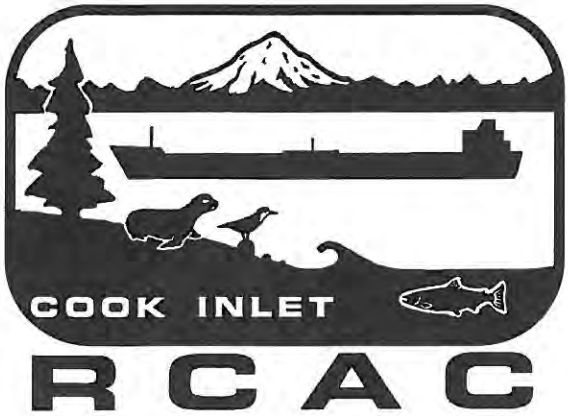

Comments and Requests for Additional Information

Regarding

Hilcorp Alaska

Cook Inlet Exploration

Oil Discharge Prevention and Contingency Plan

Submitted

By

COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL

FEBRUARY 01, 2013

General Comments

The Hilcorp Alaska (HAK) Cook Inlet Exploration Oil Discharge Prevention and Contingency Plan (ODPCP or C-plan) was well-written, thorough and contained detailed information for use in spill response planning activities. The plan holder demonstrated a solid effort to provide a comprehensive planning document. However, there are some points which require clarification:

Inconsistent/inaccurate information. The C-plan contained a number of inconsistencies and points that require further clarification. These inconsistencies refer to missing or inaccurate information, which should be corrected or clarified to ensure the effectiveness of the C-plan.

Diagrams. The diagrams contained within the C-plan could be improved with clearly marked and easy-to-read diagrams, which would greatly facilitate their use during any response planning. The diagrams are missing potential routes of discharge, drainage route information and evacuation/muster points.

Scenarios. The C-plan did not contain a winter storage tank rupture. While many of the response activities can be applied during different seasons, the differences between the response activities during summer and winter warrant a separate scenario as required by the regulations. Although not applicable due to current winter drilling operations, should the operations expand into the summer months, Cook Inlet RCAC would like to see a summer blowout scenario.

Cook Inlet RCAC recommends thoroughly testing the procedures outlined in this plan and cross-referencing them with established references and regulations to ensure accuracy and consistency.

Introduction

1.0 Response Action Plan

1.1 Emergency Action Checklist

Figure 1-1 Spill Notification Flow Chart

Figure 1-1 states "For further agency reporting requirement information, refer to Table 1-3," however Table 1-3 is a Summary of Staging Capabilities in the Cook Inlet Region.

RFAI: Please clarify which table the C-plan is referring to for further agency reporting requirements.

1.2 Reporting and Notification

Figure 1-3 HAK Spill Report Form

The HAK Spill Report Form included as Figure 1-3 is a good internal reference for HAK personnel to follow during a spill response. However, 18 AAC 75.300(e) requires specific information that must be reported to ADEC in the Oil & Hazardous Materials Incident Final Report. This report can be accessed at: http://www.dec.state.ak.us/spar/perp/docs/Final%20Report%20Form_rev09162008.pdf.

RFAI: Cook Inlet RCAC recommends including a copy of the State of Alaska DEC Oil & Hazardous Materials Incident Final Report in the C-plan.

1.2.2 External Notification Procedures

This section states that the IC activates the response organization and notifies CISPRI, ADEC and the NRC. It also states that the IC will notify the Response Group depending on spill response needs. It is unclear which Response Group the plan holder is referring to.

RFAI: Please clarify which Response Group/organization the IC would notify.

1.3 Safety

1.3.1 General Procedures

This section references both 29 CFR 1910.120 and the CTM for the criteria and development of a site safety plan. Appendix C in the CTM also contains valuable information for the development of a site safety plan. This section does not include a reference to the CTM Appendix C Section.

RFAI: Cook Inlet RCAC recommends including references to site control tactics and the CTM Appendix C in Section 1.3.1 for ease of reference.

1.3.2 Evacuation Routes and Plans

This section discusses evacuation procedures, routes and muster points. However, there is no reference to the Susan Dionne Site Plan (Figure A-3). By referencing Figure A-3 in this section and including/labeling the evacuation and muster points on the site plan itself, it would assist the Incident Command and evacuating personnel to quickly and efficiently identify these important items.

RFAI: Cook Inlet RCAC recommends including a reference to Figure A-3 in this section and including the evacuation and muster points on Figure A-3.

This section also briefly discusses procedures for injured personnel. The C-plan does not include any information on the nearest medical facilities or whether there are any medically-trained personnel on site to provide first aid.

RFAI: Cook Inlet RCAC recommends including information regarding the nearest medical facility and mode of transport in this C-plan. Additionally, we recommend identifying whether there is any medically-trained staff on site to provide first aid.

1.6 Response Scenarios and Strategies

1.6.2 Response Scenarios

Cook Inlet RCAC found the scenarios contained in this C-plan to be easy to read and provided specific information for use during a spill response. However, the C-plan only included a summer scenario for the oil storage tank rupture. It is likely that the storage tanks may store oil year-round. The C-plan states that the response actions described in the summer scenario would be essentially the same if the rupture occurred during a different season. Per 18 AAC 75.425 (e)(1)(F), the response scenario must provide additional response strategies to account for variations in receiving environments and seasonal conditions. It is reasonable to assume that the winter conditions would affect the receiving environment as well as the response equipment, personnel and actions. The weather conditions can affect the availability of equipment and personnel as well as their response time.

RFAI: Please include a winter scenario for the oil storage tank rupture.

Scenario 1 – Tank Rupture During Summer

(ii) Preventing or Controlling Fire Hazards

This section references safety tactics, but does not reference the CTM Appendix C, which includes a template for the Site Safety Plan.

RFAI: Cook Inlet RCAC recommends including a reference for the CTM Appendix C.

(ix) Transfer and Storage of Recovered Oil/Water; Volume Estimating Procedures

This section states that the recovered fluids will be stored in a vacuum truck. It is not clear whether the vacuum truck will also transport the fluids for disposal or recycling or whether these fluids will be transferred to tank trucks or another container for transport.

RFAI: Please clarify how the recovered fluids will be transported for disposal or recycling after they are recovered at the scene.

1.9 Response Scenario for an Exploration or Production Facility

This section states that HAK maintains a separate blowout contingency plan that is available for inspection by ADEC upon request. Cook Inlet RCAC views the Blowout Contingency Plan as a key component to the overall response system and believes that a technical review of the blowout control options and planning described in that plan should be included in the state C-plan review process. We advocate that the AOGCC review and approve Blowout Contingency Plans as part of the ODPCP review and approval process. We believe the AOGCC has the necessary expertise to effectively determine the adequacy of a Blowout Contingency Plan and that the approval of and incorporation of the Blowout Contingency Plan into the ODPCP process is paramount to achieving a comprehensive oil discharge prevention and contingency plan.

RFAI: Cook Inlet RCAC recommends the AOGCC review the BCP along with this ODPCP to aid in the identification of any response gap.

This section provides extensive information on well control operations for a blowout, however it lacks sufficient information on oil spill response during and after the blowout as required by 18 AAC 75.425 (e)(1)(F) and (I). It does not provide the required information such as discharge containment, control and cleanup action to be taken. Although both of these actions are necessary, it is also unclear whether these would be undertaken simultaneously or separate from one another. The timeline and actions are unclear.

RFAI: Please provide the required information for a response scenario as required by 18 AAC 75.425 (e)(1)(F).

1.9.4 Drilling a Relief Well

This section provides a timeline to drill a relief well and lists the days required to complete specific actions. At the bottom of the timeline table, it indicates a total time of 50 days to drill the relief well. While we acknowledge an overlap of simultaneous activities it is still unclear how the plan holder achieves completion of a relief well in 50 days if it takes 28 days to contract and mobilize a rig and another 27 days to drill to depth.

RFAI: Please clarify the timeline required to drill a relief well.

1.9.5 Generic Equipment List - Communications

This section discusses communications in general. It does not provide specific equipment that is available, its location or its use during the spill response. It also does not discuss its compatibility with existing communications systems, such as the system used by CISPRI, who will likely be part of the response activities.

RFAI: Please provide specific information on the communications equipment, location, and compatibility for use during a spill response.

3.0 Supplemental Information

3.2 Receiving Environment

3.2.1 Potential Routes of Discharge

This section references Appendix A for potential routes of discharge for each exploration site, however the figures located in Appendix A are not labeled to identify potential containment sites or drainage gradients.

RFAI: Cook Inlet RCAC recommends clearly labeling the figures or including additional figures in Appendix A with potential containment sites and drainage gradients to illustrate any potential routes of discharge per 18 AAC 75.425 (e)(3)(B)(i).

3.6 Response Equipment

3.6.1 Equipment Lists

This section contains formatting errors and a break in text that is confusing. The remarks continue on the next page.

RFAI: Please correct the formatting for this section.

This section also describes equipment that may be available on-site for spill response efforts and refers to Table 3-1. It also states that additional heavy equipment available for spill response efforts may be available at the exploration site. The vacuum truck and front-end loaders listed in the scenario are not listed in Table 3-1. It is unclear where this equipment is located and whether it is available at the exploration site. If not readily available, the C-plan is not clear whether this is CISPRI equipment or HAK's.

RFAI: Please state the location of the heavy equipment described in the scenario and the mobilization and response time to reach the spill site.

4.0 Best Available Technology

4.2 Source Control

4.2.2 Well Blowout Source Control

This section references historical Outer Continental Shelf occurrences of blowouts between 1992 and 2006. Due to more recent significant events (e.g. Deepwater Horizon - 2010), including updated blowout occurrence estimates, to include data from the 2010 Deepwater Horizon spill, would provide relevant and timely information for the C-plan.

RFAI: Cook Inlet RCAC recommends including more recent blowout occurrence estimates and data, to include the 2010 Deepwater Horizon spill.

4.2.2.2 Relief Well Drilling

The table that is included in this section discusses the effectiveness of well capping and relief well drilling. The well capping column includes an estimated duration for well capping, the relief well drilling does not. Also, the duration information is not included in the Environmental Impacts section of the table. In order to provide a complete and balanced comparison of the two source control measures, it would be useful to have similar information about both when considering them in a side-by-side comparison.

RFAI: Cook Inlet RCAC recommends including the duration information for Relief Well Drilling.

Appendix A

1. Susan Dionne Exploration Well Operational Overview

Figure A-3

Due to the resolution and colors in the Susan Dionne Site Plan, it is difficult to read the labeling and discern any of the locations. It is also does not identify muster points and evacuation points. This figure would be useful during an incident and would not be easy to read in hard copy or displayed on CISPRI smart board monitors for ICS staff to refer to. The figure also references Sheet 1 for notes and legend, but does not include Sheet 1 in Appendix A.

RFAI: Cook Inlet RCAC recommends replacing this figure with one that is easier to read and includes relevant information such as evacuation and muster points. Please include Sheet 1 in the C-plan.

2. Susan Dionne Exploration Well Environmental Considerations

Potential Routes of Discharge

As required by 18 AAC 75.425 (e)(3)(B)(i), the C-plan must include potential routes of travel of oil discharged from the facility or operation to open water in the form of a drainage diagram or map. Neither Appendix A nor B contains this map.

RFAI: Please include the information required by 18 AAC 75.425 (e)(3)(B)(i). Cook Inlet RCAC recommends adding that information to Figure A-3 (site plan).

3. Susan Dionne Exploration Well Blowout Spill Response Scenario

Appendix A provides a detailed response scenario for an uncontrolled blowout during the winter. Should the operation expand into the summer months, Cook Inlet RCAC would expect to see the inclusion of a summer blowout scenario.

RFAI: Cook Inlet RCAC recommends the inclusion of a summer blowout scenario should the drilling operations expand into the summer months to ensure the response planning accounts for typical summer environmental conditions.

Figure A-5

There are two diagrams labeled A-5 in Appendix A. One is a wind rose - summer conditions and the other is a Susan Dionne Blowout Plume - Winter Conditions. The Susan Dionne Blowout Plume figure is also labeled as Figure A-4 in the corner of the diagram while the title below identifies it as Figure A-5. The trajectory section of the Scenario Conditions Table refers to Figure A-5 as the predicted oil plume based on the SL Ross model and the Nikiski Wind Rose.

RFAI: Please correct the labeling and references for these figures to prevent confusion.

(v) Protection of Environmentally Sensitive Areas and Areas of Public Concern

This section references GRS's CCI-03 and CCI-04, but does not reference CCI-05 (Clam Gulch) which is only nine miles away from the site. It would be prudent to consider this location in spill response planning due to its close proximity.

RFAI: Cook Inlet RCAC recommends including CCI-05 in HAK's spill response planning and include it in the C-plan.

(vi) Spill Containment and Control Actions

This section states that after the plume fallout area has been delineated, Task Force 1 (TF-1) focuses on containment on the pad. Based on the wording in section (ii) Preventing or Controlling Fire Hazards, it is unclear which personnel make up TF-1. It is not clear whether it is the same personnel who conducted the spill delineation or other CISPRI or HAK personnel.

RFAI: Please clarify which personnel make up TF-1, whether they are the same personnel who conducted spill delineation, and their origin.

Task Force 3 will be preventing oil on the shoreline from reaching Cook Inlet using shoreseal and sorbent boom.

RFAI: Cook Inlet RCAC recommends including CI-SL-5 and CI-SL-6 as possible response tactics.

Task Force 4 discusses the use of open water tactics and response tactics in ice, however it stipulates CTM near shore tactics and an open water tactic in ice. The wording is unclear.

RFAI: Cook Inlet RCAC recommends re-wording this section to describe the use of near shore tactics and open water tactics in ice conditions to avoid confusion.

(vii) Spill Recovery Procedures

In this scenario, the oil is deposited as a result of an airborne plume. The scenario is unclear as to how the responders will perform their shoreline and inland tactics without direct oil exposure from the plume.

RFAI: Please clarify how the responders conducting shoreline and inland tactics will access those locations without direct exposure from the plume.

This section states that TF-3 will use a cold water deluge and/or a passive sheen recovery system to collect accumulated oil at the boom locations. Considering the high probably of freezing temperatures, the cold water deluge tactic may not be an appropriate tactic for the time of year in which the blowout occurs.

RFAI: Please clarify and discuss the practicality of this tactic in January.

Table of Oil Recovery Capability

TF-3 (Shoreline), Column C and D

This table indicates the Manta Ray 48" Skimmer has a nameplate recovery rate of 171 boph. However, the CTM indicates that the Manta Ray Skimmer nameplate recovery rate is not applicable. The table also lists a de-rated recovery rate of 34 boph based on the skimmer nameplate, resulting in a daily recovery rate of 680 bopd.

RFAI: Please clarify the daily recovery rate for the Manta Ray skimmer.

TF-4 (Shoreline), Column C

The table indicates that the Lamor front collector skimmer nameplate recovery rate is 130 boph. The CTM indicates that the nameplate recovery rate is 26 boph.

RFAI: Please clarify the recovery rate for the Lamor front collector skimmer.

Appendix B, SPCC for Drill Rigs

The SPCC included in this plan copy is identified as Appendix B in the Table of Contents, but not marked as such in the actual C-plan.

RFAI: Cook Inlet RCAC recommends clearly marking the SPCC as Appendix B in the C-plan to avoid confusion.

3.0 Supplemental Information

3.2 Receiving Environment

3.2.1 Potential Routes of Discharge

This section references Appendix A for potential routes of discharge for each exploration site, however the figures located in Appendix A are not labeled to identify potential containment sites or drainage gradients.

RFAI: Cook Inlet RCAC recommends clearly labeling the figures or including additional figures in Appendix A with potential contamination sites and drainage gradients to illustrate any potential routes of discharge per 18 AAC 75.425 (e)(3)(B)(i).

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3.6.1 Equipment Lists

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