



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Natural Resources

Division of Oil & Gas
Anchorage Office

550 W. 7th Avenue, Suite 1100
Anchorage, Alaska 99501-3560
Main: 907.269.8800
Fax: 907.269.8939

January 23, 2017

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Edward Jones, President
Aurora Gas, LLC
4645 Sweetwater Blvd, Suite 200
Sugar Land, TX 77479

Re: Extensions of Nicolai Creek and Three Mile Creek Plans of Development

Dear Mr. Jones,

The Department of Natural Resources, Division of Oil and Gas (Division) has received notice that Aurora Gas, LLC (Aurora) filed a motion in Bankruptcy Court to extend its deadline to file a reorganization plan, from January 6, 2017 to April 7, 2017. The Division previously extended Aurora's 10th Plan of Development (POD) for the Three Mile Creek Field (TMC) and 42nd POD for the Nicolai Creek Unit (NCU) until February 28, 2017 so that the reorganization plan could be taken into account with applications for the 11th and 43rd PODs.

Because Aurora intends to file its reorganization plan well after the current expiration date of the 10th and 42nd PODs, the Division hereby extends those PODs again. The PODs will expire 60 days after Aurora files a reorganization plan with the Bankruptcy Court. If this plan includes Aurora continuing as operator of NCU or TMC, Aurora will submit its applications for the 11th TMC POD and 43rd NCU POD within seven days of filing the reorganization plan. If circumstances change such that Aurora will not file a reorganization plan, Aurora should notify the Division immediately.

An eligible person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of "issuance" of this decision, as defined in 11 AAC 02.040(c) and (d), and may be mailed or delivered to Andrew T. Mack, Acting Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. This decision takes effect immediately. 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.

If you have questions regarding this decision, contact Becky Kruse with the Division at 907-269-8799 or via email at Becky.Kruse@Alaska.gov.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chantal Walsh".

Chantal Walsh
Director