for at least as long as Hilcorp has been responsible; schedule provided 10/9/12
10/18/2012	Incorrect BOPE Test Pressure	Soldotna Ck 44-33 (Doyon Rig #1)	Enforcement – Other Order 80	When finally tested BOPE after use (10/18/12), tested to wrong pressure (4000psi instead of 5000psi)
10/23/2012	Failure to notify of changes to approved permit	Soldotna Ck 44-33 (Doyon Rig #1)	Enforcement – Other Order 80 (4/10/2013)	Hilcorp failed to follow well drilling procedures approved in PTD by AOGCC; failed to notify AOGCC of changes to well plan; failed to maintain well in overbalanced condition; lack mgt of change
	Well control; Failure to test BOPE after use			Hilcorp failed to test BOPE used in well control operations prior to first wellbore entry following use
10/26/2012	Failure to Test BOPE within 7 days	Granite Pt 32-13RD (Crane workover)	Denied request for delaying BOPE test	Test due 10/26/12, started running completion 1500hrs on 10/26 without making any attempt to get test extension (working daylight hours only); landed pipe high, had to trip pipe; request extension 10/27/12

¹ NOV – Notice of Violation; no financial penalty; corrective actions only

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10/31/2012	Improper gauge on IA	Trading Bay Unit D-45	No action	Hilcorp self-reported that gauge was pegged out; 2000psi alarm set, 1000psi gauge; well SI by Hilcorp
11/29/2012	Missing well control equipment	Happy Valley B-16 (Aurora Rig #1)	NOV	Missing top drive valve(s) on 10/10/12 and again 11/18/12; Hilcorp response rec'd 12/11/12
11/29/2012	Incorrect BOPE test pressure	Granite Point #50 (Schlumberger CT #2)	NOV	Sundry 312-439 required 4500psi BOPE test; Hilcorp tested to 3500psi; Hilcorp response 12/12/12; closed out 12/18/12
12/6/2012	Conduct of operations	Trading Bay Unit G-32 (Williams Rig #404)	NOV	Violation found 11/7/12 during rig inspection/BOPE test witness – hazardous conditions; wellbore fluids on deck; equipment placement; lack of winterization; Hilcorp response 12/21/12; closed out 6/26/15
12/16/2012	Winterization; Conduct of Operations	Trading Bay Unit G-32 (Williams Rig #404)	Rig ops shut down pending resolution of winterization issues, and witnessed BOPE test	Inspector unable to test BOPE 12/15/12 due to fluids covering stack well cellar (similar to issues noted in 12/6/12 NOV); returned 12/16/12 to test BOPE – unable to test BOPE (frozen choke manifold, top drive valves, floor safety valves, choke and kill lines along with other components not in heated enclosure) Rig operations allowed to restart 12/31/12
12/16/2012	Commence production w/o approved LACT meter	Nikolaevsk Unit - Red Pad	Corrective actions	12/18/12 – Hilcorp contacts AOGCC with notice of SVS testing; AOGCC determined by questioning status that well commenced production 12/16/12 without LACT meter approval; application for LACT meter received 1/9/12
4/11/2013	Defeated SVS	Sterling Unit 43-09X	NOV	SVS found defeated 3/15/13 during AOGCC inspection; well was SI without testing; Hilcorp response 4/25/13; closed out 9/14/14
9/30/2013	Defeated SVS Missing Annulus Gauges	Swanson River Field KGSF #1 SCU 12A-04; SCU 14-34; SCU 31-08	NOV	KGSF #1 – SVS found defeated during 9/2/13 AOGCC inspection; 3 SCU wells - missing outer annulus pressure gauges; 8/31/13 inspection; Hilcorp response 9/10/13; closed out 11/15/13
1/14/2014	Defeated SVS Missing Annulus Gauges	Swanson River Field SCU 12A-04; SCU 24A-09; SCU 41A-08	NOV	SVS on 3 rod pump wells found defeated during 12/9/13 AOGCC inspection; SCU 24A-09 without the required pressure gauge to monitor outer annulus; Hilcorp response 1/30/14; closed out 10/1/14

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4/21/2014	Defeated SVS	Ninilchik Unit FC-5; Ninilchik Unit SD-3	Corrective actions	SSSV defeated on FC-5 4/15/14 – passed retest 4/16/14; LPS blocked on SD-3 4/16/14 – passed retest 4/16/14; Hilcorp reported on 4/21/14
8/29/2014	Failure to Test BOPE	Trading Bay Unit G-11 (Moncla Rig #301)	NOV	Rig exceeded allowed 7days between BOPE tests without AOGCC approval; Hilcorp response 9/9/14; closed out 9/10/14
December 2014	Workover Safety Concerns	Various CI sites	Mandatory Meeting	List of concerns provided to Hilcorp addressing suitability of equipment and procedures; unsafe working conditions associated with rig workovers; onshore and offshore Cook Inlet
2/4/2015	Defeated SVS	Northstar NS-15	NOV	SSV found defeated during 1/23/15 AOGCC test witness; Hilcorp response 2/18/15; closed out 3/2/15
4/22/2015	Failure to Obtain Approval for Continued Production	Kenai Gas Field KDU 1	NOV	Operating without required competent tubing and packer; no AOGCC approval as required by 20 AAC 25.200; well SI; Hilcorp response 10/16/15; closed out 12/14/15
9/4/2015	Rig Operations with Failed Gas Detection System	Milne Point Unit F-96 (Hilcorp Rig ASR1)	Enforcement – Other Order 111 (9/30/2016)	Notice of Proposed Enforcement sent 11/25/15; informal review 2/18/16; Final Decision 9/30/16
9/25/2015	Failure to notify of changes to permit	Milne Point Unit J-08A (Hilcorp Rig ASR1)	Enforcement – Other Order 116 (3/3/2017)	Notice of Proposed Enforcement sent 11/12/15; informal review 2/18/16; Final Decision to include MPU J-01A and MPU J-09A proposed actions (same violations); Final Decision 3/3/17
10/1/2015	Workover Operations	Various CI and North Slope sites	Operations shut down; corrective actions	AOGCC Commissioners ordered the suspension of all Hilcorp workover rig operations until they can conduct such operations using good oilfield practices and can stick to the steps and procedures in approved Sundry applications; 10/26/15 mtg to discuss conditions for restart of workover rig operations; email approval to restart sent 10/29/15
11/12/2015	Failure to test BOPE after use	Milne Point Unit I-03 (Nordic Rig #3)	Enforcement – Other Order 109 (5/3/2016)	Notice of Proposed Enforcement sent 11/16/15; informal review 2/18/16; Final Decision 5/3/16
11/12/2015	Failure to notify of changes to permit	Milne Point Unit J-01A (Hilcorp Rig ASR1)	Enforcement – Other Order 117 (3/21/2017)	Notice of Proposed Enforcement sent 11/16/15; informal review 2/18/16; combined with MPU J-08A enforcement; Final Decision 3/1/17

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11/12/2015	Failure to notify of changes to permit	Milne Point Unit J-09A (Nordic Rig #3)	Enforcement – Other Order 118 (3/21/2017)	Notice of Proposed Enforcement sent 11/16/15; informal review 2/18/16; combined with MPU J-08A enforcement; Final Decision 3/21/17
11/24/2015	Failure to protect SVS	Beaver Ck Unit 24; Beaver Ck Unit 25	NOV	Frozen SVS; no wellhouse/insulation protecting the SVS; corrective actions addressed in Hilcorp letter 12/14/15; closed out 4/12/16
12/16/2015	Failure to submit required reports	Ninilchik Unit Bartolowits Pad	Enforcement – Other Order 113 (10/20/2016)	Notice of Proposed Enforcement sent 12/16/15; informal review 1/21/16; additional violation identified; Final Decision 10/20/16
12/15/2015	Missing OA valves	Nikolaevsk Unit Red #1 Deep Ck Unit Happy Valley B-14, B-15	NOV	Sent 12/21/15; closed out 7/27/17
12/29/2015	Failure to provide Well Log Data	Swanson River Field SCU 44-05	Notice of Proposed Enforcement	Notice sent to Operator 12/30/15; Hilcorp response 1/13/16; informal review 4/5/16; Final Decision postponed
5/16/2016	Missed SVS Test	Endicott 3-37	Corrective actions	Well placed on production 5/16/16; test due 5/21/16; notified AOGCC 6/29/16; tested 6/29/16 (no witness); tested 7/1/16 (AOGCC witness)
8/26/2016	Defeated SVS Failure to install SSSV	Endicott 3-09A Endicott 2-56A	NOV	AOGCC Inspector found control line blocked at SVS panel; 9/19/16 mtg revealed 2 nd SVS violation (failure to install SSSV in Endicott 2-56A; Hilcorp response 10/3/16; closed out 2/27/17
5/15/2017	Misinjection	Kenai Unit 12-17	NOV	Unauthorized injection of pigging wastes; sent 12/19/17; closed out 3/28/18
11/1/2017	Defeated SVS	Swanson River Unit 242-16	NOV	Sent 11/21/17; closed out 12/11/17
11/29/2017	Failure to Submit BOPE Test Report	Granite Pt State 11-24RD (Kuukpik Rig # 5)	NOV	Test report required within 5 days (due 10/24/17); not submitted until NOV received by Hilcorp; sent 11/29/17; closed out 12/13/17
3/16/2018	Failure to Test BOPE	Trading Bay Unit K-13RD2 (Hilcorp Rig # 404)	NOV	VBR not tested on smallest and largest OD pipe in work string; sent 3/19/18; closed out 4/9/18
3/30/2018	Failure to Comply with Information Request	Hilcorp-operated wells	NOV	Request for abandonment costs; sent 3/30/18; verbally closed out after receiving requested information

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10/25/2018	Failure to Submit BOPE Test Report	Endicott 1-29 (Hilcorp Rig ASR-1)	NOV	Test report required within 5 days (due 10/24/18); not submitted until AOGCC inquiry 10/26/18; sent 10/31/18; closed out 11/20/18
9/20/2018	Failure to Submit Well Information	Trading Bay Unit M-22	NOV	Sent 11/1/18; closed out 11/8/18
4/8/2019	Failure to Submit Performance Report	Granite Point Unit; Trading Bay Unit	Enforcement – Other Order 153 (6/12/2019)	Violation of meter approval letter Conditions of Approval; Notice of Proposed Enforcement issued 7/7/19; Final Decision 6/12/19
5/1/2019	Failure to Submit BOPE Test Report	Trading Bay Unit G-21RD (Hilcorp Rig 404)	Corrective actions	Test report required within 5 days (due 5/6/19); not submitted until AOGCC inquiry 5/7/19
10/16/2019	Defeated SVS	Milne Point Unit J-26	NOV	Sent 10/16/19; closed out 11/5/19
2/7/2020	Failure to Follow Good Oilfield Practices During P&A	Wolf Lake #2	NOV	Wellbore fluids released during abandonment operations; AOGCC notified 2/20/2020 by USFWS and ADEC; Sent 3/10/2020; closeout pending implementation of corrective actions
3/2/2020	Failure to Submit Performance Report	Beaver Creek Unit	Enforcement – Other Order 170 (5/14/2020)	Violation of meter approval letter Conditions of Approval; Notice of Proposed Enforcement issued 3/2/2020; Final Decision 5/14/2020
4/21/2020	Failure to Get Approval for SVS Changes and Alternate Well Testing	Duck Island Unit 2-48	NOV	Sent 4/21/2020; closed out 5/27/2020
12/8/2020	Diverter Test Failure	Hilcorp Rig 169; Soldotna Creek Unit 42-05Z	NOV	Sent 12/18/2020; inspector witnessed a passing diverter test; closed out 7/14/2021.
12/20/2020	Diverter Test Failure	Doyon 14; Milne Point Unit J-29	NOV	Sent 12/28/2020; passing inspection of installation on new well 1/12/2021; closed out 1/15/2021
12/15/2020	Failure to Install Subsurface Safety Valve	Ninilchik Unit Paxton-10	NOV	Sent 2/23/2021; Paxton-10 commenced production 12/1/2020; SSSV required by 12/15/2020; violation discovered 2/5/2021; close out pending successful installation and testing of SSSV in Paxton-10.
10/4/2021	Defeated SVS	Prudhoe Bay Unit H-24A	NOV	Sent 10/04/21; see Enforcement – Other Order 188.
10/26/21	Defeated SVS; failure to respond	Prudhoe Bay Unit H-24A	Enforcement – Other Order 188 (11/30/21)	Notice sent to Operator 10/26/21; Hilcorp response 11/8/21; Final Decision 11/30/21

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11/1/2021	Failure to provide evidence of repairs nor the results of a passing retest	Prudhoe Bay Unit S-15	NOV	Sent 11/1/2021; closeout pending.
11/12/21	Failure to comply with permit conditions	Swanson River Unit 241-33B	Enforcement – Docket # OTH-21-040	Notice sent to Operator 11/12/21; closeout pending.
11/16/21	Failure to function pressure test	N Cook Inlet Unit B-02	Enforcement – Docket # OTH-21-053	Notice sent to Operator 11/16/21; closeout pending.