



Greening of Oil's latest weekly cover.

Greening of Oil: Latest from Mac Ackers

SPEAK SLOWLY, IN SIMPLE SENTENCES ... On Feb. 1 Financial Times' Energy Source blog ran an article that said natural gas producers "have started to contemplate exporting natural gas from the US." The only actual producer quote supporting the reporter's claim came from a 174-word statement by Russ Ford, Royal Dutch Shell's executive vice president for onshore gas. Ford said that Shell wants to export shale gas expertise developed in North America to other places in the world. However, only 50 words were actually quoted from his 174-word statement: "I consider the Haynesville one of our core areas. Shell has placed a big emphasis on North American gas; it's an area of growth for us. We've invested something like \$15bn since 2004 in the onshore. What you develop here, you'd like to export to the rest of the world." Whoever said, "less is more"?



MAC ACKERS

see GREENING OF OIL page 18

Conoco reportedly looking for another Chukchi partner

ON JAN. 25 CONOCOPHILLIPS and Statoil USA announced a deal that gave Statoil a 25 percent working interest in 50 Conoco leases in the Chukchi Sea off the northern coast of Alaska. Three days later a Petroleum News source said Conoco was close to a deal with a second partner on the same acreage.

Although the source, who asked not to be identified, would not reveal the name of the soon-to-be partner, he did say the company will acquire a working interest of "just under 25 percent" in the 50 leases, leaving operator Conoco with a slim ownership majority.

ConocoPhillips was unwilling to confirm or deny the information.

see INSIDER page 20



EXPLORATION & PRODUCTION

Supreme help sought

Staggered by Point Thomson loss, Alaska officials go for high court review

By WESLEY LOY
For Petroleum News

Fresh off a significant setback in its tilt with ExxonMobil for control of the rich Point Thomson oil and gas field, lawyers for the state are now asking for a break in the action while they seek an Alaska Supreme Court review of a key aspect of the case.

The move seemed to dampen recent public statements from Gov. Sean Parnell and Rich Kruger, president of ExxonMobil Production Co., that it's time the case was settled.

On Jan. 11, Superior Court Judge Sharon Gleason dealt the state a blow when she reversed Department of Natural Resources Commissioner Tom Irwin's termination of the Point Thomson unit.

Among her findings, Gleason held that ExxonMobil and other leaseholders at Point Thomson were wrongly denied a hearing under Section 21 of the Point Thomson unit agreement, which dates back to 1977.

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Section 21 says the state oil and gas director has authority to alter or modify the rate of pro-

see REVIEW page 20

EXPLORATION & PRODUCTION

Good news at Badami?

Savant exec guarded until data further analyzed, but two pay zones possible

By ERIC LIDJI
For Petroleum News

While the company remains somewhat guarded about revealing results until it gleans more information from well logs, rumors of a significant hydrocarbon discovery from a well Savant Alaska completed drilling at Badami this winter appear to have a basis in truth.

When asked for results of the B1-38 well, testing the Red Wolf prospect at the eastern North Slope field, company executive Greg Vigil responded in a Feb. 1 e-mail:

"A review of the measurement while drilling



GREG VIGIL

logging suite has reasonably determined the primary objective Kekiktuk formation had an apparent water contact with additional gross interval above it. Although we cannot say definitively that the apparent hydrocarbon interval is filled with movable light oil.

"Additionally another hydrocarbon bearing interval was encountered in a shallower secondary objective formation.

"A significant amount of hydrocarbon has been introduced into the drilling mud system, and in the interest of health, safety, environment and preserving our investment in the well, no additional open-hole diagnostic work will be conduct-

see BADAMI page 19

NATURAL GAS

Mackenzie for the birds

Gas project proponents say recommended sanctuary noise levels 'rigid, untested'

By GARY PARK
For Petroleum News

The "entire" Mackenzie Gas Project could hang on whether the National Energy Board upholds a recommendation to protect a bird sanctuary on the Mackenzie Delta, Imperial Oil and its partners have told the federal regulator.

Responding to 176 recommendations contained in the findings of a Joint Review Panel, which examined the environmental and socioeconomic impacts of the project, the MGP proponents said enforcing strict noise limits at the Kendall Island Bird Sanctuary could undo the project.

The JRP said the noise levels should be kept below 50 decibels at almost 1,000 feet from the

"To make this condition for any approvals for facilities in the Kendall Island Bird Sanctuary would have the potential effect of preventing development of the Taglu and Niglintgak anchor fields, and therefore, the entire Mackenzie Gas Project."

—Imperial Oil

sanctuary's fence line.

Imperial said the proponents are "concerned about imposing a rigid, untested noise abatement requirement at this time, without adequate practi-

see SANCTUARY NOISE page 19