

Platform Hogan Petition for Variance Findings July 2, 2025



Agenda

- Brief history and discussion of platforms (ConocoPhillips)
- Updates on work progress (Beacon West)
 - November 2020 – mid 2024
 - 2024-2025 variance period
- Plug & Abandonment (P&A) Program (DCOR)
 - Timeline of activities
 - P&A scope
- Variance Findings (ConocoPhillips)

Background

- Former Lease Holders sold interests in 1991 to Signal Hill Services
- Signal Hill relinquished lease to BOEM in Oct. 2020 and defaulted on decommissioning obligations
- BSEE issued Order to former Lease Holders (Order Recipients) Nov. 2020
- Order Recipients (OR) filed appeal in Jan. 2021 and pending resolution executed a Partial Stay Agreement with BSEE and BOEM in Feb. 2021
 - Requires monitoring and maintenance activities to preserve facilities for decommissioning
 - Comprehensive P&A program is not required by Partial Stay Agreement, but is only guaranteed solution to resolving fugitive emissions covered under variance
- Conditions of the facilities when relinquished posed significant safety concerns
 - ORs have funded significant repairs over last 4+ years to prepare platform for P&A operations
 - Well documented that ongoing work has far exceeded terms of Partial Stay Agreement
- Intend to move forward with P&A on platform
 - Transition to DCOR to continue maintaining platform and execute P&A
 - Beacon West will transfer to platform Houchin to perform additional P&A preparations

Work Accomplished on Hogan

- Initial status of Hogan in 2020 post-Signal Hill abandonment
- Work Executed on Hogan 2020 to mid-2024
 - Numerous Level 1 repairs (basic safety requirements, etc.)
 - Crane replacements and refurbishments
 - Waste and clutter removals
- Repairs and updates during 2024 - 2025 variance period
 - Continued purging, cleaning and removing existing facilities for P&A to commence
 - Completed structural upgrades to support living quarters and rig installation
 - Established utilities to support 24/7 operations for P&A (firewater, sanitation, lighting, etc.)
- Current Status
 - Installation of new personnel living quarters at platform

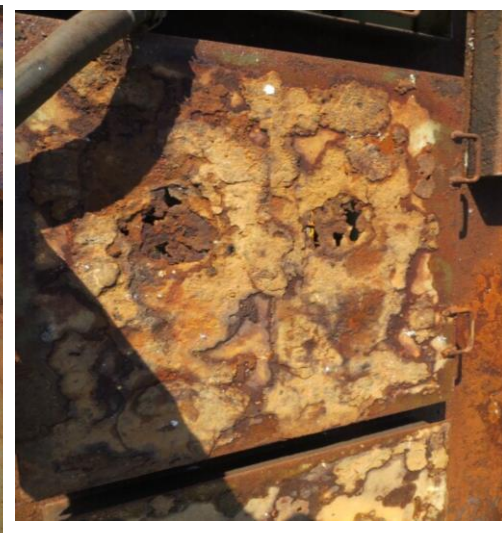
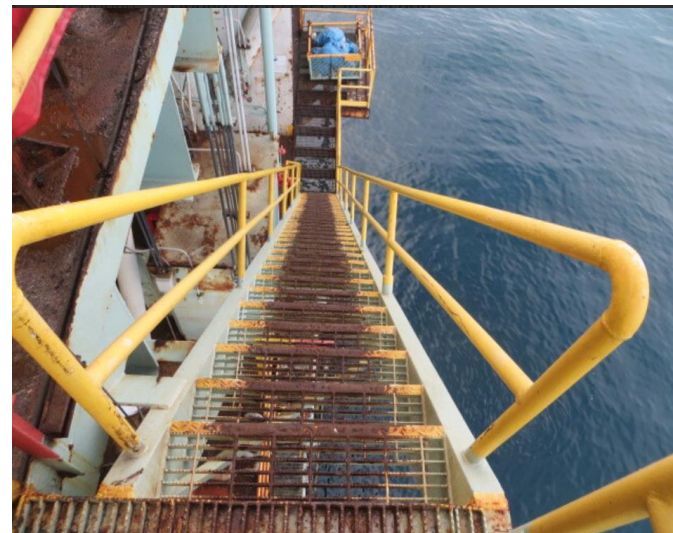
Hogan before MM&P Activities (2020)



Hogan before MM&P Activities



Hogan before MM&P Activities (cont.)



Platform Cranes Refurbishment

Operable cranes are essential to perform work on offshore platforms

Timeline of Cranes Refurbishment Activities

- Late 2020 – Boarded abandoned platform and found all cranes inoperable
- Early 2021 – Confirmed ability to resurrect Hogan Manitowoc (north) crane
 - Worked with OEM crane manufacturer to certify crane for offshore hoisting
 - Only operable crane - temporarily returned to service with restrictions
- Early 2021 – Developed plan to obtain crane service for platforms
 - PART A - Remove and convert old Unit 500 Mariner cranes from platforms south side
 - PART B - Order new portable cranes to replace north cranes
 - COVID19 Pandemic limited crane availability with a 1.5- to 2-year procurement lead time
 - New cranes must be engineered to meet the installation process for specific platform

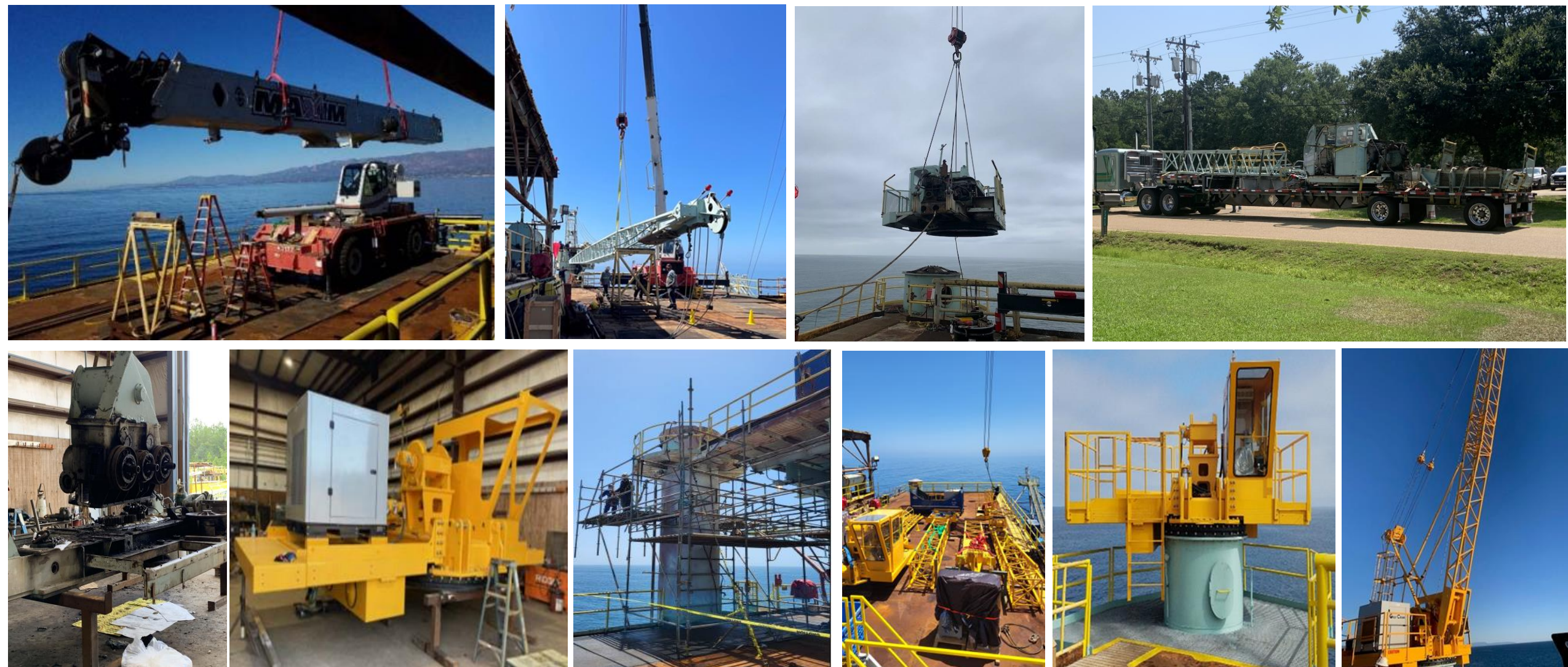
Platforms Cranes Refurbishment

PART A - Unit 500 removal / convert / re-install

Date	Activity
March 2021	Gulf Crane Services inspection of Unit 500 crane
April 2022	Removed Hogan Unit 500 crane for conversion
February 2023	Removed Houchin Unit 500 crane and sent for refurbishment (10-month process) <ul style="list-style-type: none">• Hydraulic (instead of friction) and new a Tier 4F engine
June 2024	Converted Houchin crane was installed on Hogan.

Manitowoc was only operable crane for 20+ months as refurbished
Unit 500 had to go to Houchin given there were no operable cranes there

Unit 500 Cranes Refurbishment – Remove, Rebuild & Repair



Platforms Cranes Refurbishment

PART B – New Portable Crane - Procurement Activities

Date	Activity
Q4 – 2021	Completed initial design, engineering and specifications for 2 new cranes
June 2021	Identified slightly used large Unit 20,000 crane available for sale <ul style="list-style-type: none">• Required refurbishment in Louisiana (new mounting base)• Design / Engineer the structural capabilities for Platform Hogan & Houchin – enormous effort• How to install with no barge cranes available? Fit for purpose engineering and design
November 2021	Purchase orders issued for new crane (~2 year lead time)
November 2023	Nautilus 280B Portable Crane installed on Hogan <ul style="list-style-type: none">• The large Unit 20,000 Crane required procurement of a smaller crane to install larger crane• Plan to move to Houchin after installing Unit 20,000 crane
March 2024	Refurbished Unit 20,000 crane installed

New Portable Cranes



New Unit 20,000
Portable Crane

Nautilus 280B
(moved to Houchin)

Refurbished
Unit 500



Platform Hogan in 2025

New Unit 20,000
Portable Crane

Refurbished Unit 500



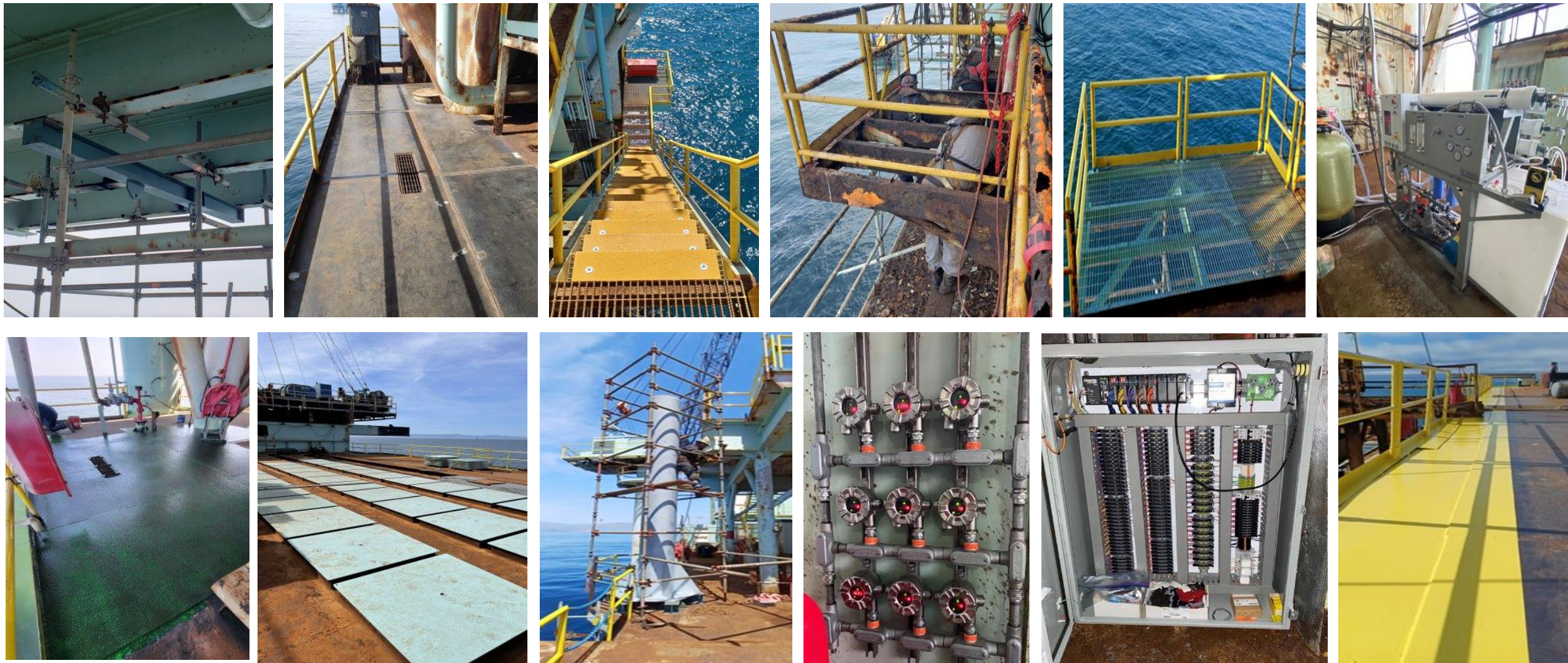
Work Accomplished 2020 - 2024

- Cranes – redesign / refurbish, procure, transport, install, and commission
- Platform General Repairs (API Level 1)
 - Repair swing rope mechanisms
 - Repair handrails, large sections of decking and grating
 - Repair / replace access stairs - treads, structural members, handrails and improper mid-level landings
 - Several serious structural related items (corroded landings), and
 - Repairs to coatings across all levels of the platform and equipment
- General Safety Systems - repairs where possible and replacement of others
- Cathodic Protection - update and continue to maintain
- Platform Waste and Clutter Removal - enormous volumes

Work Accomplished 2020 - 2024 (cont.)

- Review and inspection of wellheads and trees
- Installed new wellhead gauges to allow routine monitoring of well pressures
- Removal of tubulars standing in rig mast
- Rig removal and related clutter
- Helideck conversion to medivac hoisting station
- Installed water maker (converts saltwater to freshwater)
- Replacement of marine sanitation device (onboard sewage treatment)
- Designed and installed intercom and alarm communications systems
- Inspections and repairs of platform power system
- Platform jacket structural inspection and marine growth removal

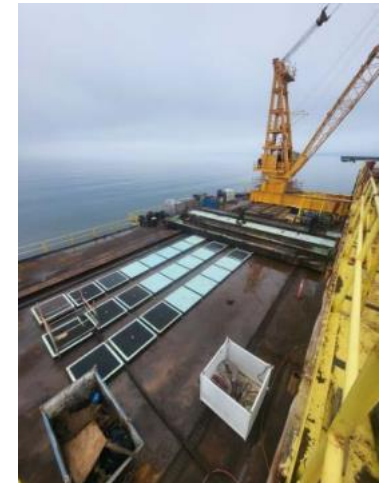
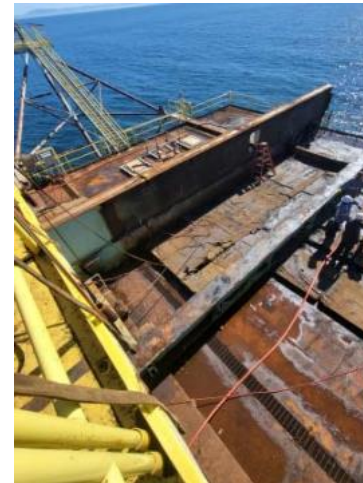
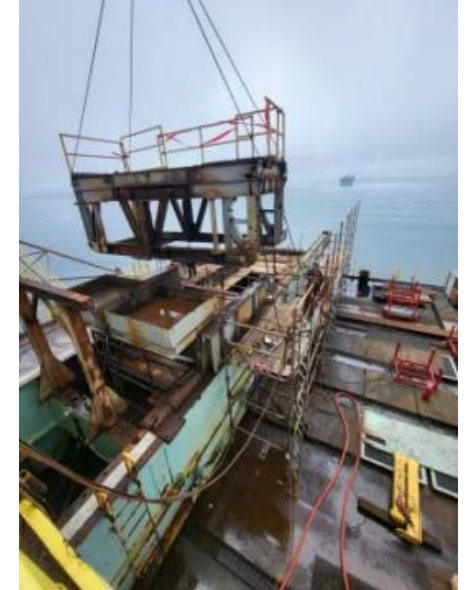
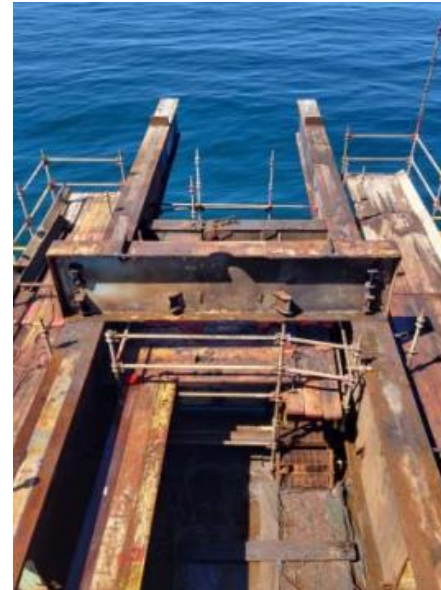
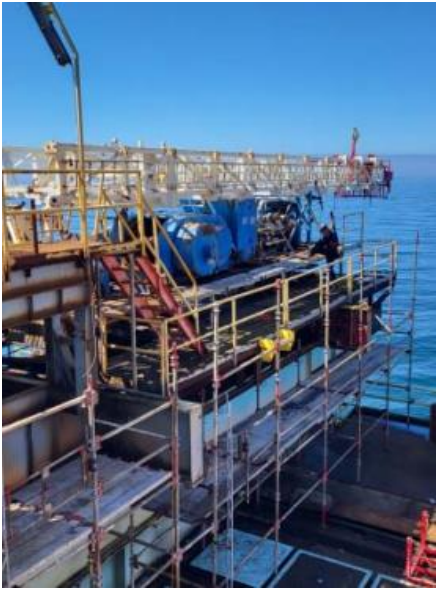
Hogan MM&P Accomplishments (2021-2024)



Hogan MM&P Accomplishments (2021-2024)



Hogan MM&P Accomplishments (2021 - 2024)



2024-25 Variance Period - Tasks Accomplished

- Removal of former dilapidated platform living quarters, refurbishment of structural and deck sections under removed buildings, and preparation for installation of new living quarters buildings.
- Repaired platform helideck to convert to a medivac hoisting platform.
- Well pressure monitoring continued through period.
- Quarterly Method 21 inspections to assess fugitive emission concentrations during variance period.
- Conducted repairs to minimize fugitive emissions (ongoing as new sources emerge).
- Removed Manitowoc from platform pedestal to eliminate crane operations obstruction and safety / environmental hazards.

Completed Tasks During 2024-25 Variance Period (Cont'd)

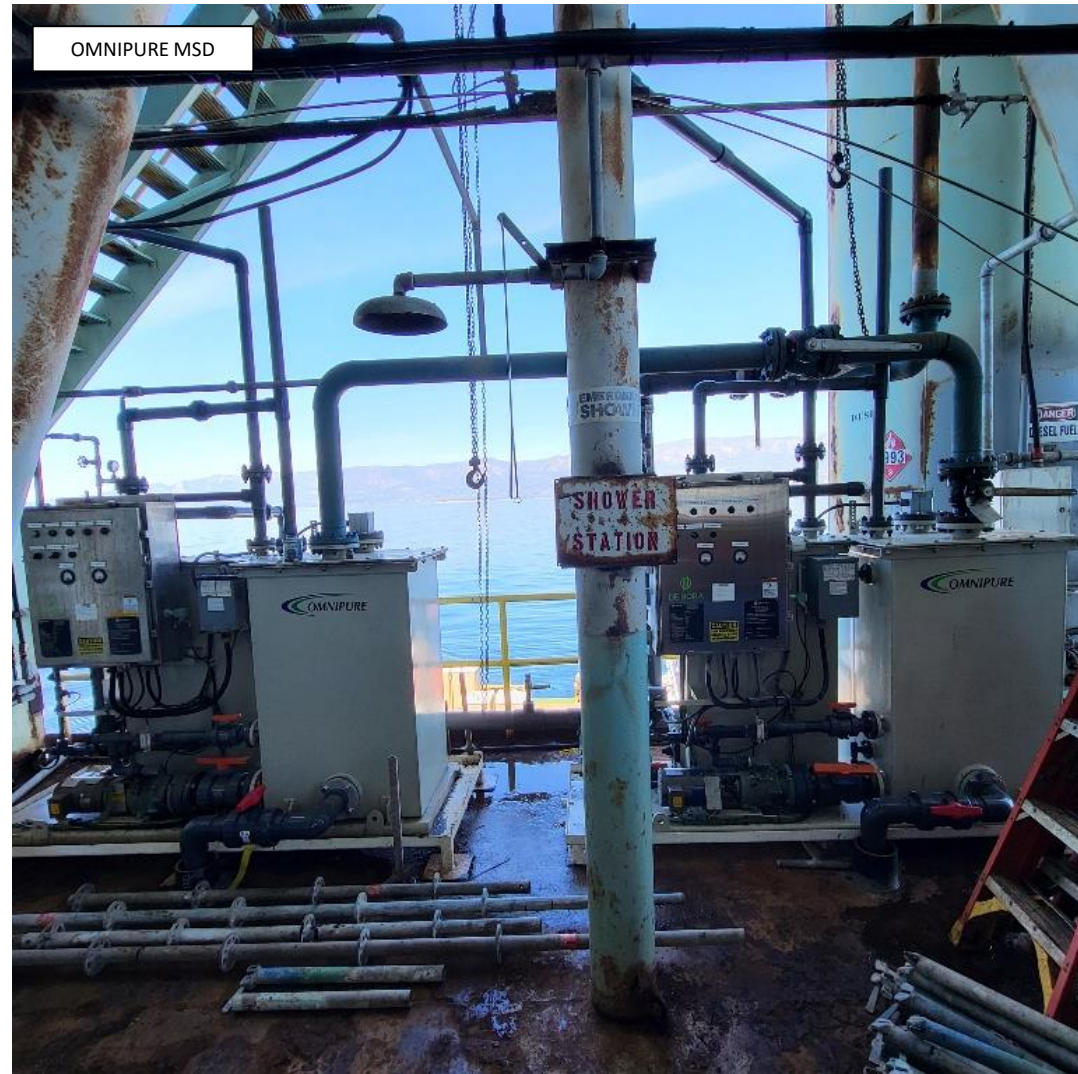
- Completed flushing, purging, and cleaning of vessels and process equipment.
 - Eliminates hydrocarbons and eliminates potential fugitive emission source locations
- Repaired firewater system (deluge valves, F&G detection system, pumps, etc.).
- Installed marine sanitation devices.
- Completed lighting repairs and upgrades (convert to LED in many locations).
- Refurbishment and repairs to emergency generator components and switching systems.
- Continued repairing platform decking, grating, stairway, and railings.

Flushing, Purging, and Cleaning of Process Equipment

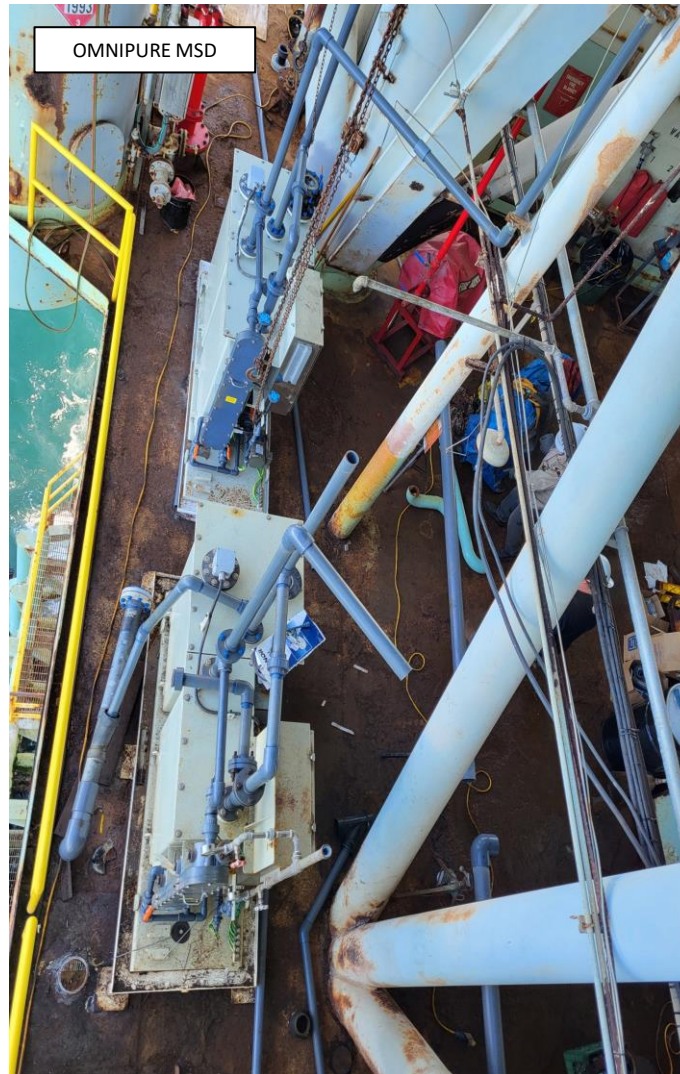


Platform Hogan Facility Refurbishment & Repairs

OMNIPURE MSD



OMNIPURE MSD



LIGHTING UPGRADES

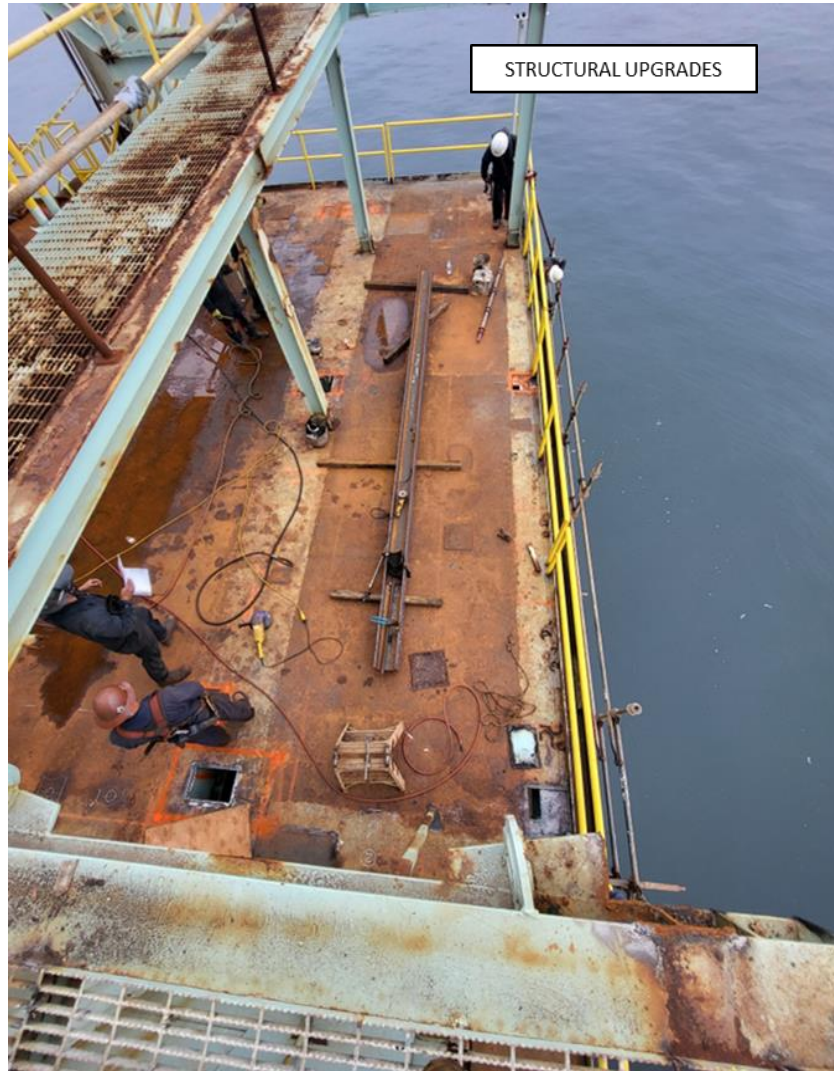


Removal of Existing Quarters

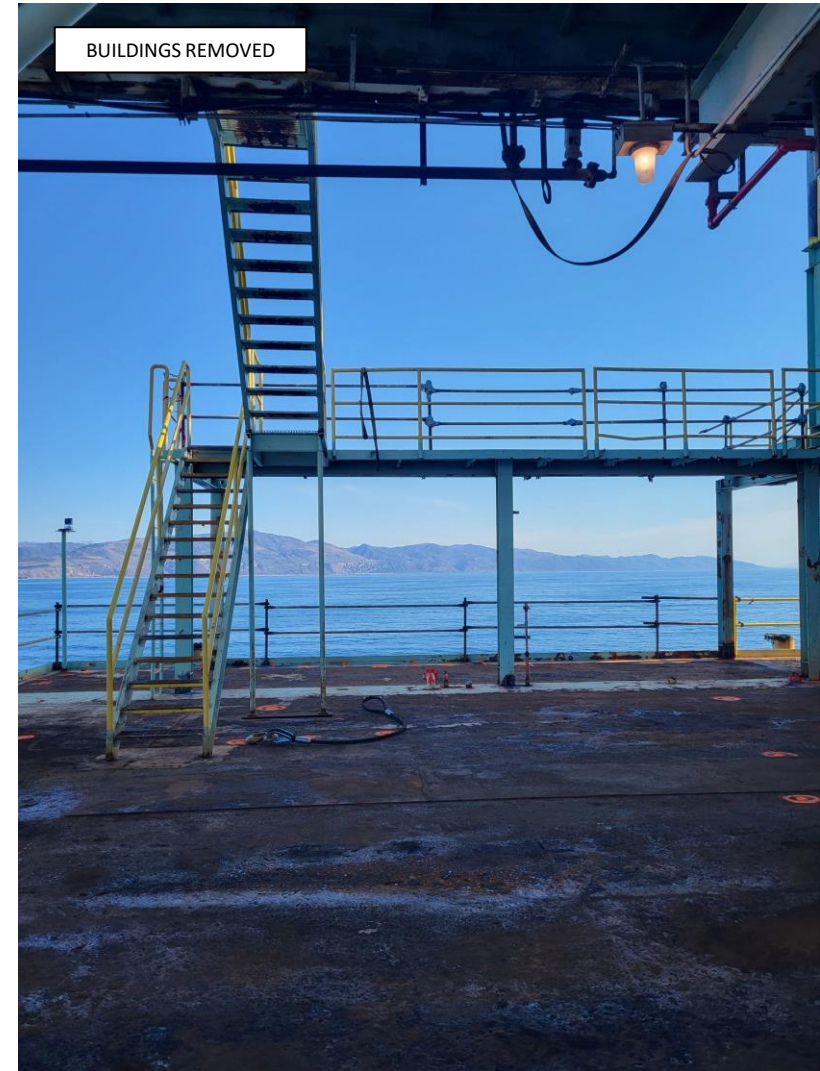
BUILDINGS DEMO



STRUCTURAL UPGRADES



BUILDINGS REMOVED



Completed Tasks During 2024-25 Variance Period (Cont'd)

Preparations for execution of P&A initiated

- Fabricated new living quarters for crew
 - Allows 24/7 well operations for ~40 personnel
 - Sleeping quarters
 - Kitchen and dining area
 - Medic quarters
 - Restroom / shower areas
 - Off time support area
 - Offices and meeting rooms
- Secured rig to utilize for P&A activities.
 - Maintenance & recertification in process

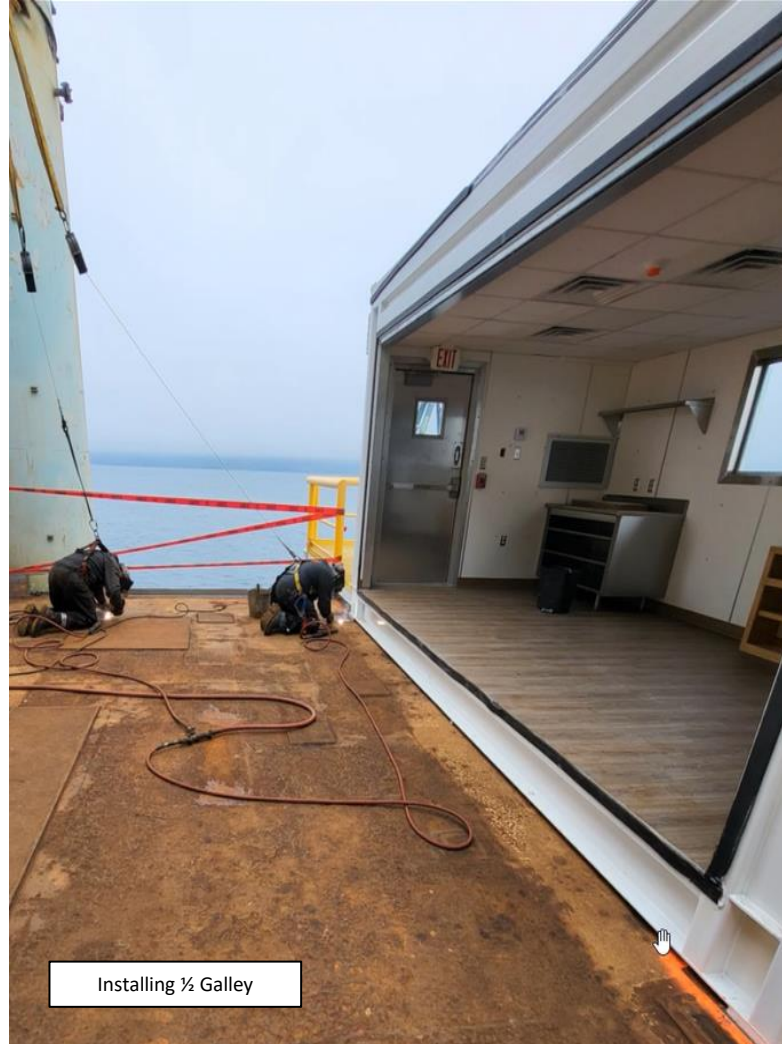


Crew Quarters Fabrication



New Quarters Buildings

Stack-up at Fab Yard



Installing ½ Galley

North Modules in Place



Current Facility & Equipment Status

- Regular maintenance and monitoring activities ongoing.
- Platform Hogan is permanently shut down, all wells shut-in, and no oil or gas production. These facilities will not produce oil and gas again.
- Pipelines to shore isolated and filled with seawater.
- All oil and gas production equipment and piping is out of service – they have been purposefully isolated, depressurized, flushed, and cleaned of oil and gas.
- All well bay piping cleaned and removed, eliminating fugitive emission source locations.
- Quarterly Method 21 fugitive inspections ongoing to assess fugitive leaks.

Current Facility & Equipment Status (cont.)

- Well pressure monitoring continues
- Flare system remains in intermittent service. No venting of hydrocarbons.
- Platform stationary and portable (Unit 20000) cranes in operation.
- Ongoing Level 1 type repairs and maintenance activities continue in preparation for the well P&A.
- Fugitive emissions from the shut-in wells are monitored and documented. Repairs to minimize fugitive emissions are completed where possible.
- Installation of living quarters underway and will be completed in Q3-2025.

Platform Hogan in 2025



Variance Order Compliance Status

- During the current variance period (2024-25), 100% of the variance conditions have been complied with under Variance Order 2021-05-M4
- Compliance with all conditions and increments of progress to date
- Rig is necessary to begin work on wells given deteriorated conditions

Hogan P&A Work

- Complete the new Living Quarters installation in Q3-2025
- By end of Variance Period (year end 2027) resolve all well fugitive emissions
- Team will continue to evaluate opportunities to reduce emissions from wells ahead of completion of all P&A activities
- Platform Houchin to be prepped for P&A while P&A starts on Hogan



Activity	2025	2026	2027	2028	2029
Install & Commission Living Quarters					
Mobilize Crew & P&A Equipment					
Houchin P&A Preparations*					
P&A 39 Wells (Hogan)					
Rig & Living Quarters to Houchin					
P&A 35 Wells (Houchin)					

*Timing for completion of all scope remains uncertain due to current facility conditions.

DCOR Introduction

Privately held independent oil & gas operator with 20+ years of active operations in offshore California

- 350+ Employees
- Diverse assets spread across 170 miles of California coastline
- Managing 17 offshore platforms and 5 onshore processing facilities
- 125 miles of pipelines in 32 segments
- State and Federal offshore platforms
- Diverse safety team from multiple disciplines including drilling, pipeline, transportation, and operations.
- DCOR has decommissioned hundreds of wells and multiple offshore and onshore facilities in recent years.
 - Notable examples include Platforms Holly, A, B, C, and Hillhouse, as well as the onshore facility at Hopper Canyon.
- Currently, DCOR is actively abandoning wells on offshore facilities Habitat, A, Esther, and Eva, and onshore at Cascade.



Proposed Increments of Progress

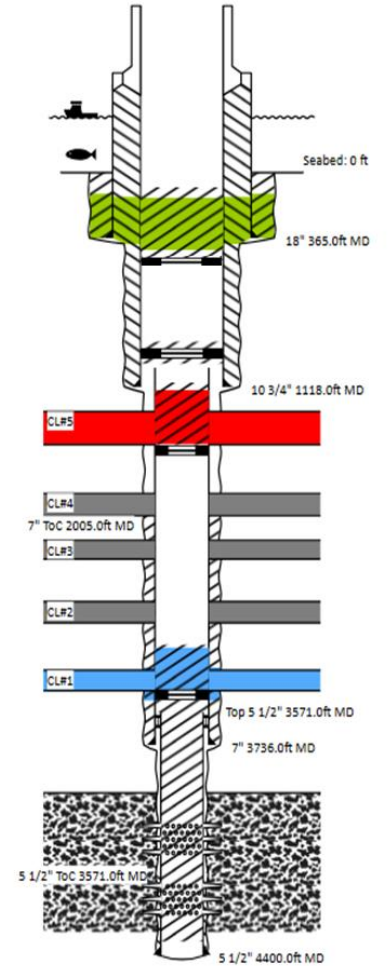
- Increments of progress identified in [the proposed] Variance Order 2021-05-M5 (District Staff Report pp.7):
 - Installation and commissioning of living quarters by September 30, 2025
 - Initiate wellhead surveys including testing of existing well equipment and evaluation of alternatives to eliminate emissions by September 30, 2025
 - Resolve at least half (7 of 14) of existing well fugitive emissions by August 1, 2026
 - Complete resolution of all well fugitive emissions by December 31, 2027
- Monthly reports to be provided on status of work and emission resolutions

P&A Strategy

- Plan to exceed regulatory standards
- 74 total wells between 2 platforms
 - 39 total wells on Hogan
 - 35 total wells on Houchin
- Approximately 2x more wells with fugitive emissions on Hogan vs. Houchin

Summary of Planned P&A Process

1. Fill well with fluid
2. Install rig and connect to well
3. Recover old production pipe
4. Log casing with Wireline
5. Install barrier #1
6. Install barrier #2
7. Set Environmental barrier just below seafloor
8. Cut and pull conductor



Six Explicit Findings in Support of Variance

1. APPLICANT is unable to comply with district rule or HSC 41701 (Visible Emissions)
2. NONCOMPLIANCE due to CONDITIONS BEYOND APPLICANTS REASONABLE CONTROL and requiring compliance would result in UNREASONABLE TAKING OF PROPERTY or CLOSING OF BUSINESS.
3. SUCH TAKING is WITHOUT CORRESPONDING BENEFIT in reducing pollution.
4. APPLICANT confirms platforms are NON-OPERATIONAL.
5. APPLICANT will REDUCE EMISSIONS to maximum extent feasible.
6. APPLICANT will MONITOR and REPORT emissions.

Two Implicit Findings in Support of Variance

1. Monitoring and maintenance activities under variance NOT a NUISANCE.
2. OTHER REQUIREMENTS to progress EXPEDITIOUS COMPLIANCE with emissions standards or increments of progress.

Response to District Findings

1. APPLICANT is unable to comply with district rule or HSC 41701 (Visible Emissions)

- **District Rule 331 (Fugitive Emissions Inspection and Maintenance)**

- Sec D Requirements – General
- Sec E Requirements – Repair
- Sec I Requirements – Compliance Schedule

Response:

We confirm we are unable to comply with these permit conditions due to the current inability to safely complete work on well fugitive emissions.

P&A operations are planned to commence once a rig and appropriate equipment have been installed and regulatory approvals received.

Response to District Findings

1. APPLICANT is unable to comply with district rule or HSC 41701 (Visible Emissions) (Continued):

District Rule 206 (PTO 9108) & Permit Conditions

- 9.C.2.a, b(i) and b(ii) Fugitive Hydrocarbon Emissions Components
 - Emission Limits
 - Operational Limits

Response:

We confirm we are unable to comply with these permit conditions due to the current inability to safely complete work on well fugitive emissions.

P&A operations are planned to commence once a rig and appropriate equipment have been installed and regulatory approvals received.

Response to District Findings

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

Response (from Petition):

- Effective mitigation of the well head fugitive emissions cannot be addressed until the platform can support a comprehensive well intervention program. The platform is currently in the final stages of preparations to safely support a well intervention program (installation and commissioning of living quarters and rig).
- Neither the petitioner nor the former Lease holders of Outer Continental Shelf Lands Act Lease P-0166 (“Lease”) are the owner or operator of the Lease wells, and a well intervention program to address well head fugitive emissions is not part of the terms of the Partial Stay Agreement. However, the petitioner plans to complete work required to support P&A activities.
- Neither the petitioner nor the former Lease holders is the current owner/operator of the platform. A taking of property (the permit) will only obstruct the continued progress to initiate a well intervention program.

Response to District Findings

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

Response:

- All platform oil & gas production has permanently ceased pending well intervention program and/or P&A.
- Without continued variance coverage, the petitioner would be forced to cease all maintenance and refurbishment activities necessary to support well P&A. Without completion of this work, the petitioner would not be able to move forward with planned P&A activities.
- A taking would have zero air pollution benefit; yet, it would detrimentally impact the ongoing maintenance and refurbishment activities for the platform and may negate some or all the extensive completed repairs to the platform, as well as preventing commencement of P&A activities.
- Petitioners will proceed in a safe manner to protect worker safety and the environment.

Response to District Findings

4. APPLICANT CONSIDERED CURTAILING OPERATIONS IN LIEU OF VARIANCE.

Response:

- Curtailing production operations is not applicable in this instance as the facility is permanently shutdown and will not resume production.
- All platform pollution source operations and equipment have been permanently taken out of service or curtailed to the extent possible.
- Ongoing activities are in preparation for a well intervention program and execution of P&A. P&A operations are planned to commence once a rig and appropriate equipment have been installed and regulatory approvals received.

Response to District Findings

5. APPLICANT will REDUCE EMISSIONS to maximum extent feasible.

Response:

- During the period the variance is in effect, emissions will continue to be reduced to the maximum extent feasible by removing, repairing, or replacing equipment as appropriate. Emissions will also be reduced with the commencement of the P&A program during the variance period.
- The former Lease holders and their contractors are committed to continuing to apply the necessary resources for the continued restoration, maintenance and repair of the Hogan facilities to ensure safety and minimize emissions to the extent feasible.
- Although fugitive emissions remain, the petitioner will assess safe and technically feasible alternatives to address these ahead of a full P&A campaign, once the rig and well work equipment is in place on the platform.
- Applicant will continue to comply with all variance conditions.

Response to District Findings

6. APPLICANT will MONITOR and REPORT emissions

Response:

- Platform activities will continue to address compliance with District permitting procedures.
- Quarterly Method 21 monitoring will continue for fugitive leaks.
- Permitted emissions will continue to be reported semi-annually as required by PTO 9108

Two Implicit Findings

1. Monitoring and Maintenance activity under variance NOT a NUISANCE.

Response:

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

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

Response:

- The former Lease holders and their contractors have invested and continue to invest extensive resources for maintenance and restoration of the Hogan facilities under the Partial Stay Agreement to reduce and mitigate emissions.
- Commissioning of new living quarters prior to the start of a well intervention program to mitigate well head emissions.
- Secured well rig necessary for fugitive leak repairs.
- Complete 100% of well bay fugitive leak repairs no later than December 31, 2027.

Conclusion

- Petitioner recognizes the legitimate concerns of the Hearing Board and District Staff; and takes those concerns very seriously. Petitioner intends to fully comply with all the District's legal requirements.
- Petitioner has fully cooperated with District Staff.
- Petitioner has performed work that far exceeds the terms of the Partial Stay Agreement to address and repair fugitive emissions.
- Petitioner has complied with 100% of the conditions and increments of progress to date in the current operative Variance Order 2021-05-M4.
- Petitioner will proceed in a safe manner and intends to complete P&A work on the wells through the Variance Period.

Q&A