



Platform Hogan Petition for Variance Findings – July 1, 2022



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Leaking Wells on Platform Hogan

- Soap screening initiated in 2022 indicated fugitive leaks on well heads
- District inspection in May 2022 documented fugitive leaks with concentrations in excess of 50,000 ppm
- Monthly in-house Method 21 inspections have commenced
- Variance needed to depressure wells to uncombusted flare stack for worker safety, diverting fugitive emissions from well bay
- Flare return to service project is underway and on schedule to be completed by Sept 30, 2022

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Platform Hogan Flare Status Update

- Structural, piping and equipment inspection has been completed.
- Flare system piping sections require external corrosion repair and 1 piping modification.
- Flare igniters are non-functional and require replacement ignition system and modifications.
- No flare pilot or purge fuel source. Anticipate use of bottled gas (propane). Process engineering of flare fuel source and associated equipment and systems is underway.
- Flare return to service on schedule for completion Sept 30, 2022.

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Well Bay Leak Repair Challenges

- External fugitive leaks are the result of well pressure build up and gas finding a leak path to atmosphere.
- External fugitive leaks found during Method 21 inspections will be evaluated for potential repair and may be repaired if determined safe to do so; some leaks due to poor or unknown condition of the equipment may not be repaired until “well work” can be done to “kill” the well.
- Platform is not in a condition to support well work operations. Current platform repairs and construction activities are to enable safe well P&A program activities.

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APCD Variance Petition (Explicit) Findings

1. **APPLICANT IN VIOLATION of district rule or HSC 41701 (Visible Emissions)**

- **District Rule 325.D.1 (Crude Oil Production and Separation)**
- Sec D.1 – Requirement for vapor recovery system which directs all vapors to a) a fuel gas system , a sales gas system, underground injection or to a flare that combusts reactive organic compounds; or b) any other system which processes all vapors and have a reactive organic compound vapor removal efficiency of at least 90% by weight.

Beacon West response:

Flare return to service commissioning process is ongoing: piping repairs, repairs to non-functioning components and fuel system process engineering continue. Once completed, flare will return to service by September 30, 2022.

APCD Variance Petition (Explicit) Findings

2. NONCOMPLIANCE due to CONDITIONS BEYOND APPLICANTS REASONABLE CONTROL and requiring compliance would result in UNREASONABLE TAKING of PROPERTY or CLOSING of BUSINESS?

Beacon West response:

- Platform is non-operational and pending decommissioning. Closure of Monitoring and Maintenance activities will delay control of emissions and safe decommissioning of the platform.
- Platform was left in disrepair and unattended by previous Operator resulting in significant deterioration of platform and equipment.
- Ongoing platform inspection and repairs continue in 2022 in order to make platform safe for future P&A activities, and to meet required Increments of Progress (including operational flare no later than September 30, 2022).

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APCD Variance Petition (Explicit) Findings

3. **SUCH TAKING is WITHOUT CORRESPONDING BENEFIT in reducing pollution.**

Beacon West response:

- Platform no longer producing. All wells are shut-in pending well plug and abandonment.
- Facility currently under variance from Rule 331.E
- There would be no reduction in emissions with any taking
- Remote offshore location results in no potential impact to the public

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APCD Variance Petition (Explicit) Findings

4. APPLICANT CONSIDERED CURTAILING OPERATIONS IN LIEU OF VARIANCE.

Beacon West response:

- Platform is no longer in operation and is being prepared for well P&A and facility decommissioning
 - Curtailing of current Maintenance & Monitoring program will not reduce emissions from these developing leaks

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APCD Variance Petition (Explicit) Findings

5. **APPLICANT will REDUCE EMISSIONS to maximum extent feasible.**

Beacon West response:

- Facility is no longer in production
- Method 21 inspections commenced in June, helping to define leak concentrations.
- Repairs to leaks will be made if determined safe, and it is determined that repairs will cause no further damage to wells.

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APCD Variance Petition (Explicit) Findings

6. APPLICANT will MONITOR and REPORT emissions

Beacon West response:

- Excess emissions will be reported on a monthly basis

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APCD Variance Petition (Implicit) Findings

1. **OPERATION under variance NOT a NUISANCE.**

Beacon West response:

Cessation of all oil and gas production, limited equipment operation and remote offshore location ensures no nuisance potential.

2. **OTHER REQUIREMENTS to guarantee EXPEDITIOUS COMPLIANCE with emissions standards or increments of progress.**

Beacon West response:

Monitoring and maintenance activities are progressing on schedule to enable well P&A activities, which will eliminate the emissions in question.

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Q & A



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