

State of Alaska Department of Natural Resources



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DNR approves Kuparuk River Unit transfer

Ramp-up in North Slope activity could lead to oil and gas job growth

(Anchorage, AK) – Today, the Division of Oil and Gas approved lease assignments from BP Exploration Alaska, Inc to ConocoPhillips Alaska II, Inc., a subsidiary of ConocoPhillips Alaska, Inc., for the Kuparuk River Unit. The lease assignments transfer BP’s stake in the unit to ConocoPhillips.

The lease assignments follow the June agreement between the companies for ConocoPhillips to acquire BP’s 39.2 percent stake in the unit and reflects ConocoPhillips’ expanding presence in Alaska legacy fields. Earlier this year, ConocoPhillips purchased Anadarko Petroleum Corp.’s assets in the Colville River and Greater Mooses Tooth (GMT) units for \$400 million. This purchase makes ConocoPhillips the single working interest owner in the Kuparuk unit. BP’s working interest and operatorship of the Prudhoe Bay Unit remains unchanged.

ConocoPhillips has been expanding production in existing fields and is pursuing an aggressive exploration program. The company reported encouraging results this year from six exploration wells on the western North Slope, and first oil in October from the GMT unit in the National Petroleum Reserve-Alaska. The ramp-up in exploration and development spending on the North Slope could lead to the growth of high-paying oil and gas jobs in Alaska.

“Alaska’s North Slope is experiencing exploration and development levels not seen for years. We expect with more exploration and development on the horizon, oil and gas job growth will follow,” said Governor Bill Walker. “Many of these job placements begin with workforce development acquired through Alaska’s apprenticeship program.”

Many state agencies have increased efforts to ensure the supply of trained construction workers, engineers, and others for the future. ConocoPhillips currently employs about 1,200 people in Alaska. From state oil and gas leases to road and infrastructure projects, state agencies are always looking for opportunities to push for higher apprentice employment. For more information on apprenticeship programs, please visit:

<http://www.jobs.state.ak.us/apprentice/employers/index.html>.

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