



## Hilcorp Alaska, LLC

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March 1, 2017

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

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DIVISION OF  
OIL AND GAS

**Re: 2017 Plan of Development and Operation for the Granite Point Unit**

Dear Ms. Walsh:

Hilcorp Alaska, LLC (“Hilcorp”), as Operator hereby submits the 2017 Plan of Development and Operations (“POD”) for the Granite Point Unit (“GPU”). This plan will remain in effect from June 1, 2017, through May 31, 2018.

### **I. 2016 PLAN REVIEW**

On April 5, 2016, the Department of Natural Resources approved Hilcorp’s proposed 2016 POD. Highlights of Hilcorp’s 2016 production, drilling and workover programs include:

#### **A. 2016 Production Summary:**

- **Granite Point Platform:** cumulative gas production from the Granite Point Platform during calendar year 2016 was 289.4 million cubic feet (“MMCF”). Oil production was 492.7 thousand barrels (“MBBL”).
- **Anna Platform:** cumulative gas production from the Anna Point Platform during calendar year 2016 was approximately 325.9 MMCF. Oil production was 340.5 MBBL.
- **Bruce Platform:** cumulative gas production from the Bruce Platform during calendar year 2016 was 165.3 MMCF. Oil production was 115 MBBL.

**B. 2016 Drilling Program:** No drilling projects were planned for the 2016 POD period and none were implemented. Overall, drilling activity in Cook Inlet was impacted by the economic downturn.

**C. 2016 Workover Program:** A workover on the AN-11RD was planned and completed in 2016, with the goal of returning the well to oil production. Unfortunately, no additional oil rate was gained.

**D. 2016 Surface and Facility Operations:**

As planned, no major facility work was required during the 2016 POD period.

**II. 2017 PLAN OF DEVELOPMENT AND OPERATIONS**

Hilcorp anticipates that current oil and gas production from the Granite Point Unit will be maintained and enhanced throughout the 2017 POD period.

Hilcorp does not anticipate any new grassroots drilling projects, but does plan to sidetrack up to three (3) unit wells, each targeting Tyonek C7 sands, including:

- GP-11-24RD (Granite Point Platform)
- GP-24-13RD2 (Granite Point Platform)
- MUCI-02RD (Granite Point Platform)

At this time, no rig workovers are scheduled in 2017. Hilcorp will evaluate and execute additional well work and drilling opportunities as they arise.

Hilcorp will perform various improvements and repairs on an as-needed basis to maintain and enhance unit production throughout the 2017 POD period. In addition, Hilcorp anticipates upgrading the Granite Point Platform's deck in preparation for planned drilling activities, plus implement upgrades to the fuel gas delivery system and replace the Centaur turbine.

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  
Hilcorp Alaska, LLC

cc: Kevin Pike, DNR ([kevin.pike@alaska.gov](mailto:kevin.pike@alaska.gov))