



## Point Thomson Gas Offtake

### **AOGCC**

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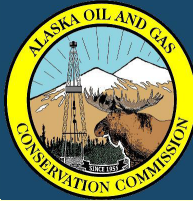
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Senate Resources

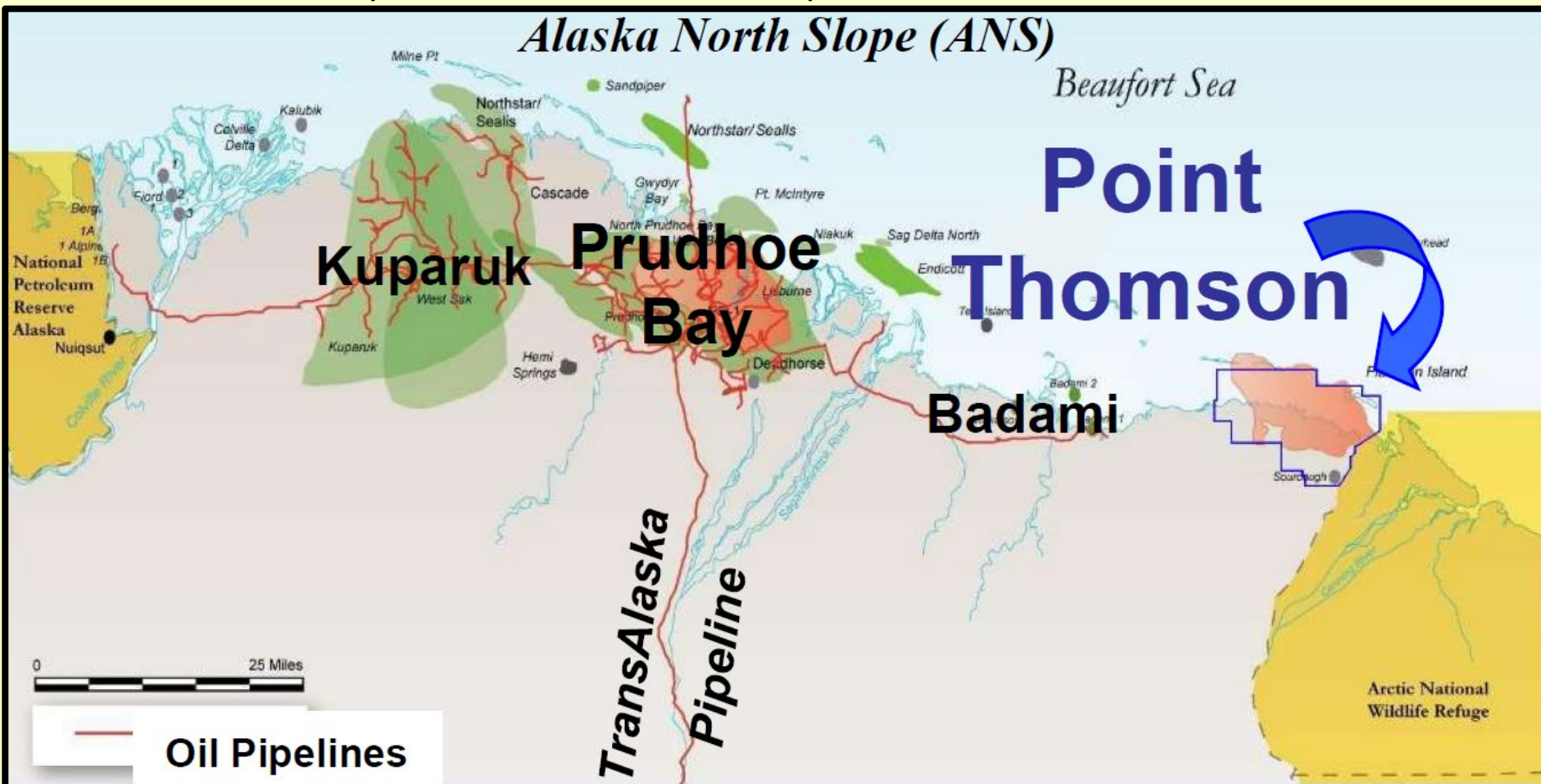
May 13, 2026

# Alaska Oil and Gas Conservation Commission



## Point Thomson Unit (PTU) ~60 miles east of Prudhoe Bay

- Operations today include facilities that support gas cycling to maintain reservoir pressure
- Current production rate 4,000 bcpd





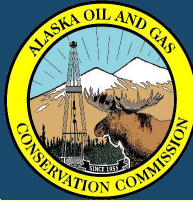


## A Conservation-Minded Path to Maximizing Recovery

### **AOGCC Mission**

To protect the public interest in exploration and development of Alaska's valuable oil, gas, and geothermal resources through the application of conservation practices designed **to ensure greater ultimate recovery** and the protection of health, safety, fresh ground waters and the rights of all owners to recover their share of the resource.

# Alaska Oil and Gas Conservation Commission



## Existing Gas Offtake Order: CO 719

**STATE OF ALASKA  
ALASKA OIL AND GAS CONSERVATION COMMISSION  
333 West 7<sup>th</sup> Avenue  
Anchorage Alaska 99501**

Re: THE APPLICATION OF ExxonMobil	)	Docket Number: CO-15-008
Alaska Production Inc. for an order for	)	Conservation Order No. 719
classification of a new oil pool and to	)	Corrected
prescribe pool rules for development of the	)	
Thomson Oil Pool within the Pt. Thomson	)	Point Thomson Field
Field, Pt. Thomson Unit, East Harrison Bay,	)	Point Thomson Unit
Beaufort Sea, Alaska	)	Thomson Oil Pool
	)	
	)	November 9, 2015

### **Rule 8 Allowable Gas Offtake Rate**

The maximum allowable annual average gas offtake rate from the Thomson Oil Pool is 1.1 billion standard cubic feet per day (BSCFD).



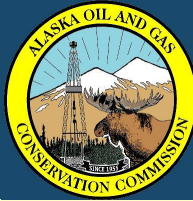
## Pt. Thomson 2015 vs. 2026

In 2015, discussions with Commissioners Foerster and Seamount focused on the best recovery approach, including full-field cycling vs. blowdown, optimizing liquids, and an assumption of substantial gas offtake in the mid-2020s.

After 10 years of cycling with two injectors, one producer:

- More conservative estimate of OGIP by current operator
- Condensate yield is somewhat **leaner** than initial estimate
- Reservoir **compaction** observed; adversely affects deliverability

# Alaska Oil and Gas Conservation Commission



Category	2015 (Source: CO 719)	Today
Estimated start date for major gas sales project startup	2025	In state gas phase – 2029 LNG export – 2031 (Source: Alaska LNG project website)
Gas in place	~8 TCF	~6 TCF (Source: Technical review meeting with Hilcorp on July 27, 2023)
Condensate yield	60-65 BBLs per 1 MMSCF	55 BBLs per 1 MMSCF (Source: AOGCC production data)
Reservoir compaction	Not considered an issue	A significant issue (Source: Technical review meeting with Hilcorp on July 27, 2023)



## Cycling vs. Blowdown

- **Cycling**: Produce gas and condensate, reinject most gas to slow reservoir pressure decline; helps sustain condensate recovery.
- **Blowdown**: Produce and sell gas (and condensate); pressure declines faster, which can increase condensate drop-out in the reservoir and reduce liquids recovered.
- **Trade-off**: Cycling tends to recover more condensate but would delay gas sales and reduces recoverable gas; blowdown recovers more total energy (BOE) but can lose some condensate and may require different development choices.



## Pt. Thomson Reserves

**Why do reserves estimates range between 6 TCF and 8 TCF?**

Main difference is reservoir distribution, or net pay thickness.

- **Barrels of Oil Equivalent (BOE):** 1 BOE = 5.8 million BTUs = 1 barrel of oil = 6,000 cubic feet of gas
- **Gas:** 6 TCF gas = ~ **1 billion BOEs**
- **Condensate:**

Current yield = 55 bbl/1 MMscf

55 x 6 TCF = ~ **330 million barrels**

Therefore, the gas resource is approximately **three times greater** than the condensate resource.



## Dew Point & Condensate Banking

- In reservoirs like Pt Thomson, if pressure in the reservoir drops below the dew point, liquid droplets form and block the flow of gas (condensate banking). Gas flow is reduced and condensate is trapped in the reservoir.
- Practical takeaway: Keep pressure above the dew point to reduce the chance for condensate banking and loss of condensate.



## Hilcorp learnings at PTU

- Performance is pressure-sensitive: careful pressure management improves outcomes; aggressive drawdown degrades productivity and can permanently harm rock and trap condensate.
- Compaction matters: deliverability can decline as the reservoir compacts—requiring smarter well and injector balance rather than simply “pulling harder”; would likely require more development wells than previously planned.



## Conclusions

- There have been changes in our understanding of the Pt Thomson reservoir between the issuance of CO 719 and what we know today.
- On a BOE basis, there are **more reserves in the gas** than in the condensate at Pt Thomson.
- To maximize ultimate recovery, the gas will need to be produced.
- Based on new learnings from field performance revisiting the offtake order may be warranted.