



Hilcorp Alaska

Contact: Lori Nelson, 907-777-8392
lnelson@hilcorp.com

Hilcorp Alaska responding to fuel gas line leak in Middle Ground Shoal

ANCHORAGE, AK – February 16, 2017 – Hilcorp continues to work in cooperation with multiple State and Federal agencies to ensure a safe and effective response to the natural gas leak on a Cook Inlet fuel gas line. The natural gas currently flowing through the line provides power to four offshore platforms: Baker, Dillon, A & C. At present, ice conditions in Cook Inlet continue to prevent divers from accessing the pipeline safely. The safety of our personnel and the environment remain a top priority as we work to respond to the leak.

It is estimated the leak volume is approximately 210 -310 thousand cubic feet of natural gas per day. Hilcorp's platform crews have shut down non-essential equipment. This step has been taken in order to reduce natural gas flow to the minimum operational gas pressure possible without jeopardizing employee safety or the environment. However, maintaining positive pressure in the flow line is necessary to ensure any residual hydrocarbons are not released to the Inlet. If a minimum pressure is not maintained in the pipeline it could fill with water which would allow for the escape of residual crude oil, as this line was previously used as a crude oil pipeline. Daily overflights above the line are being conducted. No sheen on the water surface has been observed to date.

Shutting in the pipeline presents safety risks for our people, the environment, and has the potential to further damage offshore infrastructure.

We will continue to monitor ice conditions and line pressure while working with the appropriate agencies on our response.

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