



## Hilcorp Alaska, LLC

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March 1, 2017

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

Re: 2017 Plan of Development and Operations for the Lewis River Unit

Dear Ms. Walsh:

Hilcorp Alaska, LLC (“Hilcorp”) as Operator, hereby submits the 2017 Plan of Development and Operations for the Lewis River Unit (“LRU”). This plan will be effective from June 1, 2017 through May 31, 2018.

**I. 2016 PLAN REVIEW**

**A. 2016 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 2016, cumulative production from the Lewis River Gas Pool #2 was 140 million cubic feet (“MMcf”). All production was derived from LRU C-01RD.
- 3. Disposal Wells:** The Lewis River D-1 well was shut in during the 2016 plan period.

**B. Field Study:** During the 2016 POD period Hilcorp planned to complete a comprehensive field study of the Lewis River Unit. Some progress was made, but completion of this assessment will be continued through Q2-3 2017.

**C. Drilling Program:** As planned, Hilcorp did not conduct any drilling projects during 2016.

**D. Workover Program:** Hilcorp did not anticipate implementing any rig workovers during 2016 and none were completed.

**E. Facility Improvements:** A temporary sand separator was installed in 2016 and the compressor was overhauled.

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

Throughout the 2017 POD period, Hilcorp will continue to produce from the Lewis River Gas Pool #2 PA.

- A. Field Study:** During the 2017 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 2017.
- C. Workover Program:** No workovers are currently planned for 2017.
- D. 2017 Major Facility Projects**

At this time, no major facility upgrades are planned for the LRU in 2017. 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: Kevin Pike, DNR ([kevin.pike@alaska.gov](mailto:kevin.pike@alaska.gov))