

"The mission of the Council is to represent the citizens of Cook Inlet in promoting environmentally safe marine transportation and oil facility operations in Cook Inlet."

March 18, 2016

John Harry
Industry Preparedness Program
Alaska Department of Environmental Conservation
555 Cordova Street
Anchorage, AK 99501

SUBJECT: Comments on Furie Operations Alaska, LLC, Oil Discharge Prevention and Contingency Plan, (ODPCP or C-plan) for Cook Inlet Exploration Program (Plan No. 12-CP-5184)

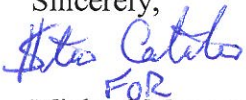
Dear Mr. Harry:

Cook Inlet Regional Citizens Advisory Council (Cook Inlet RCAC) submits the attached comments, recommendations, and Requests for Additional Information (RAI) on the Furie Operations Alaska, LLC, Oil Discharge Prevention and Contingency Plan (C-plan) for the Cook Inlet Exploration Program on behalf of our member entities. The mission of the Cook Inlet RCAC is to represent the citizens of Cook Inlet in promoting environmentally safe marine transportation and oil facility operations in Cook Inlet.

Review of this plan was complicated by the fact that Furie is attempting to structure the document so that the plan itself is general and appendices will be created for specific jackup rigs as they are brought into Furie's Cook Inlet operations. While we favor affording some flexibility to the plan holder to account for changing operations, we also believe a certain amount of specificity is necessary to maintain the quality of the plan. Our enclosed comments identified some areas where clarity could be enhanced by focusing on one rig in the plan itself and noting differences for other rigs in the appendices.

Cook Inlet RCAC requests a findings document to be supplied at the end of this plan review.

As always, if you have any questions or wish to discuss this further, I can be reached at (907) 283-7222 or via email at munger@circac.org.

Sincerely,

FOR
Michael Munger
Executive Director

Cc: John Kotula
Graham Wood

Members

Alaska State Chamber of Commerce

Alaska Native Groups

Environmental Groups

Recreational Groups

Aquaculture Associations

Fishing Organizations

City of Kodiak

City of Kenai

City of Seldovia

City of Homer

Kodiak Island Borough

Kenai Peninsula Borough

Municipality of Anchorage



Comments and Requests for Additional Information

Regarding

**Furie Operations Alaska, LLC
Cook Inlet Exploration Program
Oil Discharge Prevention and Contingency Plan
(12-CP-5184)**

Submitted

By

COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL

MARCH 18, 2016

General Comments

Furie Operations Alaska, LLC (Furie) is an Alaska-based oil and gas company holding drilling leases in the Cook Inlet Basin in Alaska. Furie plans a multi-year exploration plan to explore for oil and natural gas in the Kitchen Lights Unit (KLU) and other Furie leases in Cook Inlet using a zero-discharge jackup drilling rig.

Furie's plan is intended to cover more than one jack-up rig. The plan has been revised to include general information in the body of the plan, with rig-specific information in an appendix now that they are planning to replace the *Spartan-151* rig with the *Randolph Yost*. However, there are still references to the *Spartan-151* rig in some sections the plan, and references to the *Randolph Yost* appear in Appendix C but not in the plan introduction. (It is unclear whether this rig is considered comparable to the *Spartan-151* and when and how it may be used.) For example, in Section 1.4.3, which describes communication, the plan states that "Telephone numbers for rigs other than *Spartan 151* will be found in rig specific appendices," but Table 1.4-1 gives a phone number for "Rig" with *Spartan-151* deleted. It is unclear whether or not this is the phone number for *Spartan-151* or another rig. Reviewing the plan was more difficult because of this organization and lack of clarity, and we are concerned that using the plan may be similarly challenging. For ease of use, we recommend that the plan should be written for the primary rig with references to appendices for additional rigs as needed. The introduction should make clear which rigs are included in the plan.

We also recommend a final proofread to correct spelling and punctuation errors, and to ensure that acronyms (such as "OIM" rig) are defined at first use. Additionally, some section and table titles should be checked (for example, Section 1.4 refers to "Communications *with* a Major Spill," not "...during a Major Spill."

Introduction

Paragraph four (page I-xxi) indicates that the oil spill response vessels (OSRV) are capable of transit speeds up to 10 knots. While the CISPRI Technical Manual supports this speed, transit speed is affected by high tidal currents and heavy weather conditions. Additionally, the 10 knot speed is only applicable for a stern tow on a towing wire, not an alongside tow. Since the OMSI contract vessels are not capable of stern tow with wire, this should be noted and the transit speed revised as appropriate. Please give a transit speed for the OMSI contract vessels and note the use of the 10-knot transit speed for OSRV as a maximum.

1.0 Response Action Plan

1.1 Emergency Action Checklist

This section refers to both Recovery Strategies (step 7) and Interim Disposal (step 8). Typically these are not steps considered during the emergency phase but are instead addressed in the response phase. Please add information about why recovery strategies and interim disposal are included in the Emergency Action Checklist or remove.

Table 1.1-2 Blowout checklist

Consider reorganizing this table to reflect the appropriate ordering of safety first actions, such as ensuring that the No Smoking/No Open Flame policy is in place immediately after the Furie drilling Supervisor is notified, then ignition sources are extinguished, etc.

Also, currently this table includes transportation contractors (in the continuation on page 1.1-10). We suggest that these contractors be listed in a separate table with the previous title of Transportation Contractors to ensure that ICS staff can readily locate them.

1.1.2 - Wallet Cards

The plan indicates that, "Furie has chosen to use the phone books/contact databases in the cell phones of personnel for response and/or notification procedures." Please provide information about how Furie will ensure that all employees maintain the current and complete phone numbers in their phones to ensure proper notifications can be made. Also, please describe the expected reliability of cell phone coverage in the Kitchen Lights Unit area.

1.2.5 External Notification Procedures and Notification Lists

Table 1.2-1 External Notification List -Primary Local and Tribal Contacts to be Notified of a Discharge

The title of this table implies that all listed contacts will be notified of a discharge. Please clarify the need to notify Fort Richardson Fire Dept., Elmendorf Fire Dept., Signature Flight Services, etc. If this list is instead intended to provide potentially useful contacts for the services or information they may provide in the event of a spill, and not necessarily to list all those who will be *notified* of a spill, please revise the title of the table and ensure that notification contacts are highlighted elsewhere. We recommend that the title, "Emergency Contacts List" may be clearer.

Table 1.2-3 Agency Notification Chart

CIRCAC is listed as being notified for any spill greater than 25 gallons; however, we request changing CIRCACs notification trigger to "Any Spill." CIRCAC staff should be made aware of all spills potentially affecting Cook Inlet.

1.3 Safety

1.3.1 Safety

This section refers to gathering information to inform a Site Safety Plan, but does not specify that such a plan will be prepared, nor who will do so. We recommend including stronger language and specific steps necessary to develop an incident-specific safety plan (beyond just collecting information) in accordance with 18 AAC 75.425 (e)(1)(C).

1.3.2 General Safety Precautions During Spill Response

Monitoring for O₂ and H₂S are consistent with good monitoring procedures; however, combustible gases, CO, and Benzene have been omitted. Typical confined space entry

includes monitoring for O2 and H2S as well as CO and combustible gases. We recommend including monitoring (and the necessary equipment) for CO, combustible gases and Benzene or BTXs to provide comprehensive air monitoring for site characterization and operational safety.

1.5 Deployment Strategies

1.5.2 Utilization of On-Site Resources

Section 1.5.2 indicates that, “The deployment of Furie resources will begin with source control, and then containment.” If resources and safety allow, we suggest that these be conducted concurrently. We recommend revising this statement to indicate the rationale for this phased approach, or modifying it to include protocols for concurrent source control and containment operations.

Figures 1.5-2 and 1.5-3 appear to be old documents. Is the information depicted in these figures still accurate based on currently available aircraft and vessels? Recommend updating with new documents if possible to ensure that the most up-to-date information is included in the plan.

1.5.3 Activation of Spill Contractor

This section identifies a “CISPRI vessel to the upper Cook Inlet...” then goes on to state that the vessels indicated may sometimes be substituted with vessels of equivalent capacities and capabilities. The plan notes that CISPRI will maintain a current list of vessels. Providing a vessel that fits a particular description to house and haul equipment does not ensure its ability to perform the duties expected without proper training for the crew and those operating response equipment placed onboard. Please clarify how crew onboard “substitute” vessels will receive appropriate response training with CISPRI personnel and equipment to ensure a high level of competence.

1.5.4 Spill Response at Rig - CISPRI

This section removes references to the *Spartan-151*, but still provides estimated response times for equipment arrival. The revised statement indicates that response equipment transported via truck (barged in) with a 20-ton load limit will take approximately 3-5 hours, depending on weather conditions, from Nikiski to the Rig. Please clarify the basis for this information since the location and identity of the rig is no longer specified. Additionally, figure 1.5-3 Marine Response Times indicates a 5-hour maximum radius for marine assets from Nikiski, Homer and Anchorage. However, an asset that needs to be trucked and barged may very well exceed the 5-hour response time currently asserted in the plan.

1.6 Response Strategies

Section C1.6 mentions 3 scenarios but only lists 2. Section 1.8 lists 3 scenarios including an “*Exploration Well Blowout during ice-free season, 30-day duration*” which should be contained in Section 1.8.3 (and is referenced elsewhere), yet Section 1.8.3 does not exist in the submitted plan. If only two scenarios are required, we suggest removing references to both the third scenario and Section 1.8.3.

1.8.1 - Scenario does not include time of day. Recommend the inclusion of time of day to meet requirements of 18 AAC 75.425 (e)(1)(F). Time of day is important to note as it can dictate response actions including carrying out surveillance and tracking of oil as well as shoreline protection and oil recovery actions.

1.6.2 Fire Prevention and Control

This section discusses the characteristics of dense hydrocarbon air mixtures forming and accumulating in low places such as confined work spaces, cellars, excavated pits or hollows in the ground. While all of the examples are true, excavated pits and hollows in the ground do not exist on an offshore mobile drilling rig. We recommend using examples that are relevant to a rig, e.g. pump rooms, sewage treatment room, etc.

This section also shows 10 steps for immediate action. Step 2 is to, “Notify local fire service through 911 system or local phone number.” We suggest confirming whether 911 will work in all possible offshore locations.

The original Section 1.9 noted the locations of fire extinguishers on *Spartan-151*. Fire extinguishers should also be clearly marked on the *Randolph Yost* plans in C1.9. Recommend including a rig plan diagram that includes the location of fire extinguishers.

1.6.3 Blowout Control and Furie Well Control Procedures

In para 3 (pg 1.6-3) indicates, “*In a blowout response situation, Furie would use the services of well control specialists as outlined in our well control planning documentation.*” However, it is not clear where this control planning documentation is located, whether in a separate Blowout Plan or the contents of Section 1.6.3? There is no mention of a Blowout Plan per se in Section 1. Recommend clarifying this within the plan or including a copy of the Blowout Plan as an Appendix.

1.7 Non-Mechanical Response

1.7.6 Blowout Ignition

This section refers to a “serious requirement to burn the crude oil as it comes to the surface,” as it relates to consideration of a deliberate ignition of a blowout. Within the context of this section, this quoted text appears to derive from a document that might be

used as a reference in the decision making process. Recommend clarifying the source of this language.

2.0 Prevention Plan

2.1.1 General

This section indicates, “The jack-up rig is constructed, inspected, and maintained in accordance with ABS and USCG regulations.” Because this plan was originally written with a specific rig in mind (*Spartan-151*) and an amendment was written due to a change in the rig to be used for this project, we recommend re-wording this to make clear that, “any jack up rig used will be constructed in accordance with ABS and USCG regulations.”

2.1.2 Oil Discharge Prevention Training and Record Keeping

This section contains an extensive list of required training but does not describe how either training objectives or the record keeping requirements as per 18 AAC 75.020 will be achieved. Recommend updating this section to include this information.

2.1.3 Substance Abuse and Medical Monitoring Programs

This section does not include:

- # tests/employee/year
- Frequency of testing
- Types of physical conditions tested for

Recommend updating this section to include this information.

2.1.8 Fuel Storage Tanks

Information in this section appears to relate to tank information on the *Spartan 151* rig, which Furie has replaced with the *Randolph Yost*. There is no corresponding fuel tank storage information section in Appendix C showing changes due to change in platform. Recommend updating Appendix C with this information.

Section: 3.3 Command System

3.3.3 Unified Command

“*Unified Command is an option Furie will consider implementing for significant oil spill situations...*” Recommend adding stronger language and commit to a Unified Command in the event of a significant spill.

Section: 3.4 Realistic Maximum Operating Limitations

Section 3.4 does not appear to contain information on percentage of time that response would be ineffective due to weather as required in 18 AAC 75.425 (e)(3)(D). Recommend updating this section accordingly.

Section: 3.7 Non-Mechanical Response Information

This section indicates that "*Furie may* [emphasis added] *employ non-mechanical response options*" but does not provide the information required in 18 AAC 75.425(e)(3)(G). Recommend updating this section accordingly.