



ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION
Division of Spill Prevention and Response
Prevention Preparedness and Response Program
SITUATION REPORT (SITREP)

CHANGES FROM PREVIOUS SITREPS ARE DENOTED IN RED

Hilcorp Natural Gas Leak from 8-inch Pipeline



SITREP #: 3

SPILL #: 17239903801

TIME/DATE OF DISTRIBUTION: 4:00 p.m. March 1, 2017

POTENTIAL RESPONSIBLE PARTY (PRP): Hilcorp Alaska, LLC (Hilcorp)

INCIDENT LOCATION: Cook Inlet between Platform A and Nikiski. (Lat/Long: 60.776367, -151.43365)

TIME/DATE OF SPILL: Unknown

HOW/WHEN SPILL WAS DISCOVERED AND REPORTED: A Hilcorp helicopter flying between Nikiski and Platform A around 3 p.m. on February 7, 2017, identified bubbles resulting from a natural gas leak. Hilcorp reported the gas leak to the National Response Center and to the Alaska Department of Environmental Conservation (ADEC) at 4 p.m. on the same day.

TYPE/AMOUNT OF PRODUCT SPILLED: The natural gas being released is not natural gas from the platform. The gas is processed dry natural gas (98.67% Methane), providing fuel gas to four platforms: Platform A, Platform C, Dillon Platform and Bakers Platform. The exact amount of gas released to water is unknown at this time. Hilcorp reported the line pressure up to February 13 was approximately 195 psi. On February 19, Hilcorp reduced the line pressure to 165 psi with an estimated leak rate between 210,000 to 310,000 cubic feet per day.

CAUSE OF SPILL: The cause of the leak is unknown at this time and is being investigated.

SOURCE CONTROL: The 8-inch pipeline is an underwater pipeline at approximately 80 feet below Cook Inlet waters. No source control has been achieved at this time.

RESPONSE ACTION: Hilcorp conducted overflights on February 21, 22, 23 and 28. No overflights have been conducted from February 24 - 27 because the heliport was on weather hold due to poor visibility. The gas release was visible during the February 22 overflight; however, bubbles from the natural gas leak could not be detected on February 21, 23 or 27 due to pans that cover the affected area. Cold temperatures are expected in the region for a couple of weeks, which may further exacerbate the ice conditions, limiting gas bubble visibility and diver access.

On February 23, additional overflights were conducted at approximately 12:45 p.m. and 1:20 p.m. with two ADEC representatives and two Alaska Department of Fish and Game representatives. The gas bubble were not observed by state representatives during the overflight due to ice pans. The flyover also included the areas of Chickaloon Bay, Susitna Flats, and Kalgin Island to determine if any Beluga whales were in the area. No Beluga whales were observed during the overflight.

Hilcorp is continuing to monitor the pressure and flow rate on the line to ensure there is no indication of an increase in the rate of release.

On February 21 and 23, ADEC facilitated a meeting with state and federal resource trustee agencies to discuss resources at risk in the vicinity of the leak.

On February 27, ADEC issued a response to Hilcorp's response letter addressing information that was requested in the Letter of State Interest for this incident. In the letter, ADEC directed that Hilcorp provide a sampling and monitoring program work plan by March 8, 2017.

ADEC continues to be in active communication with Hilcorp, and state and federal resource trustee agencies.

RESOURCES AT RISK OR AFFECTED:

Shorelines - Shoreline type varies throughout upper Cook Inlet. Shorelines around the East Forelands area include mixed sand and gravel beaches, coarse-grained sand, and exposed tidal flats. Redoubt Bay and Trading Bay on the west side of Cook Inlet include salt and brackish-water marshes and sheltered tidal flats which are of high importance to bird and invertebrate species.

Marine Mammals - Species likely to be present in upper Cook Inlet include Cook Inlet beluga whale (Endangered Species Act [ESA]-listed as endangered), western Distinct Population Segment (DPS) Steller sea lion (ESA-listed as endangered), Mexico DPS humpback whale (ESA-listed as threatened), harbor seals, killer whales, Hawaii DPS humpback whales, harbor porpoise, and Dall's porpoise. The Southwest Alaska DPS Northern sea otter (ESA-listed as threatened) is known to occur in lower Cook Inlet. The discharge location is within designated Critical Habitat for Cook Inlet beluga whales. Cook Inlet beluga whales are likely utilizing offshore waters in upper Cook Inlet during winter and will concentrate near forage fish locations as those populations arrive.

Birds - Steller's eiders are ESA-listed as threatened and are known to overwinter south of the gas release along both the eastern and western shores of lower Cook Inlet; however, a small portion of this species has been known to overwinter in the Nikiski area. Waterfowl and shorebirds are overwintering in upper Cook Inlet. Notably, rock sandpipers are known to overwinter in upper Cook Inlet feeding on bivalves, including almost the entire population of the subspecies *Calidris ptilocnemis ptilocnemis*. Bald and golden eagles are also present in Cook Inlet year round. Migratory birds, including waterfowl, seabirds, and shorebirds will likely begin arriving in high numbers in the Cook Inlet area in late March to early April.

Fish - Several species and different life stages of fish are likely present in Cook Inlet near the vicinity of the gas release, including all five species of Pacific salmon (Chinook, coho, sockeye, chum, and pink salmon), Dolly Varden, rainbow trout, Pacific eulachon, Pacific halibut (spawning and hatching occurs in winter months), Pacific herring, Bering cisco, Humpback whitefish, American shad, Walleye pollock, sablefish (adults spawn in winter in deep waters, larvae are present at the water surface, and juveniles are found in nearshore waters), Pacific and saffron cod, yellowfin sole, and smelt. This area is Essential Fish Habitat for all five species of Pacific salmon.

FUTURE PLANS AND RECOMMENDATIONS: Hilcorp will continue to monitor the ice conditions by conducting daily overflights, weather permitting, to determine when it will be safe for diving activities. Hilcorp will continue to monitor the pipeline pressure to ensure there is no sudden decrease in pressure to indicate increased leak. ADEC will review the sampling and monitoring program work plan in coordination with state and federal resource trustees when received.

WEATHER: Today: A mix of clouds and sun with gusty winds; high 21°F; winds north northeast at 25 to 35 mph. Tonight: Mainly clear; low 7°F; winds north northeast at 15 to 25 mph. Tomorrow: Sunny; high 23°F; winds north at 15 to 25 mph.

COMMAND AND PERSONNEL:

SOSC: Geoff Merrell, ADEC

TIME/DATE OF THE NEXT REPORT DISTRIBUTION: As the situation warrants.

FOR ADDITIONAL INFORMATION CONTACT: Geoff Merrell, SOSC, ADEC (907) 269-7682

http://dec.alaska.gov/spar/ppr/response/sum_fy17/170215201/170215201_index.htm

AGENCY/STAKEHOLDER NOTIFICATION LIST: This situation report was distributed to the agencies listed on the standard distribution list, which includes the governor's office, State Emergency Operations Center, U.S. Department of the Interior, National Marine Fisheries Service, U.S. Fish and Wildlife Service, and other state agencies. This situation report was also distributed to the following agencies and stakeholders:

| AGENCY / STAKEHOLDER | NAME | SENT VIA |
|-------------------------------|---|--|
| Hilcorp | Lori Nelson | lnelson@hilcorp.com |
| ADEC – Division of Water | Michael Solter | michael.solter@alaska.gov |
| ADNR – DMLW | Brent Goodrum | Brent.goodrum@alaska.gov |
| AGOCC | Hollis French | Hollis.french@alaska.gov |
| Senate O - Kenai | Peter Micciche | Senator.Peter.Micciche@akleg.gov |
| House 29 - Nikiski | Mike Chenault | Representative.mike.chenault@akleg.gov |
| Senate L - Anchorage | Natasha von Imhof | Senator.Natasha.vonImhof@akleg.gov |
| Senate P - Kodiak | Gary Stevens | Senator.Gary.Stevens@akleg.gov |
| USCG MSD Homer | USCG-Office | d17-sg-a-msdhomer-all@uscg.mil |
| US EPA | Bob Whittier | Whittier.robert@epa.gov |
| CIRCAC | Mike Munger Vinnie Catalano | mikemunger@circac.org stevecatalano@circac.org |
| Cook Inletkeeper | Bob Shavelson | bob@inletkeeper.org |
| City of Kenai | Paul Ostrander, City Manager | postrander@kenai.city |
| Kenai Peninsula Borough | Scott Walden, Office of Emergency Management | swalden@kpb.us |
| Kenaitze Tribe | | btrefon@kenaitze.org |
| Ninilchik Traditional Council | | ntc@ninilchiktribe-nsn.gov |