



VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

February 15, 2017

Jeffery Hildebrand, Chairman & CEO
Hilcorp Energy Company
Post Office Box 61229
Houston, Texas 77208-1229

RE: NOTICE OF INTENT TO SUE PURSUANT TO SECTION 505 OF THE FEDERAL WATER
POLLUTION CONTROL ACT, 33 U.S.C. §§ 1251 *et seq.*

Dear Mr. Hildebrand:

I. INTRODUCTION

Cook Inletkeeper (“Inletkeeper”) hereby provides you with Notice of Violation and Intent to File Suit under the Federal Water Pollution Control Act, as amended, 33 U.S.C. §§ 1251 *et seq.*, also known as the Clean Water Act (“CWA”). Inletkeeper provides this notice pursuant to Section 505(b) of the CWA, 33 U.S.C. § 1365(b), which requires that 60 days prior to the initiation of a civil action under Section 505(a) of the CWA, 33 U.S.C. § 1365(a), a citizen must give notice of intent to sue and a description of the alleged violations. Inletkeeper provides this notice to Hilcorp as owner and operator of the natural gas pipeline running between Platform “A” in Cook Inlet, Alaska, and the East Foreland facility, and which is discharging pollutants in violation of the Clean Water Act.

II. VIOLATIONS OF THE CLEAN WATER ACT

On or about February 7, 2017, the 8” natural gas pipeline connecting Platform “A” to the East Foreland Facility, which is owned and operated by Hilcorp, was discovered to be leaking approximately halfway between the platform and the shore. While the volume of leaking natural gas, which is comprised largely of methane, has not been formally announced, it’s estimated to be in the range of hundreds of thousands to millions of cubic feet a day.¹ Based

¹ Methane is also a powerful greenhouse gas pollutant, and Hilcorp’s ongoing illegal release likely implicates Clean Air Act and other violations.

on information and belief, the methane from this illegal discharge is displacing oxygen in the water column, thereby creating a “dead zone” of unknown expanse, where low (i.e., hypoxic) or no (i.e., anoxic) oxygen levels threaten harm and lethality to fish and wildlife. Furthermore, based on the temperature and salinity conditions in Cook Inlet, the solubility of methane in marine waters presents an ongoing threat to water quality, fish and wildlife. Finally, Hilcorp’s illegal discharge is occurring in designated critical habitat for the Cook Inlet Beluga whale, which is listed as endangered under the federal Endangered Species Act, 16 U.S.C. § 1531 *et seq.*² Hilcorp does not have a permit pursuant to section 402 of the Clean Water Act, 33 U.S.C. § 1342 *et seq.*, to discharge pollutants to waters of Cook Inlet, and as a result, Hilcorp is in ongoing violation of section 301(a) of the Clean Water Act, 33 U.S.C. § 1311(a). Due to the extended age of the pipeline in question, and due to the extended age of other pipelines in the vicinity owned and operated by Hilcorp, it is likely violations will continue at least intermittently into the future.

III. PENALTIES FOR VIOLATIONS

Pursuant to Section 309(d) of the CWA, 33 U.S.C. § 1319(d), and the Adjustment of Civil Monetary Penalties for Inflation, 40 C.F.R. Part 19, each day of illegal discharge subjects Hilcorp to a penalty of up to \$32,500 per day. In addition to civil penalties, Inletkeeper will seek injunctive relief to prevent further violations of the Clean Water Act pursuant to Sections 505(a) & (d), 33 U.S.C. § 1365(a) & (d), and such other relief as permitted by law. Lastly, Section 505(d) of the CWA, 33 U.S.C. § 1365(d), permits prevailing parties to recover reasonable costs and attorneys’ and expert witness fees.

IV. NAME & ADDRESS OF NOTIFIER

Cook Inletkeeper
P.O. Box 3269
Homer, AK 99603
Ph: 907.235.4068

V. CONCLUSION

During Hilcorp’s relatively short tenure in Alaska, it has enjoyed considerable tax credits and reaped sizable profits at a time when Alaska is in fiscal crisis. Unfortunately, Hilcorp’s

² It’s likely Hilcorp is therefore “taking” an endangered species in violation of section 9 of the ESA for as long as the illegal discharge persists, 16 USC 1538(a).

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compliance record has been unsatisfactory, leading the Alaska Oil & Gas Conservation Commission to note “[t]he disregard for regulatory compliance is endemic to Hilcorp’s approach to its Alaska operations....”

Hilcorp’s position on social responsibility states “[o]ur commitment to environmental and social responsibility is unwavering,” and its core values include “Integrity—Do the Right Thing” and “Urgency—Act Today, Not Tomorrow.” If Hilcorp imparts any meaning to these words, it will immediately stop the ongoing violations of the Clean Water Act cited above, and take definitive action to ensure similar problems do not develop regarding other Hilcorp assets in Cook Inlet in the future.

You may contact me if you would like to arrange a meeting to discuss suitable response and remediation actions at 907.299.3277 or bob@inletkeeper.org.

Yours for Cook Inlet,



Bob Shavelson
Inletkeeper

Cc: VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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