Comments and Requests for Additional Information

Regarding

Furie Operations Alaska, LLC

Cook Inlet Exploration Program

Oil Discharge Prevention and Contingency Plan

Submitted

By

COOK INLET REGIONAL CITIZENS ADVISORY COUNCIL

APRIL 26, 2021

General Comments

Furie Operations Alaska, LLC (Furie) is an Alaskan-based company holding gas producing leases in the Cook Inlet Basin in Alaska. Furie has in the past undertaken 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.

While we appreciate that 18 AAC 75.420(c) allows a plan holder to submit a new plan "if no change will be made in the plan," we find it wholly unacceptable that this plan was allowed to move into the review stage. The transmittal letter accompanying the plan on March 23, 2021 acknowledged that there would be updates made during the RFAI process. However, the updates should have been made before the plan was deemed sufficient for review and circulated for comment, to ensure a comprehensive understanding of the plan and an equally comprehensive opportunity for review.

We have an additional level of concern regarding this particular plan given the ownership change that occurred in 2020. While the March 23 transmittal letter identifies known updates as "area plan references and changes to website links," it seems likely that many more changes should have been made before the public review began. First and foremost, it appears that many critical aspects of the plan require updates, including:

- The operations covered in the plan do not mention the Julius R platform at all, but describes two jack-up rigs used previously for exploration activities. This calls into question the validity of the response scenarios as well as prevention elements.
- We are not aware of any plan update being submitted for the ownership change as required by regulation. Furthermore, the plan itself indicates ownership change as a trigger for updating the plan.
- Related to the ownership change, it is not clear that personnel identified in the plan still work for the company. This relates to those identified for notification or IMT roles as well as those whose signatures still reside in the plan.
- Because it appears that the signatory Furie representative in the included Primary Response Action Contractor contract (with CISPRI) dated January 3, 2012 is no longer a Furie employee nor represents Furie, it would appear that the contract shown is invalid or at the least out of date.

Finally, the plan contains what appear to be typographical errors and misspelled words so we recommend a thorough review to correct these where they exist.

General and Front Matter Intro

As indicated above, Furie was recently acquired by HEX CI, LLC. Because this plan has not been revised, but instead submitted for renewal by reference, there is no way to discern through plan review alone if any of their personnel, positions, or myriad procedures are still accurate or valid. Several examples are included below.

Authorized person on renewal application is Rick Dusenbery (COO). However, the COO listed in the plan on page e (Management approval and manpower authorization) is Scott Pinsonnault. We understand Scott Pinsonnault is not affiliated with the company any longer. This is not in keeping with 18 AAC 75.425(c)(3).

- Page – xix: Lars Degenhardt is listed as President and Scott Pinsonnault is again listed as COO. Currently, John L. Hendrix is listed as Furie's President/Chief Executive Officer in other documentation.
- On the application letter, POC for the plan is Mark Slaughter. He is not named in the submitted plan.
- Former VP Bruce Webb is signatory on CISPRI contract (03JAN2012) but is no longer with them after bankruptcy. We understand he is now with another company.

RFAI: Please update all relevant plan sections that identify current Furie personnel by name, position, and phone numbers based on the current company profile and staffing.

Page xx - This section (and other sections) of the plan still references the Spartan 151 jack-up rig which Furie replaced with the Randolph Yost, a fact that was recognized during the last full plan review in 2016. Revisions were made to the plan at that time so it is unclear why the plan that was submitted for review by reference still contains references to the use of the Spartan 151 rig. Additionally, this section also indicates that, "The Spartan 151 could be used again for future drilling operations and remains in the "Core" of the C-Plan in the event that it is engaged during the 5-year duration of the C-Plan's approval." An appendix containing required information specific for any other rig used will be added to this plan, in any given year."

RFAI: With this 5-year plan window closing, please update this section to indicate if other rigs have been identified for use in Cook Inlet. If any have, please include all relevant information in a complete appendix.

Page xxii – Under "Updating Procedures" – This section includes key factors that would require amendments to the C-Plan that include a Change in ownership, which took place in 2020. Yet, the new owners have not submitted an amendment or an application based on Change of Owner or Operator.

Distribution list

The distribution list includes the Alaska C-Plan Coordinator at the U.S. Coast Guard Marine Safety Detachment Homer and to the Commanding Officer Section Anchorage

Upon verification, the Alaska C-Plan Coordinator at the Marine Safety Detachment had not received a copy of the plan for review. Additionally, the address for the Commanding Office at Sector Anchorage is incorrectly identified as Section Anchorage and lacks a phone number for Sector Anchorage.

RFAI: Please clarify if the distribution list contains all departments and other persons designated by the department that should receive a plan copy for review. Likewise, please verify the correct addresses and phone number for each plan recipient.

Introduction

Glossary

The glossary contains several terms that do not pair with definitions currently in use by state and/or federal regulations, while others are confusing and could be made simpler to understand, e.g. adverse weather, Marine Related Facility, Maximum Most Probable Discharge, Medium Discharge, Mobile Offshore Drilling Unit, navigable waters, etc.

RFAI: Recommend clarification of terms used in the Glossary to ensure they pair with definitions or terms in use in state and/or federal regulations.

The Introduction goes on to state that Furie has submitted permit applications to local, state, and federal agencies containing site-specific drill site and other data in advance of drilling. Recent efforts by Furie have indicated that drilling is no longer a focus for their operations.

RFAI: Please clarify Furie's intentions to activate their drilling program going forward.

Table I-3 U.S. Coast Guard Oil Spill Contingency Plan Cross Reference

It appears that some of the page numbers listed in the "Location In This Plan" column are not accurate.

RFAI: Please review this table and ensure the plan pages that are referenced are accurate.

PART 1: RESPONSE ACTION PLAN

1.1 EMERGENCY ACTION CHECKLIST

1.1.1 Emergency Action Checklist

Table 1.1-1 Furie Spill Response Checklist for Oil and Hazardous Materials asks "Has spill been reported to ADEC?" "Others?" While this checklist is a requirement of Alaska spill prevention and response regulations, the requirement to notify federal agencies of a spill incident is only addressed by "Others?" Again, in the checklist the issue of agency notification is addressed by asking, Spill Report Completed and Sent to Agencies? **(If by onsite personnel – request copy.** If by Anchorage Staff – go to Reporting and Notification Section).

Additionally, this table does not list Emergency Actions. It's merely a list of yes or no questions, most of which are not related to specific actions; either those taken or yet to be taken.

RFAI: Please clarify how Furie personnel will identify which "others" and "Agencies" need to be notified, and how and when those entities will receive notification through the use of this checklist. Please revise this table to

include immediate (and specific) response actions that personnel are required to undertake in accordance with 18 AAC 75.425(e)(1)(A).

Figure 1.1-1 Emergency Action Initial Reporting Diagram

This diagram contains names of former Furie personnel.

RFAI: Recommend updating this figure with names, titles, and phone numbers for current Furie personnel.

1.1.2 Wallet Cards

This section states that Wallet Cards are recommended by ADEC regulation. With the proliferation of cell phones and smart phones, Furie has chosen to use the phone books/contact databases in the cell phones of personnel for response and/or notification procedures. Furie's administrative personnel will update the phone directory monthly or whenever there is a change. Updates are then distributed to Furie and their contractors as applicable. However, there is no way to easily verify that updates have taken place beyond checking cell phone contacts at drill exercises.

RFAI: CIRCAC requests that the ADEC check cell phone contact updates at the next Furie Drill exercise, and that the contacts are readily and easily identified as Spill Notification and Guidance. CIRCAC requests that ADEC seek to conduct a Furie drill exercise before the end of the year.

Table 1.1-2 Furie Blowout Checklist

Page 1 of 2

This table offers a Blowout Checklist that identifies Gordon Raines (Furie) Notified? and David Elder, rather than the position title and a phone number.

The table also identifies CISPRI to be activated and CISPRI Spill Tech (FRT) for notification, each utilizing the same contact number. This action seems duplicative and unnecessary.

RFAI: Please clarify the rationale for naming individuals instead of using their position titles and office or company phone (or cell) numbers to ensure outdated information does not prevent timely notification. Please clarify why CIPSRI activation and CISPRI FRT notification are separate actions?

Table 1.1-3 Furie Agency Reporting and Notification Form

This table lists Scott Walden at KPB (Risk Management Division); LEPC Land Management. Scott Walden is no longer associated with KPB LEPC. Similarly, the contact for CIRCAC should be identified by position to allow the plan to stay up-to-date as individuals leave, retire, or otherwise no longer hold that position.

RFAI: Recommend updating contact information for the KPB LEPC. Recommend changing CIRCAC and other contact names to agency/organization position title, i.e. CIRCAC Director of Operations.

Table 1.1-4 Equipment and Services Directory

This table identifies Peak Oilfield Services. However, Peak Oilfield Services is no longer doing business as Peak Oilfield Services. Likewise, Baker Oil Tools, Young's Firehouse, CH2M Hill appear to no longer be operating or have incorrect numbers listed.

RFAI: Please clarify which businesses are still operating and confirm the validity of the contact numbers.

1.2 REPORTING AND NOTIFICATION

Notification Process

This section states that the notification procedure for a typical response is provided. That names and telephone numbers for personnel are provided in various tables and figures. This statement should indicate that the title of the facility personnel responsible for making the notification are included with the name and number of those personnel, to accurately reflect regulatory requirements.

RFAI: Please clarify this section to reflect the regulatory requirements of 18 AAC75.425 (e)1(B)(i).

Organization

This section and Figure 1.2-1 do not indicate nor identify agency participation within the organizational structure for a major spill response.

RFAI: Please clarify how the command structure would integrate the State On-Scene Coordinator and Federal On-Scene Coordinator into a Unified Command as envisioned in the Arctic and Western Alaska Area Contingency Plan Section 2000.

Figure 1.2-1 Furie Command Organization

This figure depicts a flowchart of the Incident Command organizational structure. The cell identifying the Command Staff also identifies Brian Walden, but is not clear what position he is filling.

RFAI: Please clarify Brian Walden's position within the Command Staff.

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

This table lists ACC Anchorage as a Spill Response Organization. The ACC acronym does not appear in the Acronyms and Abbreviations section. Likewise, the acronym appears to incorrectly refer to Alaska Chadux Network. Additionally, this figure lists the "PORT OF ANCHORAGE FACILITIES", however that Anchorage port is known as the Port of Alaska. Along with the "Port of Anchorage" the figure lists Tesoro Terminals #1 and 2, and Flint Hills Anchorage Terminal. The Tesoro Terminals are now operated by Marathon Petroleum Company and Flint Hills no longer operates a facility at the Port of Alaska.

Under Surrounding Oil and Gas Operators and Service Companies this figure lists ConocoPhillips LNG and ConocoPhillips Tyonek Platform. The ConocoPhillips LNG facility is now owned and operated by Marathon Petroleum and the Tyonek Platform is owned and operated by Hilcorp Alaska.

RFAI: Please clarify which Spill Response Organizations will be contacted. Please add the appropriate acronym to the Acronyms and Abbreviations list. Please verify correct operator names and contact numbers for listed organizations and operators. Recommend using bold font throughout the figure for such titles as "Surrounding Oil and Gas Operators and Service Companies."

Table 1.2-2 Incident Management Team/Emergency Contacts

As indicated in previous comments regarding current staffing at Furie following a change in ownership, without actually calling each number it is impossible to determine if the names/phone numbers listed in this contact list are still valid.

RFAI: Please revise this table to include current Furie personnel, their respective titles, and current phone numbers in accordance with 18 AAC 75.425(e)(1)(B).

Figure 1.2-2 Initial Spill Report Form

This figure depicts a spill reporting form that contains a link to make an on-line spill report to the National Response Center. The link would not connect when tested.

RFAI: Please provide a working link for online spill reporting.

Table 1.2-3 Agency Notification Chart (Cont.)

This table Indicates Cook Inlet Regional Citizens Advisory Council requests notification for spill equal to or greater than 55 gallons. However, Cook Inlet RCAC's internal guidance requires Board of Directors notification for spill 25 gallons and greater.

RFAI: Request table entry to reflect 25 gallons and greater for notification.

1.2.6 Coordination with Other Agency Plans

As per the information provided with the distribution copy of the plan this section will require updating the information regarding the Alaska Regional plan and the Arctic and Western Alaska Area plans as appropriate.

RFAI: Recommend including an active link for to the Regional and Area plans.

1.2.7 Coordination with Other Plans

This section references the CISPRI Technical Manual dated April 2016. It is possible the CISPRI Technical manual has undergone substantial revisions in the past 5 years.

RFAI: Recommend referencing the most recent version of the CISPRI Technical Manual.

1.3 SAFETY

1.3.1 General Safety Procedures

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).

This section Notes that Incident-specific site safety forms are found in the CISPRI TM, Tactic

CI-S-2. Tactic CI-S-2 also provides information on ICS forms that contain site safety information.

However, the CISPRI Technical Manual also provides a detailed Site Safety Plan (example) in Appendix C.

RFAI: Recommend considering including CISPRI Technical Manual Appendix C reference in the text.

1.3.2 General Safety Precautions During Spill Response

This section lists general safety precautions to be implemented during response that includes: Monitor oxygen (O2) levels, particularly for spills in poorly ventilated areas; O2 levels should be between 19.5 percent and 25 percent. However, OSHA literature defines "*Oxygen enriched atmosphere* means an atmosphere containing more than 23.5 percent oxygen by volume." Considering that an oxygen enriched atmosphere presents a different risk than an oxygen deficient atmosphere each should be addressed in some detail and safe working limits should be clearly identified.

RFAI: Please clarify the statement that O2 levels should be between 19.5 percent and 25 percent.

1.3.3 Personal Protective Equipment

This section lists the personal protective equipment Furie workers and contractors are typically required to wear if they are involved in cleanup activities. However, it does not indicate crush proof (or steel) toe boots to be part of the Personal Protective Equipment ensemble. This is especially important when contracted personnel are brought on to work in a spill response effort.

RFAI: Please clarify the absence of crush proof toed boots in this list of Personal Protective Equipment. Recommend that steel, fiberglass or otherwise crush proof toed boots to be included in the Personal Protective Equipment to be worn during spill response activities.

1.5 DEPLOYMENT STRATEGIES

1.5.2 Immediate Response

Overview of Response Strategies

This section states that if on-site resources do not provide complete response to a spill CISPRI is immediately activated. CISPRI mobilizes its Immediate Response Team (IRT) and/or Short Notice Response Team (SNRT) personnel to the command center to further assess required resources necessary for the response. CISPRI's IRT or SNRT activates their ICS organization and performs an initial spill assessment. However, it is not clear why CISPRI IRT and /or SNRT would have their own, separate ICS organizations as both of these groups would be working under the direct supervision of Furies command and control ICS structure.

RFAI: Please clarify why and how the CISPRI IRT and SNRT would be utilizing a separate ICS organization?

Response to Operational Spills

This section indicates rig personnel will respond to all operational spills (typically < 500 barrels). A 499 barrel or 20,958 gallon spill is by federal definition a medium (coastal) discharge and well above the 10 to 55 gallon benchmarks established in State regulation. Based on the information contained within this plan it is difficult to envision rig personnel being able to effectively respond to a spill of this volume.

RFAI: Please consider revising this section to meet the intent of 18 AAC 75.425 and to better reflect the size and types of spills that rig personnel will be able to sufficiently respond to.

1.5.3 Activation of Spill Contractor

This section states that the Drilling Supervisor will assume the role of the Initial IC or IC in some spill response circumstances. Alternatively, the Initial IC may be assigned to the Source Control (well control) branch of the Incident Commander's staff. However, it isn't immediately apparent that the Initial IC would have to be relieved prior to reassignment.

RFAI: Recommend rephrasing to indicate the Initial Incident Commander may be reassigned to Source Control after being relieved… to support statements further in the section. Please correct the typographic error (work working) in this section.

Spill Response Within Upper Cook Inlet-CISPRI

This section describes response travel times for personnel and equipment to and from the Rig.

Response times for personnel and equipment transported via aircraft (helicopter/fixed-wing aircraft) estimated to be 0.5 hours of transit time

CISPRI vessel times to transport equipment and personnel throughout the upper Cook Inlet from Nikiski is estimated to span from 2 hours to 6 hours. To and from the Homer area – approximately 12 hours.

RFAI: Please clarify how fixed wing aircraft will be employed to move personnel or equipment to or from the rig.

1.5.4 Spill Response at Rig--CISPRI

Deployment Times to GRS and Environmentally Sensitive Area Locations

This section indicates that spill trajectory modeling has been performed using the Cook Inlet Regional Citizen's Advisory Council (CIRCAC) Cook Inlet Oil Spill Model (CIOSM) to determine the possible locations where oil may impact GRS's. While this modeling tool provided good trajectories, it has been vacated and is no longer supported by Cook Inlet RCAC.

RFAI: Recommend removing this reference or including a comment to accurately describe the CIOSM status.

1.5.5 Other Response Equipment Mobilization

Transporting Equipment and Personnel in Adverse Weather

This section attempts to describe response operations under adverse weather conditions by stating, "Response to oil spills will be made under all weather or oceanographic conditions; however, the response may be limited only to notification and documentation should conditions be such that safety hazards would limit response or that equipment or response methods would be ineffective." However, the section does not thoroughly describe what other response activities could take place at locations where the physical effects of adverse weather would not affect those response operations, such as staging equipment, equipment maintenance, personnel movements, etc.

RFAI: Please clarify more thoroughly other response activities that could take place during periods of adverse weather.

Figure 1.5-1 Upper Cook Inlet Location Map with Furie Lease holdings, ESA Information, and Location of Proposed Wells

This Figure title indicates that the location(s) of proposed wells are shown on the accompanying chart. However, no well location icon is depicted in the legend nor do any well locations appear in the Furie lease holding areas.

RFAI: Please clarify the Furie well locations by providing an icon in the figure legend and approximate locations within the Furie lease holdings as specified by the title.

1.6 RESPONSE STRATEGIES

1.6.1 Procedures to Stop the Discharge

This section contains a bullet point list that describes some of the techniques to stop the source of a discharge. However, the first technique listed would require responders to work on an active line or leaking tank. It would seem more effective to isolate/ reroute and remove leaking liquids to minimize the amount spilled and to lessen pressure on the leak before trying to plug or patch the leak to further limit the amount spilled, i.e. control, contain, clean. As specified in section 1.5.2 Immediate Response/ Response to operational Spills, i.e. stop the spill at its source, if possible; block any drainage where spilled oil could discharge into open waters…

RFAI: Please clarify what order Furie Personnel should follow to stop a discharge upon discovery.

1.6.2 Fire Prevention and Control

This section outlines facility fire prevention and response for onsite personnel regarding incipient stage fires, and that the locations of fire extinguishers are identified in the rig-specific facility diagrams on site (Part 1.9). Figure 1.9-6 ABS Stamped Fire Plan does a good job of showing the location of fire extinguishers on board the Spartan 151. However, when the page is printed at 100% it is illegible.

This section goes on to say that the greatest risk of ignition is immediately after the initial spill when the evaporation rate is at a maximum and lists the 10 immediate actions for most situations. However, the fifth action indicated is to extinguish all ignition sources, while the third action to take is to provide first aid and evacuate injured personnel; use Nikiski (or designated) paramedics or helicopters in the event of injuries requiring transport to the hospital.

While the safety of personnel is paramount it should be recognized that the safety of injured personnel as well as the overall safety of the facility and its personnel cannot be ensured if an explosion were to occur due to the accumulation of volatile petroleum components in confined working areas caused by an ignition source. Conventional firefighting doctrine would have all ignition sources extinguished or secured immediately after sounding the alarm and notification of fire services.

RFAI: Please clarify if printed copies of the ODPCP will contain enlarged versions of the rig plans to make the content legible. Recommend ensuring the actions listed in this section be reevaluated to match the firefighting standards endorsed by the authority having jurisdiction.

1.6.3 Blowout Control and Furie Well Control Procedures

Use of Blowout Preventer (BOPs)

This section discusses Blowout Preventer (BOPs) and the Drilling Supervisor's roles and responsibilities. However, it also states that automatic and manual monitoring equipment would be installed to detect any abnormal variation of the mud system or drilling parameters that might indicate a change in formation lithology or fluid content of varying pressure gradients. The BOP equipment has been installed and tested on a routine basis for working conditions and pressure sealing capabilities, as required by the AOGCC. The statement asserting that automatic and manual monitoring equipment "would be" installed compared with the later "BOP equipment has been installed and tested" frames the first statement as though it hasn't been installed and "would" only be done after the fact.

RFAI: Please clarify when automatic and manual monitoring equipment would be installed and tested (if practicable) to detect any abnormal variations of the mud system.

Well Control Incidents

Level 2 Well Control Incident

This section describes Level 2 well control incidents as abnormal well control events in which well control has not been lost, resources beyond those onsite are required to resolve the problems, and a well control specialist may be required. The bulleted points listed indicate that a "leak in DP kelly valve (through ball seat and/or operating system seal)" could be one of the abnormal well control events. However, the "DP" portion of the "DP kelly valve" does not appear in the acronyms and abbreviations section making it unclear as to whether this is a trade name or it is an operational term (perhaps meaning differential pressure) that would help describe the "kelly valve's" action.

RFAI: Please clarify the "DP" in "DP kelly valve."

Level 3 Well Control Incident

This section discusses the five phases of a level 3 well control incident. The explanation of the five phases of a level 3 well control incident is somewhat hard to read and grasp. For instance: Phase 1 is the initial reaction to the well control emergency. It commences when a potential level 3 well control incident occurs. It ends when the Incident Commander officially declares Level 3 status on the emergency. This is confusing, begging the question, "how can you be in level 3, phase 1 if phase 1 ends when level 3 is declared?" By this metric any loss of well control under level 2, should trigger level 3 actions or at least be identified while still in level 2. The section goes on to say, "Phase 2 is the well control operations phase of the well control emergency. This phase begins when the well control incident is designated Level 3. It ends when the well has been brought under control."

RFAI: Please clarify Level 3, Phase 1 descriptions so that it more clearly defines its purpose.

Incident Command System Considerations

This section states that, "When required Furie will consult with the appropriate state, federal and local authorities to consider the implementation of the ICS to accommodate full control of a blowout situation" It also states, "The ultimate decision for any adjustments to the ICS Command, including implementation of a Unified Command for the blowout control operations, would come from Furie management" and references the possibility of a "decision" to implement a Unified Command. In the event of a blowout in Cook Inlet, the use of Unified Command and the Incident Command System should not be considered optional. Use of these structures is clearly outlined in the Alaska Regional Contingency Plan and Artic and Western Alaska Area Contingency Plan. This section should describe the response organization that would be used for a significant incident such as a blowout and align with state and federal requirements and plans.

RFAI: Please clarify or restate the implementation and use of the Incident Command System and the Unified Command to more accurately describe when and how each would dovetail into the command, control and oversight of response operations for Furie's operations in Alaska.

1.6.5 Protection of Sensitive Areas

General

This section describes Furie's efforts to protect sensitive areas. The sections states, "If the spill requires the mobilization of CISPRI, then their equipment and strategies would be used to protect sensitive areas. If an area is at or near historical and archaeological sites, Furie will make efforts to notify and consult with the Alaska Department of Natural Resources (ADNR) Office of History & Archaeology to obtain required permits for activities." However, many if not all archaeological sites are not made public in order to protect them. Consultation with the State Historical Preservation Office (SHPO) would need to take place as soon as potential oil impact areas are identified. Only then could there be a determination for the location of, and protection of Historical and/or Archaeological resources.

RFAI: Please clarify the initial consultation with ADNRs Office of Historical and Archaeology through the State Historical Preservation Office to identify historical and/or archaeological sites.

1.6.6 Containment and Control for on Water and Nearshore Strategies

General

This section discusses response on land and attempts to discuss on water and nearshore. But does a poor and confusing job at presenting anything useful beyond citing the CISPRI technical manual. The section contains repeated words, and confusing thoughts such as, "As such, it is expected that on-land spill responses will not be necessary as opposed to open-water and nearshore spill responses… Use of each technique would be dependent on the specific terrain features and the amount of oil spilled." Since on-land response is not expected (and rightfully so) from a blowout 5 to 10 miles offshore. It is also rightfully expected that terrain features might not matter as much as tide, current, wind, and weather. Section 1.6.7 does a better job at providing useful information and guidance.

RFAI: Please clarify the information intended in this section, namely containment and control for on-water and nearshore strategies.

1.6.9 Recovered Oil Transfer and Storage

This section states that, "CISPRI's TM (CI-WM tactics) describes methods for estimating volumes of oil recovered both onshore and offshore; a Waste Management Officer who is assigned to the Planning Section of the ICS would be responsible for estimating the spill volume recovered in various forms in connection with agency personnel in the UC." While CI-WM tactics do offer guidance for estimating solid waste it does not do a good job for guidance regarding estimating liquid oily waste beyond decanting guidance and procedures. If decanting during recovery operations is disallowed, then recovered liquids would have to be inventoried and oil content would need to be estimated until the oil could be separated from the oily mixture.

RFAI: Please clarify how oily liquid volumes would have the oil content estimated and/or verified.

1.6.10 Temporary Storage and Ultimate Disposal

This section discusses temporary storage and disposal of recovered oil and oily waste to include the construction of temporary tank farms and lined pits to be built on suitable gravel lots between Nikiski and Anchor Point. It goes on to say that the most likely situation in which incineration might be required would be a response in which large volumes of oiled vegetation were recovered. Both of these statements trigger some questions regarding the need to transport recovered oil and waste as far south as Anchor Point, when it would seem to make more sense to bring the small amounts that may be recovered from the southern region closer to Nikiski where the majority of the spilled product would be recovered and brought to shore for storage and disposal. Likewise, since both scenarios take place offshore and would most likely involve open water and nearshore recovery operations, the likelihood of incineration of large volumes of oiled vegetation seem remote. However, incineration of other oiled solids and waste may be a viable disposal option for the Responsible Party, if approved by the UC with appropriate permitting.

RFAI: Please clarify how temporary storage locations as far south as Anchor Point would benefit response operations over consolidating temporary storage and disposal operations closer to Nikiski where vessel operations would be centered. Additionally, please clarify how incineration of oily waste might be coordinated into response operations.

1.7.2 Non-Mechanical Response Option

This section discusses Furie's intended process for approval for In-Situ Burning (ISB), but fails to discuss dispersant use as also mentioned in Section 1.7.1. This section cites requesting approval for ISB from the FOSC and the SOCS but does not cite use of the dispersant and In-Situ Burning guidelines as spelled out in the Regional and Area Plan or Section 1.7.3. Acknowledging that the use of dispersants is unlikely in the location of Furie's leases, a discussion of the process to rule out the use of this non-mechanical response option should at least reference the Regional Plan and/or the Alaska Regional Response Team (ARRT) Dispersant Use Plan for Alaska.

RFAI: Please clarify why only In-situ burning is discussed in section 1.7.2 Non-Mechanical Response Option.

1.7.3 Obtaining Permits and Approvals

This section focuses on ISB and only briefly mentions dispersant use. While the plan does correctly point out that the use of non-mechanical response will only be considered when mechanical response options prove in effective it does not effectively discuss permitting or following the guidelines as spelled out in the Regional and Area Plans. Regulation requires a description of actions to be taken to obtain the necessary permits and approvals to initiate dispersant application, in situ burning, or other non-mechanical response options, the basis for determining the conditions or circumstances under which these options will be used, and how the non-mechanical response options will be implemented, including a description of all required equipment and personnel…

RFAI: Please clarify the actions to be taken for approval and permitting should non-mechanical response become a consideration for spill response.

1.7.4 Implementation Procedures

This section only states "If the Furie IC decides to use ISB or dispersants and obtains the necessary authorization, CISPRI will carry out the response." Likewise, section 1.7.5 Required Equipment and Personnel only states, "CISPRI maintains the equipment and personnel for ISB and dispersant use." While this guidance may be incorporated by reference the plan should contain a link or other identifying reference within the CISPRI Technical Manual as other CTM references in this plan have been used to specifically identify response tactics. Likewise including the specific CTM reference(s) would more completely demonstrate compliance with 18 AAC 75.425(e) (1)(G)

RFAI: Recommend including specific CTM tactic references.

1.8 RESPONSE SCENARIOS

1.8.1 Scenario 1 Fuel Transfer Hose Rupture

Table 1.8.1-1 Scenario 1 Condition –Fuel Transfer Hose Rupture

This table list some of the scenario assumptions such as wind speed and direction. However, this table lists the wind speed as 0-5 knots then it lists the wind direction as 8 knots north/northeast winds.

This table also lists current as N/A, and does not indicate the tide stage at the time of the incident. Both the tidal current speed and tidal stage are important data points to be considered in spill planning and response as indicated by the spill trajectory description.

RFAI: Please clarify the use of wind direction speed. Recommend including the relevant environmental conditions including sea state (to include tidal current, speed, tide stage, wave height), and visibility.

Table 1.8.1-2 Scenario 1 Response Strategy – Fuel Transfer Hose Rupture

Section (i) states that, "Stopping Discharge at Source: The source of the spill is a rupture in a fuel transfer hose. Once the spill is detected, the transfer is immediately shut down. Spill response begins. No further product is released." However, this section does not identify other actions employed to reduce the amount spilled, i.e., Ruptured hose drained to containment or ruptured hose end crimped and clamped to prevent further loss of content, etc.

RFAI: Recommend including additional source control description.

Section iv reference column indicates Appendix A of this plan should have information regarding Surveillance and Tracking of Oil. No Surveillance and Tracking information could be located in Appendix A. However, Appendix A did contain the Spill Control and Countermeasure Plan (SPCC) for Spartan Offshore Drilling, LLC. Which contained considerable information pertinent to operations in TX, LA, MS, AL, GA, & FL along with information for the TX Railroad Commission and Land Offices.

RFAI: Please clarify references for additional Surveillance and Tracking tactical information. Recommend updating the SPCC.

Section (v) Exclusion Procedures title does not match the information required by 18 ACC 75.425 (e)(1)(F)(v) which identifies protection of environmentally sensitive areas and areas of public concern.

RFAI: Recommend using a title that more closely reflects the regulatory language.

Section (vi) Spill Containment and Control Actions
This section indicates in the REFERENCE column that CI-OW tactics apply. This is a very general application of open water tactics lacking specificity.

RFAI: Please clarify which open water tactics would be used.

Section (viii) Lightering Procedures
This section indicates the diesel remaining in the hose is pumped to onboard tanks on the delivery vessel. This does not fit the definition of lightering as an operation that primarily deals with the transfer of wet and dry cargoes between ships of differing sizes. The action shown in this section is more suited to be listed in section (i), to stop (or prevent further spread) the discharge at the source or section (ix) Transfer and storage of recovered oil/water: volume estimating procedure as described or vice versa.

RFAI: Please clarify how draining the ruptured hose would fit the definition of lightering.

Section (ix) Transfer and Storage of Recovered Oil/Water; Volume Estimating Procedure
This section indicates, "The volume of oil recovered will be estimated as recovered oily water." However, this section does not describe how the amount of actual recovered oil, less the recovered water, will be determined. Likewise as stated above the first sentence in this section could be applied with additional detail to section (viii).

RFAI: Please clarify how the quantity of recovered diesel fuel will be determined.

Section (xi) Wildlife Protection Plan
This section states that the Furie Environmental Officer will coordinate with the wildlife response team and other agencies to obtain any required wildlife handling permits. It is not clear if handling permits include incidental take permits.

RFAI: Please clarify how incidental takes will be addressed and/or permitted.

Section (xii) Shoreline Cleanup Plan
This section states that prior to deployment of shoreline cleanup crews, the Furie Environmental Officer will work with the State Historic Preservation Officer and Chumis Cultural Resources to identify known archeological and historical sites in the area. Local Native Corporations will be contacted as appropriate to obtain access permits. However, this information would be more

appropriate to appear in section (v) or section 1.6.5 Protection of Sensitive Areas. This type of information also appears in the CTM Sensitive Areas tactics.

RFAI: Recommend including State Historic Preservation consultation language in section 1.6.5.

1.8.2 Exploration Well Blowout During Ice-free Season, 15-day Duration

Table 1.8.2-1 Scenario 2 Conditions – Exploration Well Blowout During Ice-free Season
Cross Reference
This column in the table contains references that do not indicate the source, i.e. CI-Appendix B.

RFAI: Please clarify the source of each reference.

Surface
This table discusses well location and jackup rig operational period as continuing until at least November 20 until ice reaches concentrations of 70-80% coverage, depending on thickness and that the jackup rig is connected year-round to the mainland by helicopter access. However, this is well beyond the October 31st seasonal drilling restrictions established by the ADEC. Additionally, it is not clear whether the jackup rig can safely remain on-site in the stated ice conditions or the ice conditions that may be present further into the season.

RFAI: Please clarify what operations would take place beyond the established seasonal drilling restrictions and the jackup rig's capability to safely remain on site during the stated ice conditions.

Table 1.8.2-2 Scenario 2 Response Strategy – Exploration Well Blowout During Ice-free Season
(ii) Preventing or Controlling Fire Hazards
This table indicates an exclusion zone is erected. On Day 1, a 1000-foot area from the plume trajectory is cordoned off…, Non-essential personnel are placed as control "guards", and "Decontamination zones are established in conjunction with the USCG & FAA through the UC". It is unclear how the trajectory plume will be cordoned off and non-essential personnel placed as control "guards" will be accomplished. Likewise, it is equally unclear how the USCG and the FAA would be utilized to establish decontamination zones. The CISPRI Technical Manual (CTM) does not reference either agency in regards to decontamination nor is the USCG or the FAA referenced in the permitting section of the CTM in these regards.

RFAI: Please clarify how an exclusion zone is cordoned off and how non-essential personnel are placed as control "Guards" in this marine response. Please clarify how the USCG and FAA will be used to establish decontamination zones.

Section (iv) Surveillance and Tracking of Oil; Forecasting Shoreline Contact Points
This section appears to be repeated.

RFAI: Please confirm that this is only a typographic error or a function of the plan's electronic version.

Section (v) Exclusion Procedures
Exclusion Procedures title does not match the information required by 18 ACC 75.425 (e)(1)(F)(v) which identifies protection of environmentally sensitive areas and areas of public concern. This section does not mention historic or cultural sites that may require identification and special protections.

This section also states that "the Environmental Unit Leader continues to identify priority protection sites or areas of concern for Fall season, relying on the *CISPRI Technical Manual* descriptions and the ESI maps for Cook Inlet, Fall, GRS's, the CIOSM model of predicted impact areas and actual observations or modeling of impact areas as determined by the aerial surveillance operations, tracking buoys and NOAA Scientific Support." Section (xii) Shoreline Cleanup Plan within Table 1.8.1-2 contains language that would also be appropriate here, to address consultation with the State Historic Preservation Officer and Chumis Cultural Resources to identify known archeological and historical sites in the area and that local Native Corporations will be contacted as appropriate to obtain access permits.

RFAI: Recommend using a title that more closely reflects regulatory language to identify environmentally sensitive areas and areas of public concern. Recommend including language that directs consultation with the State Historic Preservation Officer and Chumis Cultural Resources and to contact local native corporations. Please clarify the use of the word "Fall."

(vii) Spill Recovery Procedures
This section identifies actions to be taken day-by-day regarding Task Force tasking to deploy shoreline, nearshore, and on water response tactics at GRS locations along with logistical efforts to provide nearshore and on water support. However, open water tactics are misidentified as on water. Likewise, the cross-referenced tactics identify inland tactics where nearshore tactics would be more appropriate and would accomplish the same goal of diversion, exclusion, and/or collection. Additionally, shoreline tactics are identified in the text while those tactics are not identified in the cross-reference column.

Further on in this section there is discussion of Task Force 4 operations, including micro and mini-barge Fast Tank lightering. This discussion uses fractional descriptions of how many Fast Tanks sites each specific Task Force type can support, including "GRS vessel and mini barge recovery team can support up to 5.9 GRS Fast Tank recovery locations before lightering (includes repeat trips to more heavily impacted locations or locations with multiple or larger Fast tanks). Similarly, one (1) micro barge recovery team can support up to 2.4 locations." Fractionalizing the number of supportable sites gives a false sense of how many sites each task force can fully support.

RFAI: Please clarify the use of inland tactics. Recommend using the same tactics titles used in the CISPRI Technical Manual. Please also revise Task Force 4 capabilities to indicate their actual support capabilities (i.e. 5 and 2 recovery locations respectively vice 5.9 and 2.4).

1.9 FACILITY DIAGRAMS

This section references the Spartan 151 rig which Furie no longer uses, having replaced it with the Randolph Yost. Appendix C contains information for the Randolph Yost.

RFAI: Request that all references and content related to the Spartan 151 rig be deleted from the plan.

PART 2: PREVENTION PLAN

2.1 DISCHARGE PREVENTION PROGRAMS

2.1.8 Fuel Storage Tanks

This section does not specify which rig(s) storage tanks are being discussed.

2.1.9 Description of Secondary Containment Systems

This section contains information for a rig no longer used by Furie.

2.1.10 Facility Piping Corrosion Control and Leak Detection Programs

This section does not specify which rig(s) storage tanks are being discussed.

RFAI: Recommend Sections 2.1.8 through 2.1.10 be updated with rig-specific information.

PART 3: SUPPLEMENTAL INFORMATION

3.1 FACILITY DESCRIPTION AND OPERATIONAL OVERVIEW

3.1.1 Facility Description and Operational Overview

This section describes Furie as an oil and gas exploration company. However, correspondence between Furie and ADEC and AOCGC shows that Furie no longer considers themselves an oil exploration company. Further, this and other sections and associated figures (e.g. Figure 3.1-1, Appendix C) should be updated to include information relative to those rigs currently under contract or which Furie may reasonably anticipate contracting with to undertake future exploration activity.

RFAI: Please clarify this and all other sections of the plan to accurately describe the current nature of Furie's operations in Cook Inlet. Additionally, please update this and all other references in the plan to the Randolph Yost and Spartan 151 as these platforms have not been used by Furie in some time. Based on Furie's current operations the Julius R platform should be discussed and described within this plan to acknowledge and accommodate possible future drilling operations.

Figure 3.1-2 Kitchen Lights Unit and Furie Leases, Cook Inlet and Figure 3.1-3 Proposed Exploration Well Locations Based on currently available information and exploration activity that has taken place since these figures were generated (January 2016), each figure appears to be inaccurate in terms of depicting the number of current and proposed Furie oil wells.

RFAI: Please update these figures to include the current and proposed locations of all Furie wells.

Sections 3.1.3 through 3.1.6 all refer to the *Spartan 151* MODU.

RFAI: Please update these sections and all other references in the plan to the Randolph Yost and Spartan 151 as these platforms have not been used by Furie in some time. Based on Furie's current operations the Julius R platform should be discussed and described within this plan to acknowledge and accommodate possible future drilling operations

3.3 COMMAND SYSTEM

Generally, and especially in light of Furie's recent change in ownership, Section 3.3 does not contain, nor does (referenced) section 1.2 contain, adequate personnel information including the title, address, telephone number, and affiliation by company, agency, or local government of each person who is responsible for responding to a discharge, including each person's functional role in the command system.

RFAI: Please update this section, and relevant parts under section 1.2, with current personnel information as required by 18 AAC 75.425(e)(3)(C).

3.3.3 Unified Command

"Unified Command is an option Furie will consider implementing for significant oil spill situations…"

RFAI: Recommend adding stronger language to clarify Furie's commitment to operating within a Unified Command (UC) when one is implemented with the State and Federal government. Doing so will not "commit" government agencies to do so but will send a clear message that Furie will participate in and supports the UC structure and concept. Recommend modifying verbiage in 3.3.3 to indicate that in the event a UC structure is implemented for any spill response, Furie will participate fully as a member of the UC and in cooperation with state and federal agencies.

3.6.3 and C3.6.3 Onboard Response Equipment contains information relevant to the Spartan 151 rig which has not been used by Furie for some time.

RFAI: Recommend updating these sections to include information relevant to a jack-up rig or rigs that are currently under contract to Furie or immediately available for their use. As of this review, the Spartan 151 rig and the Randolph Yost are currently cold stacked within Cook Inlet.

3.8 FURIE STATEMENT OF CONTRACTUAL TERMS

Section 3.8 Furie Statement of Contractual Terms

The Statement of Contractual Terms included in this plan was signed and dated on January 3, 2016 by Bruce Webb who was at the time, Furie Operating Alaska's Vice President. As with many other

Furie personnel listed in the plan, Mr. Webb appears to no longer work for Furie which calls the legitimacy of this contract into question.

RFAI: Please update this section of the plan with a Statement of Contractual Terms dated after acquisition by HEX and signed by a current Furie employee.

3.9 TRAINING

3.9.5 Spill Response Exercises

This section indicates, "The proposed operations will be up to about five (5) months in duration. It is anticipated that there will be at least one tabletop drill initiated by Furie that will be conducted at the start of drilling operations." Considering the time that has elapsed since this plan was last revised, the fact that the nature of their operations in Cook Inlet have changed, and that Furie is now owned by an entirely different company and appears to be at least partially staffed by new personnel, their plan to conduct spill response exercises should be closely reviewed and updated to meet the intent of 18 AAC 75.445(j).

RFAI: Please update this section to include current information that outlines compliance with 18 AAC 75.445(j).

Appendix B

Appendix B is listed in the table of contents and is mentioned in Section 2.3.5 as containing the March 2010 Risk Assessment Data Directory Blowout Frequencies. The plan submitted does not contain an Appendix B at all.

RFAI: Please update the plan to either remove Appendix B or include the information that is intended to be there.