

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

Nuna Pad Well 2

SITREP #: 2

SPILL #: 17399916801

TIME/DATE OF DISTRIBUTION: 3:30 PM, August 8, 2017

POTENTIAL RESPONSIBLE PARTY (PRP): Caelus Natural Resources Alaska, LLC

INCIDENT LOCATION: Prudhoe Bay, Nuna Well NDST-2. Approximately 46 miles west from the Deadhorse Airport. Lat/Long: 70.421485, -150.271863.

TIME/DATE OF SPILL: Discovered at 12:30 PM June 18, 2017

HOW/WHEN SPILL WAS DISCOVERED AND REPORTED: The spill was initially reported to the department via fax on June 18, 2017.

TYPE/AMOUNT OF PRODUCT SPILLED:

The initial report on June 18, 2017, described the product released as 5 gallons of crude that escaped the well cellar and an unknown amount of crude contained in ice within the well cellar. On July 7, 2017, after the ice within the well cellar had melted Caelus reported the removal of 2500 gallons of material from the well cellar that they are calling freeze protect fluid. This material is an oil that is similar to mineral oil. On July 10, 2017, Caelus reported an estimated total of 2900 gallons of freeze protect fluid has been removed from the well cellar and surrounding gravel pad. Total volume of fluids released are now estimated by caelus to be approximately 4,200 gallons (100 bbls) of diesel freeze protect fluid and 2,940 gallons (70 bbls) of mineral oil.

CAUSE OF SPILL: When the gravel was removed from around the cellar it was determined that the antibuoyancy plugs in the bottom of the cellar were not in place. This allowed water to fill the cellar and freeze. The development of the ice damaged the outer annulus valve and assembly on the well allowing the diesel and freeze protect fluid to escape.

SOURCE CONTROL: The outer annulus valve and assembly were repaired stopping the flow of fluids through the flange face.

RESPONSE ACTION: To date cleanup operations of the gravel drill site have expanded and resulted in the removal of approximately 6,200 cubic yards of contaminated gravel before the limits of the spill were identified. Oil had migrated under the drill site's protective layer of gravel filled bags (armor bags) with a small amount of oil impacting the surrounding tundra. All of the contaminated water that was exterior of the drill site has removed and a vacuum truck is standing by. Caelus is continuing to remove contaminated gravel from the pad using an excavator and maxi-haul trucks. A vacuum truck and super sucker are being used to remove standing

fluids from the well cellar and spot cleanup around the excavator and excavation site to prevent spilled product from reaching tundra.

RESOURCES AT RISK OR AFFECTED: The Nuna Drill Site gravel pad and surrounding tundra plant communities. Caelus will delineate the extent of the release and in coordination with ADEC we will reevaluate for any resources that maybe at risk. At this time, the release is only known to have impacted the well cellar, a portion of the gravel pad, and a very small area of adjacent tundra.

FUTURE PLANS AND RECOMMENDATIONS: Caelus will continue removing contaminated gravel from the drill site and recover fluids from the tundra using a vacuum truck and shore seal boom. Physical screening methods (visual, olfactory and a PID) were are being used to identify contaminated gravel for removal. Caelus has submitted a sampling plan to ADEC for approval.

WEATHER: Temperature high 60's to low 40's F, NE wind 5 mph, overcast with light rain and patchy fog.

UNIFIED COMMAND AND PERSONNEL:

Incident Commander: Vern Johnson, Caelus Natural Resources Alaska, LLC. SOSC: Tom DeRuyter, ADEC

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



Nuna Pad 2 Cellar with Super Sucker on site during the repair of the outer annulus flange. (Photo credit Wes Ghormley, ADEC, July 13, 2017).

FOR ADDITIONAL INFORMATION CONTACT: Tom DeRuyter, SOSC, ADEC (907) 451-2145.

http://dec.alaska.gov/spar/PPR/response/sum_fy18/170707301/170707301_index.htm

AGENCY/STAKEHOLDER NOTIFICATION LIST:

Please refer to the first SITREP distributed July 11, 2017 for the agency/stakeholder notification list. The link to the first SITREP can be found in the **Additional Information** box above.