



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of Natural Resources

DIVISION OF OIL AND GAS

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Anchorage, Alaska 99501-3560  
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April 18, 2017

Deborah Heebner  
Environmental Specialist  
Hilcorp Alaska, LLC  
3800 Centerpoint Dr, Ste 1400  
Anchorage, AK 99503

**RE: LONS 81-054, Hilcorp Alaska, LLC, Milne Point Unit, B Pad, Milne Point Unit B-50 Disposal Well, Unit Plan of Operations Amendment Decision**

Dear Ms. Heebner:

The Alaska Department of Natural Resources, Division of Oil and Gas (Division), in accordance with Alaska Statute 38.05 and Alaska Oil and Gas Leasing Regulations (11 AAC 83) grants authorization to conduct activities on state lands as proposed in the Milne Point Unit (MPU) Plan of Operations (Plan) amendment application dated March 16, 2018, for the above referenced project.

**Scope:**

Hilcorp Alaska, LLC (Hilcorp) proposes to put the MPU B-50 injection well back under an approved unit plan of operations pursuant to 11 AAC 83.346.

**Background:**

BP Exploration Alaska (BPXA) received approval for the MPU B-50 Class I disposal well under LO/NS 81-54 dated May 13, 2005. The unit contraction left a portion of the B-50 well bore outside the MPU. BPXA then submitted a request for an easement under AS 38.05.850 to cover operations of the existing wellbore. In 2016, MPU expanded back out to the former participating area encompassing all the wellbore operations again. The purpose of this application is to link the B-50 well back to MPU leases. There are no changes to MPU operations. All proposed activities will take place from existing roads and gravel pads.

**Plan activities include:**

- Continued operation of MPU B-50 Disposal Well

**Location information:**

Milne Point Unit

B Pad

Meridian: Umiat

Township: 13N

Range: 11E

Sections: 7, 18 and 19

ADL(s): 047438, 392703

Please attach this amendment approval with the original decision. This unit operations amendment approval is issued in accordance with Alaska Statute 38.05, Alaska Administrative Codes 11 AAC 83.346 and 11 AAC 83.303. The Division reviewed this amendment under the unit regulation for the Plan, 11 AAC 83.346, and considers the factors set forth in 11 AAC 83.303(a) and (b). The amendment was also evaluated against the MPU agreement for conformance.

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after issuance of the decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W 7<sup>th</sup> Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to [dnr.appeals@alaska.gov](mailto:dnr.appeals@alaska.gov). This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31<sup>st</sup> day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

This approval signifies only that the State of Alaska has no objection to the operations outlined in the Plan amendment application. It does not constitute certification of any property right or land status claimed by the applicant nor does it relieve the applicant of responsibility to obtain approvals or permits from other persons or governmental agencies that may also be required. All stipulations contained in the original lease and subsequent Plan approvals remain in full force and effect.

Failure to comply with the terms and conditions outlined in the lease, the attached stipulations, and this authorization may result in revocation of this unit operations approval.

Any questions or concerns about this amendment may be directed to Natural Resource Specialist John Easton at 907-269-8815 or emailed to [john.easton@alaska.gov](mailto:john.easton@alaska.gov).

Sincerely,



Nathaniel G. Emery  
Natural Resource Specialist

Attachments: Figure(s) 1-2  
2008 North Slope Mitigation Measures with 2011 Supplement

ecc: DOG: Graham Smith, Nathaniel Emery, Paul Blanche and James Hyun  
[spco.records@alaska.gov](mailto:spco.records@alaska.gov)  
DMLW: Becky Baird, Henry Brooks, Melissa Head, Kimberley Maher  
ADF&G: Jack Winters  
EPA Region 10 UIC Class 1 Program: Ryan Gross

Fig 1:

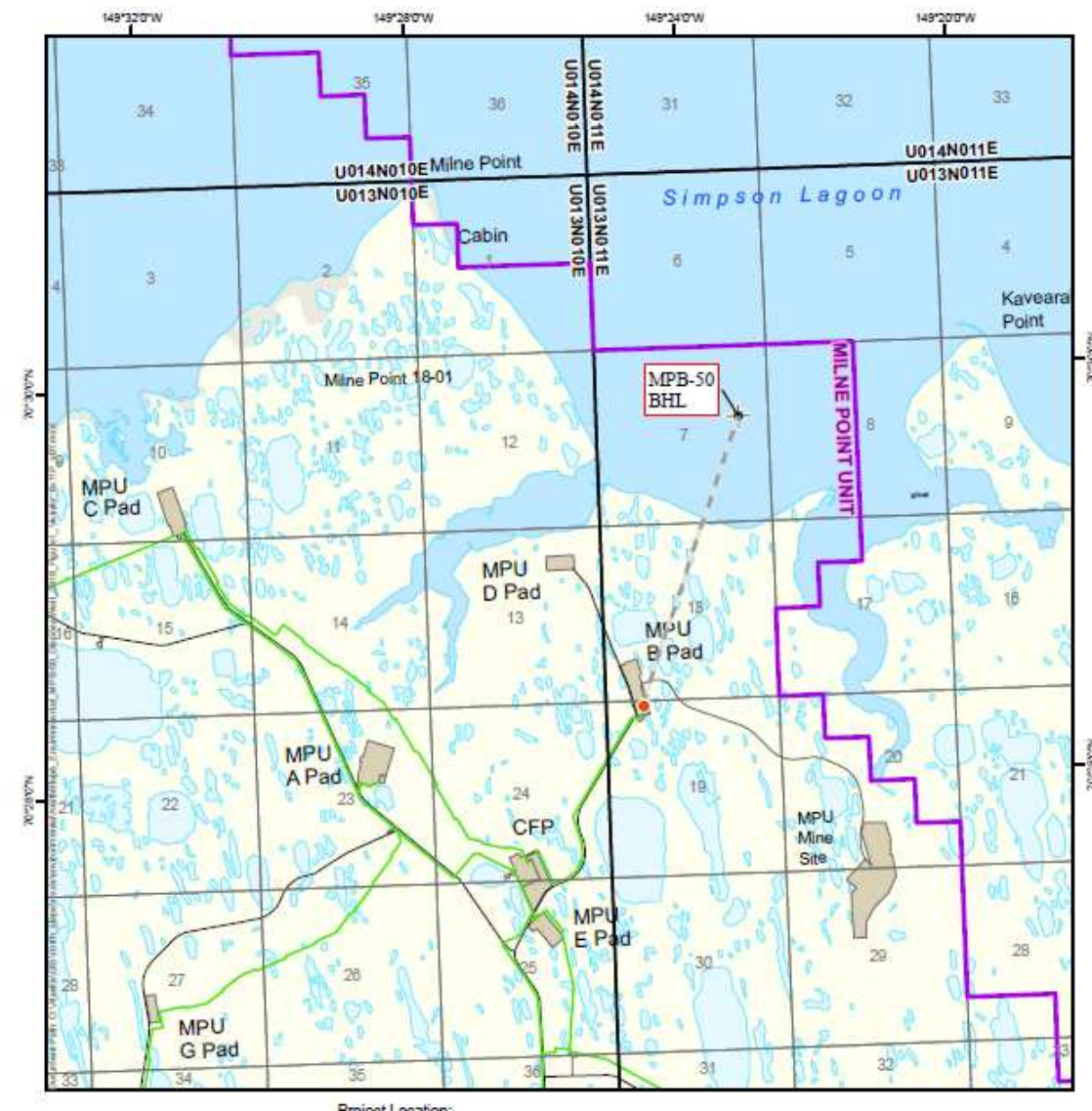


Fig 2

