

2-week gas leak reignites concerns over Arctic drilling

By Heather Richards

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ConocoPhillips said it has reduced to "undetectable levels" the natural gas leak begun almost two weeks ago on the North Slope of Alaska and is warming up a drilling rig to search for the still-unidentified source.

The unresolved incident, which sent some local residents fleeing and prompted the company to evacuate hundreds of workers, has for some environmental advocates raised questions about the growing presence of oil and gas production on federal lands in the western Arctic. It also has underscored the vulnerability of remote villages when oil and gas drilling goes wrong.

The leak, first reported by the *Anchorage Daily News*, released an unknown volume of methane and continued unabated for days after it was discovered March 4 at a well house — a structure that protects gas well heads — at one of ConocoPhillips' Alpine production sites. It sits on state lands just a few miles east of the National Petroleum Reserve-Alaska, the largest contiguous stretch of public lands in the country.

It's also just 8 miles from the village of Nuiqsut, a remote community inside the NPR-A of fewer than 500 people. Nuiqsut has been altered in recent years by the rapid growth of industry in its backyard, which offers economic opportunity but also pollution and risks to wildlife and the environment.

The leak frightened villagers, who were reminded of a well blowout in the area in 2012 that spewed drilling mud and left lasting air quality issues, said Nuiqsut Mayor Rosemary Ahtuangaruak, who has criticized Conoco for not communicating better with the village in the days after the leak was discovered.

"That's what triggered the fear," she said. "It's because the village has already experienced hunkering down from [a well incident]."

A spokesperson for ConocoPhillips defended the company's efforts to engage with the village, noting that village leadership was alerted the day the leak was identified and that village outreach liaisons have been in the community since March 9. The company also held a situational update by phone for the community on March 14.

"Our village outreach liaisons continue to provide informal updates to the community and its leaders," said company spokesperson Dennis Nuss.

A state official said the company has determined the likely source of the leak is a shallow pocket of gas above the Alpine oil reservoir. As ConocoPhillips continues to investigate, it's been able to redirect the rogue gas that had been leaking, said Graham Wood, program manager for prevention preparedness and response at the Alaska Department of Environmental Conservation, in an email.

The leak couldn't come at a worse time for Conoco, which is awaiting approval from the Biden administration for its controversial \$6 billion Willow project, a massive expansion from the Alpine area past Nuiqsut and deeper into the NPR-A.

Pushback on the potential effects of the Willow project to Nuiqsut and the larger region has already forced numerous delays. Blocked by a federal judge for failing to account for climate impacts after a Trump-era approval, the project is now undergoing a supplemental review by the Biden administration, with both activists and oil champions unsure how that will play out.

The administration itself has raised concerns about the climate impacts of the oil industry on public lands but remained largely mum on the outlook for Willow since taking over the review last year.

Additionally, the project has the support of powerful figures in Capitol Hill, including Sen. Lisa Murkowski (R-Alaska), who's influenced who the Biden administration picked for senior leadership positions at the Interior Department and has grilled administration officials over Willow numerous times.

"I've been working from the get-go to educate the new administration on why the Willow project is so important to Alaska's economy," Murkowski said last year after the Biden administration chose to defend in court Willow's now-overturned environmental review.

Interior declined to comment for this story.

But after days of gas spewing from a ConocoPhillips site, activists hope public scrutiny will increase around Willow and add pressure on Interior to curtail the project's ambitions.

Bridget Psarianos, an attorney with Trustees for Alaska, said the gas leak shows the inherent risk of developing in this area.

"Critics of Willow have known all along that accidents such as these happen in oil fields — spills and leaks and hazardous substances and releases of damaging air emissions are not as unusual as regulators and industry would make them seem," she said. "We hope this incident brings such a lack of transparency and accountability to light and forces DOI to think twice about the impacts from the projects that its permitting."

Details on the leak

It's unclear how much gas was released in the Alpine leak, though the release is currently below detectable levels, according to a company incident website.

Wood with the Alaska Department of Environmental Conservation said ConocoPhillips can now "direct the gas out of the ground through the injection well that was being drilled, capture it, and direct it into the Alpine production system."

"This is providing a preferential pathway for the gas to travel up and decreasing pressure that had built up underground so the gas is no longer finding or creating other pathways to the surface," he added.

Wood said ConocoPhillips determined early on that gas emissions were localized at the well site and that there was no immediate threat to the village.

"Evacuation decisions are made on a combination of factors that include measures of current conditions and projections of what may occur," Wood said. "After meeting with the community of Nuiqsut, which is 8 miles away, CPAI was able to explain that there was no threat that warranted evacuation."

In addition to the gas leak, nearly 600 gallons of salt water rushed up from the ground at the well site, according to a report to the Department of Environmental Conservation.

ConocoPhillip's most recent update noted that the company is providing tours of the air quality monitoring facilities in Nuigsut.

"The primary objective of our incident response is the safety of the community and our workforce," ConocoPhillips said.

The company is warming up a rig to do a diagnostic in its continuing search for the source of the leak. And it has resumed flights to the Alpine site and is bringing back the staff it had evacuated.

A spokesperson for the Alaska Oil and Gas Conservation Commission — the lead agency investigating the incident — declined to comment on the ongoing investigation of the incident but said the commission "continues to closely monitor the situation and is actively engaged with the operator."

The commission is seeking information from the company on the root causes of the gas leak, the extent of the leak, whether ConocoPhillips was in compliance with regulations at the time of the incident and the feasibility of ongoing safe operations at that site, according to a <u>letter</u> the commission sent to ConocoPhillips. The letter was first reported by *Anchorage Daily News*.

The Alaska Oil & Gas Association, to which ConocoPhillips is a member, did not respond to a request for comment.

Village anxieties

The ConocoPhillips leak has amplified anxieties in Nuiqsut about living in the proximity of an oil and gas field, and a lack of communication from industry when things go wrong.

When Ahtuangaruak heard that workers were being evacuated along the ice roads that skirt the Arctic village of Nuiqsut, the mayor got on the VHF radio to warn residents.

It frightened people, but she stands by the decision to spread the news. She said ConocoPhillips has often proved uncommunicative during this crisis — sticking to talking points that have only confused residents — and has now ceased regular updates with the village leaders, pending more conclusive updates.

"We have tremendous concerns, and we're working through this as best we can," she said.

In a meeting Tuesday, the village council said it hoped villagers could be reimbursed who had evacuated out of fear of the gas leak.

The mayor said many residents are fearful of speaking out against the oil and gas industry because it supports the community through jobs, education spending and economic activity. The village also has many residents who support the oil and gas industry, she said.

But the fallout of the gas leak was frustrating, with community members still seeking answers about what happened and what the risk level was to the village, she said.

Scant details following the gas leak have also galvanized opponents of Willow, who say it shows a lack of transparency that will extend to the much larger Willow project as well.

"As of Tuesday, it had been 10 days and Conoco still hadn't identified the source of the subsurface leak, its cause or the severity," said Kristen Miller, conservation director of the Alaska Wilderness League. "What does that say about the risks associated with a massive project like Willow?"

Psarianos, with Trustees for Alaska, said even ConocoPhillips' website is "incredibly vague" on the severity of the leak or how the company will fix it.

The gas leak is not the first time organizations have been at odds with industry over its air quality issues in the Arctic, and the risk of a well blowout is one of the points of contention between environmental groups and the Bureau of Land Management as it considers Willow.

It has been an issue, too, for Nuiqsut, which has been wary of Willow's potential to increase existing pollution from operations or incidents. The village council noted in its public comments on the Willow environmental review that the 2012 blowout from Spanish oil company Repsol SA's well had resulted in volatile organic compounds like benzene "above EPA carcinogenic screening levels."

"This additional exploration and development raises the likelihood of toxic air pollution from normal operations as well as the risk of blowouts that can cause dramatic increases in air pollution," the village wrote of Willow.

For its part, BLM noted that air quality for the North Slope is within state and federal ambient air quality standards. Modeling shows that would remain the case if Willow were approved, the bureau said.

It responded to air quality concerns in its 2020 final environmental impact statement for Willow: "The BLM is actively vested in the safety of the community of Nuigsut, but based on information available there should be no cause for concern."

Note: The original version of this story erroneously said that the company had not responded to requests for comment. An emailed statement did not reach the reporter. The story has been updated with company comment.