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March 3, 2016

Corrie Feige, Director  
Oil and Gas Division  
Alaska Department of Natural Resources  
550 W. 7<sup>th</sup> Avenue, Suite 1100  
Anchorage, AK 99501

**RECEIVED**

**MAR - 3 2016**

**DIVISION OF  
OIL AND GAS**

Re: 2016 Plan of Development and Operations for the Lewis River Unit

Dear Mrs. Feige:

Hilcorp Alaska, LLC ("Hilcorp") as Operator, hereby submits the 2016 Plan of Development and Operations for the Lewis River Unit ("LRU"). This plan will be effective from June 1, 2016 through May 31, 2017.

## **I. FIELD OVERVIEW**

The Lewis River Unit was formed in 1967 and currently is comprised of 620 acres. The unit contains two Participating Areas: Lewis River Gas Pool #1 and #2. To date, no AOGCC-defined pools have been established.

Hilcorp acquired LRU from Union Oil Company of California ("Chevron") on January 1, 2012. Hilcorp holds a 100% working interest in the unit.

## **II. 2015 PLAN REVIEW**

### **A. 2015 Production Summary**

- 1. Lewis River Gas Pool #1 PA (Undefined Pool).** There was no production from this PA during 2016.
- 2. Lewis River Gas Pool #2 (Undefined Pool).** During 2015, cumulative production from the Lewis River Gas Pool #2 was 0206.5 MMcf. All production was derived from LRU C-01RD.
- 3. Disposal Wells:** The Lewis River D-1 well was shut in during the 2015 plan period.

**B. Drilling Program:** Hilcorp did not conduct any drilling projects during 2015.

**C. Workover Program:** Hilcorp did not implement any rig workovers during 2015.

- D. Facility Improvements:** No facility improvements were made at the Lewis River Unit during 2015.

### **III. 2016 PLAN OF DEVELOPMENT AND OPERATIONS**

Throughout the 2016 POD period, Hilcorp will continue to produce from the Lewis River Gas Pool #2 PA.

- A. Field Study:** During the 2016 POD period, Hilcorp will continue a detailed study of Lewis River Unit reservoir for further development.
- B. Drilling Program:** No drill wells are currently planned for 2016.
- C. Workover Program:** No workovers are currently planned for 2016.
- D. 2015 Major Facility Projects**

At this time, no major facility upgrades are planned for the LRU in 2016. However, as the need arises, Hilcorp will:

- Increase the capacity of the existing surface equipment at unit pads for gas processing by adding additional line heaters, a gas dehydration module, and liquid separation vessels with associate piping and controls.
- As required, expand the pad(s) for the drilling program and production equipment explained above.
- To the extent required, expand other infrastructure requirements, including construction or expansion of access roads, pipelines, flow lines, metering, processing and storage vessels, etc.

Hilcorp will continue to pursue efficiencies through various well, infrastructure and facility repairs, including evaluation of shut-in wells for potential return to service or utility. Hilcorp will also execute additional well work and drilling opportunities as they arise.

Hilcorp, as Unit Operator, reserves the right to propose modifications to this Plan should conditions so warrant; however, no modifications will be made without first obtaining necessary approval from the appropriate governmental agencies.

Your approval of the submitted plan is respectfully requested. Should you have questions, please contact the undersigned at 777-8414.

Sincerely,



David W. Duffy,  
Landman, Alaska  
Hilcorp Alaska, LLC

cc: Kyle Smith, DNR ([kyle.smith@alaska.gov](mailto:kyle.smith@alaska.gov))