

**ALASKA STATE LEGISLATURE
HOUSE RESOURCES STANDING COMMITTEE**

February 10, 2025

1:02 p.m.

MEMBERS PRESENT

Representative Robyn Niayuq Burke, Co-Chair
Representative Carolyn Hall
Representative Donna Mears
Representative Zack Fields
Representative Dan Saddler
Representative George Rauscher
Representative Julie Coulombe
Representative Bill Elam

MEMBERS ABSENT

Representative Maxine Dibert, Co-Chair

COMMITTEE CALENDAR

PRESENTATION(S): CONOCOPHILLIPS ALASKA NORTH SLOPE PRODUCTION
UPDATE

- HEARD

PRESENTATION(S): SANTOS NORTH SLOPE PRODUCTION UPDATE

- HEARD

PRESENTATION(S): HILCORP NORTH SLOPE PRODUCTION UPDATE

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

BARRY ROMBERG, Vice President
ConocoPhillips Alaska
Anchorage, Alaska

POSITION STATEMENT: Co-presented the ConocoPhillips Alaska
North Slope production update.

BEN CARLSON, Vice President

ConocoPhillips Alaska
Houston, Texas

POSITION STATEMENT: Co-presented the ConocoPhillips Alaska North Slope production update.

PETER LALIBERTE, Vice President
Business Development
Santos LTD
Anchorage, Alaska

POSITION STATEMENT: Presented the Santos North Slope production update.

JIL FISK, Senior Asset Team Leader
Alaska Operations
Hilcorp North Slope Production
Anchorage, Alaska

POSITION STATEMENT: Presented the Hilcorp North Slope production update.

ACTION NARRATIVE

[1:02:08 PM](#)

CO-CHAIR ROBYN NIAYUQ BURKE called the House Resources Standing Committee meeting to order at 1:02 p.m. Representatives Hall, Mears, Fields, Saddler, Rauscher, Coulombe, Elam, and Burke were present at the call to order.

PRESENTATION(S): ConocoPhillips Alaska, North Slope Production Update

[1:03:08 PM](#)

CO-CHAIR BURKE announced that the first order of business would be a North Slope production update by ConocoPhillips Alaska.

[1:03:43 PM](#)

BARRY ROMBERG, Vice President, ConocoPhillips Alaska, co-presented a North Slope production update for ConocoPhillips Alaska [hard copy included in the committee packet]. He showed slide 3, which was an overview of ConocoPhillips worldwide and briefly summarized those operations.

[1:06:37 PM](#)

MR. ROMBERG answered a question from Representative Saddler regarding Conoco's involvement with an oil and gas operation in China.

[1:07:19 PM](#)

MR. ROMBERG proceeded to slide 4 and slide 5, which reviewed Conoco's operations in Alaska. He stated that Conoco has 36.5 percent interest in Prudhoe Bay, 99 percent of the Kuparuk River Unit, and 100 percent of the Western North Slope units where the Willow project is located. He discussed Conoco's history in Alaska, its field locations, the number workers employed, the amount of oil produced, Conoco's assets, and projections regarding the Willow reserve.

[1:10:16 PM](#)

MR. ROMBERG responded to a question from Representative Saddler regarding details of the map on slide 5. He gave a description of the pipeline network and proceeded to Slide 6, pointing out Nuna and Coyote which are new projects in the Kuparuk River Unit. He explained that the oil tax system in Alaska has stabilized and has encouraged long term investment cycles. He introduced the topic of horizontal drilling technologies.

[1:16:17 PM](#)

MR. ROMBERG responded to a question from Representative Elam regarding how stability in the tax structure has influenced oil production.

[1:18:11 PM](#)

MR. ROMBERG responded to questions from Representative Hall regarding the break-down of Alaska hire by explaining approximately 80 percent of the 1200 Alaska employees live in the state. He confirmed that finding skilled Alaska labor was sometimes difficult, and when there were worker shortages, the company would hire from the Lower 48.

[1:19:44 PM](#)

MR. ROMBERG, responding to a question from Representative Saddler, explained that royalty provisions are not public information.

[1:20:54 PM](#)

MR. ROMBERG responded to questions from Representatives Fields and Elam regarding challenges faced by workers and what support services were available. He said he would get back to the committee with more information.

[1:23:05 PM](#)

MR. ROMBERG addressed a question from Representative Coulombe regarding horizontal wells. He explained that previously wells were only vertical, but with horizontal drilling techniques, it is possible to drill into more reserves and extract additional oil.

[1:24:46 PM](#)

MR. ROMBERG, in response to a question from Co-chair Burke, said there were thousands of Alaska subcontractors used in Conoco facilities.

[1:26:12 PM](#)

MR. ROMBERG completed his presentation by noting that Conoco has invested eight billion dollars of its own equity and its own capital at 100 percent ownership. He stated the company's commitment to Alaska.

[1:27:34 PM](#)

BEN CARLSON, Vice President, ConocoPhillips Alaska, co-presented a North Slope production update for ConocoPhillips Alaska. He referred to slide 6, titled "ConocoPhillips Alaska Project Updates," and provided a brief overview regarding the Nuna, West Sak, Coyote, and GMT2 developments. He explained that first oil was achieved at the Nuna field in December of 2024, coming in under budget and ahead of schedule.

[1:30:52 PM](#)

MR. ROMBERG responded to a question from Representative Rauscher regarding ongoing road access litigation. He pointed out that access had not been blocked, and traffic was flowing despite the court case.

[1:33:16 PM](#)

CO-CHAIR BURKE reminded the committee that there would be a presentation from the Alaska Department of Law regarding that litigation.

[1:33:33 PM](#)

MR. CARLSON addressed questions from Representative Saddler regarding viscous oil and some of the challenges it presents. He then proceeded with slide 7, titled "Willow" which read as follows [original punctuation provided]:

2024 Key Achievements
16 miles of pipeline
>250 square miles of seismic
Willow Access Road
12 modules delivered
Willow Operations Center Pad
Willow Creek Bridge

2025

Safety, Environment

- Willow Safety Program: Safety is on our minds, on our watch and in our hands
- Critical focus area in 2025: Slips, trips and falls
- No life-altering injuries or significant environmental impacts

People & Culture

- Peak season; ~2,400 workers on North Slope (2x 2024)
- Delivering a legacy asset with a high performing culture consistent with ConocoPhillips' Spirit Values

2025 Construction

- First facilities installed at Willow
- 350 miles of ice road (210 in 2024)
- 30 miles of pipeline (16 in 2024)
- 1,101,000 cubic yards of gravel (887,000 in 2024)
- Installation of two bridges (one in 2024)

[1:38:04 PM](#)

MR. CARLSON answered a question from Representative Fields regarding safety and fatalities. He then discussed Conoco's emphasis on shared values and commitment to the communities. He showed slide 8, titled "Integrating Sustainability," which read as follows [original punctuation provided]:

- Strong local partnerships
- Respect, transparency and collaboration
- Decades of ecosystem-based scientific monitoring
- Science-informed engineering
- Extensive baseline data ensure integrity of mitigation plans and address stakeholder concerns
- Applying our climate-related risk framework, with ambition for net-zero operational emissions by 2050

The last two slides in the presentation showed details concerning community investment followed by a 2024 earnings review.

[1:42:57 PM](#)

The committee took an at-ease from 1:42 p.m. to 1:44 p.m.

PRESENTATION(S): Santos North Slope Production update

[1:44:17 PM](#)

CO-CHAIR BURKE announced that the next order of business would be an update from Santos regarding North Slope Production.

[1:44:27 PM](#)

PETER LALIBERTE, Vice President, Business Development, Santos LTD, presented a PowerPoint update regarding North Slope Production, titled "Project Update: Pikka & Beyond" [hard copy included in the committee packet]. He prefaced his presentation by recognizing the traditional owners of the land. He showed slide 2, which read as follows [original punctuation provided]:

Land Acknowledgements

Juneau

Santos acknowledges that today we are meeting on the traditional territory of the Áak'w K̄wáan on Lingít Aaní and we pay our respects to their history, experiences, and contributions in taking care of these lands.

Pikka Project

Santos also acknowledges the land our project is on as the traditional territory of the Kuukpikmuit Inupiat and the Inupiat people of the North Slope and we pay our respects to their history, experiences, and contributions in taking care of those lands.

[1:45:59 PM](#)

MR. LALIBERTE moved to slide 4 and slide 5, which described the history of Santos and the company's dedication to Alaska. These slides read as follows [original punctuation provided]:

Who We Are...

About Santos

- Headquartered in Adelaide, Australia
- One of Australia's largest domestic gas suppliers and leading LNG supplier in the region
- Merged with Oil Search in 2021
- Global footprint with operations in Australia, Papua New Guinea, Timor-Leste and Alaska
- About 4,000 employees globally

About Santos in Alaska

- Santos operates and owns 51% of Pikka; Repsol owns 49%
- Stakeholder support underpinned by Kuukpik and land use agreement
- Current Alaska workforce of ~370; growing to over 400 by year-end
- Downtown Anchorage office location

About Pikka

- Discovered 2013; 'giant oil field' confirmed by Horseshoe well in 2017
- Pikka to be net zero* from first oil
- Core position on State land; maximizes revenues for Alaska and local stakeholders
- Other long-term benefits focused on sustainable support of community

Depth of Alaska Experience

3,500+ years of combined Alaska experience

2,700+ years L48 + global experience

Operator since March 2018

80% of employees have been hired from within Alaska;
95% live here

Growing Alaska workforce as we progress projects

[1:50:18 PM](#)

MR. LALIBERTE discussed the company's commitment to local communities and showed slide 6, titled "Local Content and

Contribution, Strong stakeholder support across Alaska," which read as follows [original punctuation provided]:

Long Term Land Use Agreement with Kuukpik

- Subsistence preservation and access with continuous consultation on planned activity to minimize impact
- Provisions for employment, training and business development
- Community projects total over \$45 million (gross)

Local Content & Contracting

- Committed to local content and sourcing where possible
- ~68% of Pikka Phase 1 vendor spend through Alaska vendors

Tax & Royalty Impacts to Local Stakeholders

- ~\$7 billion estimated royalty and tax revenue, including ASRC royalty payments
- North Slope Borough receives 95% of all local tax revenue from oil and gas-related property taxes

[1:52:27 PM](#)

MR. LALIBERTE responded to a question from Chair Burke regarding the workers and contractors employed by Santos. He explained that mineral rights for the Pikka field leases are co-owned by the Alaska and by Arctic Slope Regional Corporation (ASRC), so "a lot of" royalties will go to ASRC and will subsequently be shared with other native Alaska communities under the terms of 7(i) and 7(j) [relating to distribution rules set out under the Alaska Native Claims Settlement Act (ANCSA)].

[1:53:29 PM](#)

MR. LALIBERTE addressed a question from Representative Saddler regarding hiring and benefit packages. He explained that initially there was an excellent hiring response, but recently competition from other employers increased, and Santos has put more effort into attracting people. He described the benefits package as a "standard corporate remuneration package" with a base salary, a 401(k), and a bonus structure.

[1:55:31 PM](#)

MR. LALIBERTE stated that company shareholders put emphasis on a minimal carbon footprint. He described the importance of having

the least CO2 intensive project possible through carbon sequestration, offset credits, and using electricity where possible. He moved to slide 7, titled "Alaska Decarbonization, Pikka Phase 1 will be net-zero from first oil." The slide read as follows [original punctuation provided]:

Avoid

Design and operate efficiently to cost-effectively minimize direct emissions from operations

Reduce

Direct reduction of operated emissions post-design, including Point Source Capture (PSC)

Offset

Indirectly reducing emissions through nature-based or technology solutions, including Direct Air Capture (DAC)

[1:57:54 PM](#)

MR. LALIBERTE responded to comments and questions from Representative Fields and Representative Mears regarding carbon sequestration. He explained that many investors are not interested in decarbonization goals, but some investors are looking for a smaller carbon footprint.

[2:00:27 PM](#)

MR. LALIBERTE moved to slide 8, which showed a map of the Santos leases and slide 9, which provided a map of Pikka Phase 1 and included the position of drill pads, wells, processing facilities, and the seawater treatment plant. He also explained that 120 miles of pipeline was under construction.

[2:05:39 PM](#)

MR. LALIBERTE presented a short video regarding the Pikka site followed by slide 11, which showed photos comparing the Nanushuk drill site in the summer of 2023 and the summer of 2024. He explained that Santos has plans for first oil in 2026 but hope for an earlier timeline. Fifteen wells have been drilled since December, and they are 74 percent completed.

[2:08:48 PM](#)

MR. LALIBERTE responded to Representative Rauscher's question regarding the number of drill sites, explaining that there is one drill site for the current phase, but two other drill sites are permitted. He segued to slide 12, titled "Bringing Pikka to Life, Pikka Phase 1 (December 2024),"which read as follows [original punctuation provided]:

Key Facts:

- \$3.2 billion investment
- Peak production: 80,000 bopd
- First oil planned for 1H 2026 Status Update:
- 74% total project completion • All major contracts awarded and executing
- Wells: 15 of 45 wells drilled
- Target to finish installing 120 miles of pipelines this winter • 2,200+ contractor jobs on North Slope this winter with 24/7 operation

[2:10:47 PM](#)

MR. LALIBERTE addressed several questions from Representative Coulombe concerning the road access litigation between Santos and ConocoPhillips and whether an agreement would result in additional costs.

[2:12:57 PM](#)

MR. LALIBERTE closed his presentation by expressing optimism for the Pikka unit, predicting 400 million barrels in phase one. The company sees a 900 million to a billion-barrel opportunity with the project. He expressed appreciation that Alaska creates a welcoming environment for development.

[2:16:11 PM](#)

MR. LALIBERTE addressed a series of questions from Representative Fields and Representative Hall regarding employment challenges and recruitment tactics. He said he would provide the committee with additional information on the subject.

[2:20:25 PM](#)

The committee took a brief at-ease at 2:20 p.m.

PRESENTATION(S): Hilcorp North Slope Production Update

[2:21:03 PM](#)

CO-CHAIR BURKE announced that the final order of business would be a presentation by Hilcorp.

[2:21:13 PM](#)

JIL FISK, Senior Asset Team Leader, Alaska Operations, Hilcorp North Slope Production, presented the Hilcorp North Slope production update [hard copy included in the committee packet]. She provided history and an overview regarding Hilcorp, emphasizing their goal of reinvigorating late-life assets in the industry. She moved to slide 3, titled "Hilcorp in Alaska," which read as follows [original punctuation provided]:

1,700 Employees
Over 2,500 contractors
Over 2,000 producing wells
Gross operated production of ~350,000 bopd & ~165 mncfpd
More than 700 partnerships with local businesses, generating over \$750 Million in annual spend with Alaska vendors

[2:25:02 PM](#)

MS. FISK responded to questions from Co-Chair Burke and Representative Fields regarding hiring Alaskans. She explained that of the approximately 1,700 employees, more than 70 percent lived in Alaska. She discussed Hilcorp's emphasis on Alaska hire and partnerships with local high schools, universities, and trade schools. She said the company did not have hiring incentives in place with their contractors.

[2:26:12 PM](#)

MS. FISK showed slide 5, which was a map of the Hilcorp operations on the North Slope. She described the information on slide 6, titled "Hilcorp Strategy & Results," and summarized approaches for improving production of late-life assets. The slide read as follows [original punctuation provided]:

Arrest Production Decline
Control Costs
Repair & Maintain Infrastructure
Invest for the Long Run

[2:27:25 PM](#)

MS. FISK moved to slide 7, titled "Investing in Alaska," which showed a graph illustrating production from five Hilcorp drilling rigs on the North Slope. The slide read as follows [original punctuation provided]:

In 2024, Hilcorp invested ~\$870 million into oil and gas in Alaska and produced 39 million barrels of oil on the North Slope, a 2% increase compared to 2023.

In 2025, Hilcorp plans to invest over \$900 million on energy projects in Alaska with forecasted production of 41 million barrels of oil on the North Slope, a 5% increase compared to 2024.

Hilcorp is investing for growth across all Alaska assets

[2:29:21 PM](#)

MS. FISK provided an overview of Hilcorp's assets, beginning with the Alaska Island units which include Point Thompson, Endicott, and Northstar, shown on slides 8 through 14 and which read as follows [original punctuation provided]:

Point Thompson

Discovered 1977 by Shell

- First oil 2016 Cumulative Production
- 18 million bbls
- 6% recovery efficiency Production Rates
- Oil: 4300 bopd
- Gas: 70 mmcfpd
- Codensate Gas Recycling

Point Thomson 2025 Activity

Maintain stable production from PTU-17

Prepare for planned 2026 drilling of one producer

Endicott

Discovered 1977 by Sohio/Exxon

- First oil 1986
 - First Artificial Arctic Islands
 - Connected via Causeway
- Cumulative Production
- 500 million bbls
 - >55% recovery efficiency

Production Rates

- Oil+NGL: 5600 bopd
- Gas: 450 mmcfpd
- Water: 270 mwbpd

Endicott 2025 Activity

Increase recovery by improving fieldwide K2A & K2B production/injection conformance

Evaluate future coil tubing and rotary drilling potential

iWAG Pilot (Injecting Water-Alternating-Gas)

Northstar Unit

Discovered 1984 by Shell

- First oil 2002 Cumulative Production
- 193 million bbls
- >60% recovery efficiency Production Rates
- Oil+NGL: 5500 bopd
- Gas: 600 mmcfpd
- Water: 15 mbwpd

Northstar 2025 Activity

Optimize perforation depths for current oil column

Optimize Kuparuk and Ivishak injection

Start produced water injection in the Kuparuk (pending approval)

Test Sag reservoir for commercial viability

Evaluate future drilling opportunities

[2:34:36 PM](#)

MS. FISK, in response to a question from Representative Saddler, explained that gas produced at Endicott is processed on the surface and re-injected to maintain reservoir pressure. She moved to slide 15 and provided an overview of Prudhoe Bay activity. The slides read as follows [original punctuation provided]:

Prudhoe Bay Highlights

History / Overview § Discovered in 1968 by Arco/Humble (Exxon)

First Oil in 1977

Original Oil in Place: >25 billion barrels

Original Gas in Place: >40 TCF

Cum Oil Produced: 13 billion bbls (52%)

Hilcorp Working Interest = 27.1%

830 Hilcorp Employees

1500 Contractors
Production Rates
Oil + NGL: ~265,000 bopd
Gas: 8-9 BCFPD
Water: 2.2 MMBWPD

MS. FISK showed slide 16, titled "Prudhoe Bay Overview," and pointed out specific details on the map including the roads, drill sites, wells, turbines, well pads, and pipelines. She moved to slide 17, titled "Prudhoe Bay Stats: Fun Facts," which read as follows [original punctuation provided]:

Natural Gas Production:

PBU: 6-9 bscf/d

- Enough to supply all of Germany

Water Moved:

PBU: 2,200,000 bbls/d

- Could fill 168 Olympic sized swimming pools

Oil Production (Gross):

PBU: 230,000 - 275,000 bbls/d

Power Generation:

PBU: 160 MW (capacity)

- Enough to power 133,333 homes

[2:38:00 PM](#)

MS. FISK moved to slide 18, titled "Prudhoe Bay Unit Production Facilities," which showed a flow chart of the processes utilized at Prudhoe Bay. She pointed out that Prudhoe Bay's primary constraint is that the facility began with oil production but transitioned to gas production. She explained Hilcorp's approach when it moves into a declining field and how they arrest production decline, drawing the committee's attention to the illustrations on slide 19 and slide 20. She emphasized the importance of creative ideas and approaches which were developed by employees and operators for the purpose of revitalizing the field. One of those ideas is illustrated in slide 21, titled "Arctic Cooling Increase Rate," which reads as follows [original punctuation provided]:

- Strip 1.5 miles of insulation off NGL Product line
- Initially considered stripping crude oil lines
- Less risk/cost to strip NGL

Results

- Average additional 1,110 boed
- Cumulative total of additional barrels produced (1/1-4/22): 125,222 bbls

GC2 Crude Coolers

- Changed operations of crude coolers for 900 boed add!

[2:43:24 PM](#)

MS. FISK described some of the challenges of working with more viscous oil and showed slide 22 with a graph displaying oil production growth resulting from improved techniques. She moved to slide 23 which provided details regarding the West End development project. She described methods for working with the more challenging viscous oil.

[2:46:02 PM](#)

MS. FISK responded to questions from Representative Saddler regarding the difficulties of producing heavier oil. She described improved results from facility modification, focused drilling programs, and the use of miscible injectants.

[2:48:48 PM](#)

MS. FISK called the committee's attention to slide 24 and slide 25 which provided information regarding compression and its relation to temperature. She explained that the company focused on improving the efficiency of existing compressors in addition to upgrading both the low stage and the high stage compressors.

[2:50:08 PM](#)

MS. FISK summarized recent activity at Prudhoe Bay and provided highlights regarding the Milne Point Unit. She showed slide 26, titled "Prudhoe Bay 2025 Activity," and slide 27, titled "Milne Point," which read as follows [original punctuation provided]:

Complete EWE Pipeline project
Drill ~58 wells across Prudhoe (~75% CTD, ~25% Rotary)
Sanction West End Schrader Bluff development plan
Execute high level of maintenance activity (GC1/GC2
TAR, Rotating Equ Overhauls)
Evaluate and test potential of less developed
reservoirs across Prudhoe

Milne Point Highlights
History / Overview
Discovered in 1969 by Conoco
First Oil in 1985
Original Oil in Place: 4.4 billion barrels
Cum Oil Produced: 427 million barrels (10%)
Hilcorp Working Interest = 100%
110 Hilcorp Employees
400 Contractors
Production Rates
Oil: ~50,000 bopd
Gas: 36 MMCFPD
Water: 250 MBWPD

[2:56:56 PM](#)

MS. FISK provided drilling rig ownership details in response to a question from Representative Saddler.

[2:57:26 PM](#)

MS. FISK responded to a question from Representative Fields regarding the number of fatalities on the slope over the past several years. She explained that safety has become a top focus and explained the importance of creating a better trained and more capable work force. She acknowledged the short time remaining for the meeting and provided a brief summary of the final slides.

[3:01:46 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Resources Standing Committee meeting was adjourned at 3:01 p.m.