



Brooks Range Petroleum

October 2, 2017

**RECEIVED**

OCT - 4 2017

**DIVISION OF  
OIL AND GAS**

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

Re: Southern Miluveach Unit Annual Report and 5th Plan of Development

Dear Director Walsh:

Brooks Range Petroleum Corporation, as Operator of the Southern Miluveach Unit, hereby the Annual Report and 5<sup>th</sup> Plan of Development per 11 AAC 83.343.

We also request a technical meeting with Division staff to present additional information to support the operations in the current plan.

Sincerely yours,

 10/2/2017

Lawrence J. Vendl  
BRPC Manager, Exploration and Subsurface Projects

Southern Miluveach Unit  
Fifth Plan of Development  
(5th POD)

Submitted By  
Brooks Range Petroleum Corporation

On behalf of the  
Working Interest Owners

CaraCol Petroleum LLC, TP North Slope Development, MEP  
Alaska LLC, Nabors Drilling Technologies USA Inc., AVCG, LLC,  
Mustang Road LLC, MOC1 LLC

October 2, 2017

## **SOUTHERN MILUVEACH UNIT FOURTH PLAN OF DEVELOPMENT**

The Southern Miluveach Unit is located at the North Slope of Alaska west of the Kuparuk River Unit. It is operated by Brooks Range Petroleum Corporation (“BRPC” or “Operator”) on behalf of the Working Interest Owners: Caracol Petroleum LLC, TP North Slope Development, MEP Alaska LLC, Nabors Drilling Technologies USA Inc., AVCG LLC, Mustang Road LLC, and MOC1 LLC. The Unit is comprised of five leases totaling 8,960 acres.

In accordance with the requirements of 11 AAC 83.343 and Article 8 of the Southern Miluveach Unit Agreement, BRPC is submitting the Annual Report and the Fifth Plan of Development (“5th POD”) for the Southern Miluveach Unit (“SMU”) for the period January 1, 2018 through December 31, 2018. BRPC believes this satisfies the requirements of 11 AAC 83.343 including compliance under the provisions of 11 AAC 83.303.

By letter dated November 22, 2016 the Division of Oil and Gas approved the 4th POD for the period January 1st, 2017 through December 31, 2017.

### **Annual Report**

The following is BRPC’s annual report under 11 AAC 83.343.

The development plans in the 4th POD consisted of the following:

- Contract, retrofit, and commission a drilling rig for start-up in Q4 2017.
- Re-engage engineering contractors to complete remaining engineering scope of work for facilities.
- Engage procurement contractors for remaining equipment and services.
- Solicit Requests for Proposals for fabrication work and North Slope installation work.
- Fabricate remaining modules December 2016 through July 2017.
- Install on-pad piles during Q1 2017.
- Complete the Alpine tie-in to a ConocoPhillips pipeline in Q1 or Q2 2017.
- Install cross-country pipelines in Q1 or Q2 2017.
- Install Alaska-fabricated modules on-pad from April to September 2017.
- Set and tie-in Canada-fabricated modules from August to October 2017.
- Produce first oil in December 2017.

1. The extent to which the requirements of the previously approved plan were achieved:

- BRPC refined drilling plans and procedures regarding Managed Pressure Drilling and advanced its subsurface evaluation of the Kuparuk “C” and “A” sands.
- A reentry, fracture stimulation and test of North Tarn #1A is underway in 4Q, 2017.
- RFPs were solicited and received for fabrication and North Slope installation work.

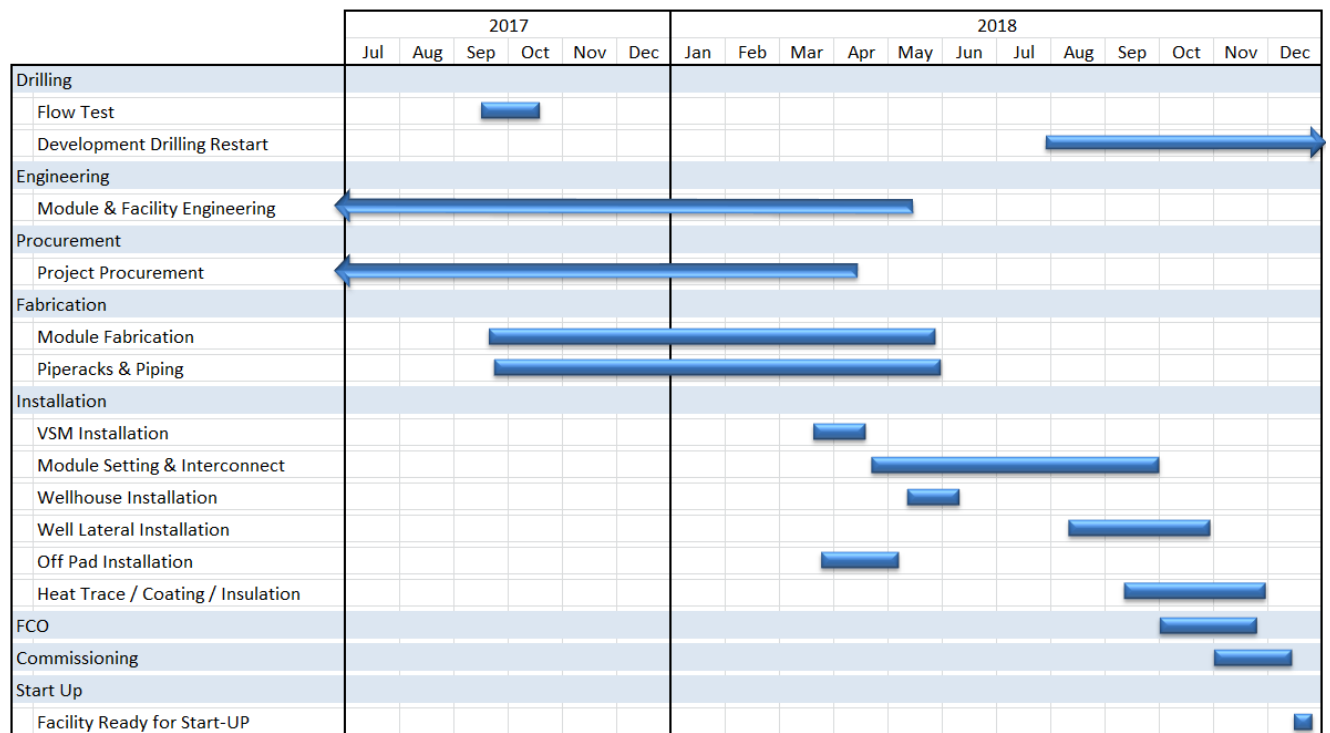
2. Actual operations that deviated from or did not comply with the previously approved plan and an explanation of the deviation or noncompliance:

- Due to continued low oil prices, BRPC was unable to restart the drilling campaign and begin installation of surface facilities as was planned.

### **5th POD Update, as Proposed**

This 5th POD details the proposed development activities, and the plans for exploration or delineation of any land in the unit not included in a participating area, based on data reasonably available at this time. More specifically, the information below will address the following and meet the requirements of 11 AAC 83.343(c):

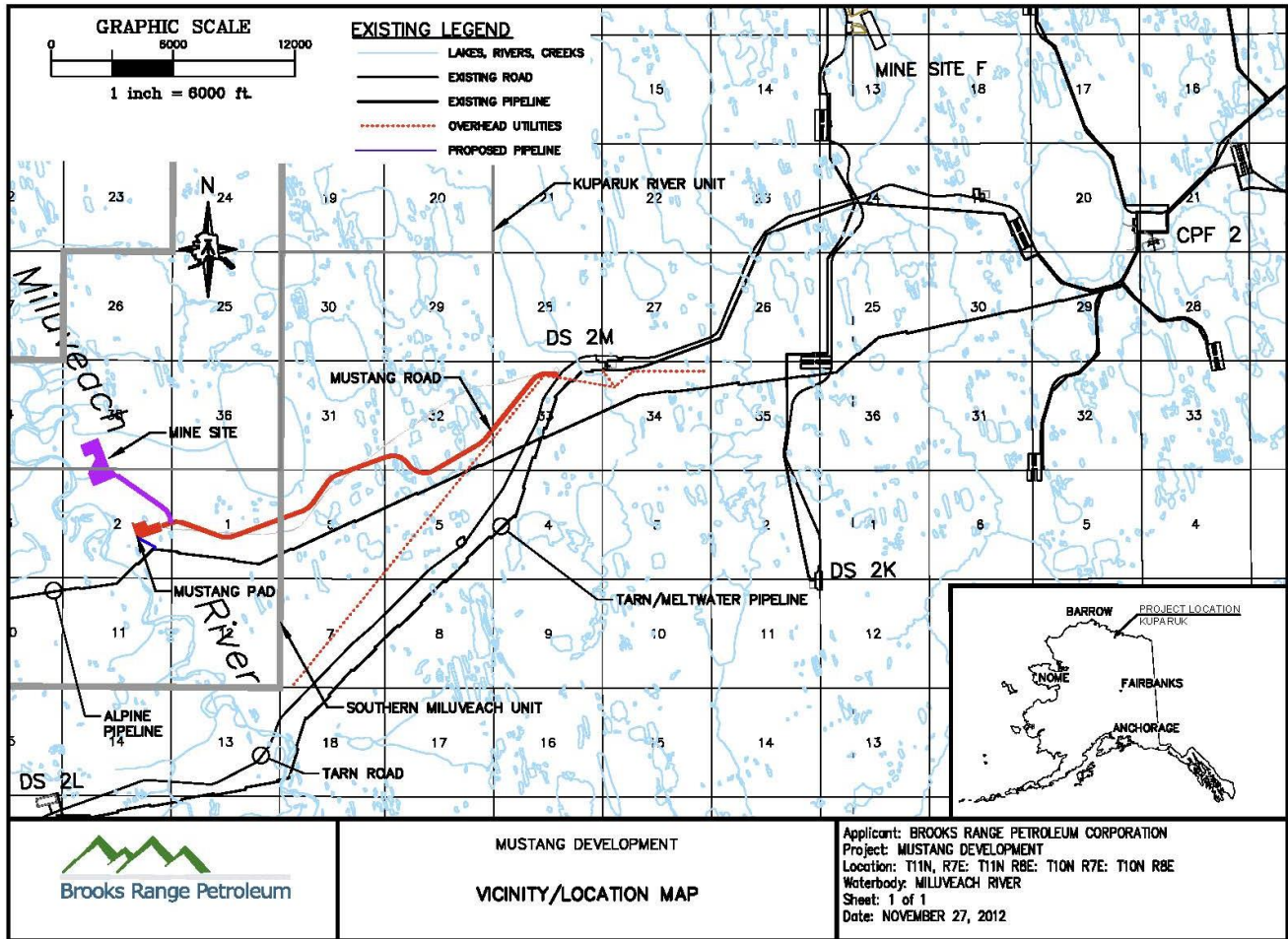
1. Long-range proposed development activities for the unit, including plans to delineate all underlying oil or gas reservoirs, to bring the reservoirs into production, and to maintain and enhance production once established.
  - Central process facilities with 15,000 bopd capacity
  - Drill site facilities
  - Two cross-country pipelines
  - Non-process infrastructure including buildings and equipment
  - Communications tower and related infrastructure
  - Up to 9 production wells and 17 injection wells
  
2. Plans for the exploration or delineation of any land in the unit not included in a participating area:
  - BRPC continues to review all potential targets within the SMU Unit, including but not limited to the Kuparuk “C” and “A” sands. BRPC intends to continue exploration to fully explore the Unit area as economic conditions warrant and financial conditions allow.
  
3. Details of the proposed operations for at least one year following submission of the plan:
  - Fabrication of remaining modules starts January 2018 and continues through December 2018.
  - All remaining on-pad piles will be installed 1<sup>st</sup> quarter-2018.
  - CPAI-executed pipeline tie-in work will be executed 4<sup>th</sup> quarter 2018 and/or 1<sup>st</sup> quarter 2019.
  - Cross country pipelines will be installed 4<sup>th</sup> quarter 2018 or 1<sup>st</sup> quarter 2019.
  - First Alaska-fabricated modules to arrive at slope will initiate on-pad field construction activities June 2018.
  - The last Alaska-fabricated module will arrive at slope for installation December 2018.
  - The Canadian fabricated modules will arrive at slope via sealift in August 2018.
  - Setting and tie-in of Canadian modules will be complete August/September 2018.
  - System-wide Functional Check-Out (FCO) with Commissioning and Start-Up immediately after will take approximately 60-90 days and will lead to first oil in 1<sup>st</sup> quarter 2019.



- The surface location of proposed facilities, drill pads, roads, docks, causeways, material sites, base camps, waste disposal sites, water supplies, airstrips, and any other operation or facility necessary for unit operations:

The locations of proposed activities are detailed on the following maps.

**Location Map**



# Mustang Development Site Plan

