

# **UNIT PLAN OF OPERATIONS AMENDMENT APPLICATION**

State of Alaska

Department of Natural Resources, Division of Oil & Gas 550 W. 7th Ave, Suite 1100, Anchorage, AK 99501-3563 Phone: 907-269-8800 Fax: 907-269-8943

Permitting Email: <a href="mailto:dog.permitting@alaska.gov">dog.permitting@alaska.gov</a>



SECTION I: APP	LICANT INFORMATION
1. Applicant:	2. Applicant Contact:
Name: Hilcorp A <b>l</b> aska, LLC	First Keegan Last Name: Fleming
	Title: Sr. Environmental Specialist
Mailing Address: 3800 Centerpoint Drive Ste. 1400	Mailing Same Address:
City: Anchorage	City: Enter City.
State: Alaska Zip Code: 99503	State: Enter State. Zip Code: Enter Zip Code.
Phone: 907-777-8300 Fax: Enter Fax.	Phone: 346-237-2238 Fax: Enter Fax.
Email: Enter Email.	Email: kfleming@hilcorp.com

3. Unit Name Ninilchik Unit

4. Unit Operator Contact:

First Name: Dan Title: Last Name: Marlowe Aera Operations Manager

Mailing 3800 Centerpoint Drive Ste. 1400

Address:

City: Anchorage State: Alaska Zip Code: 99503

Phone: 907-398-9904 Fax: Enter Fax. Email: dmarlowe@hilcorp.com

Describe the relationship between the Unit Operator and the Applicant:

Manager/Supervisor

SECTION II: 3RD PARTY INFORMATION	SECTION III: APPLICATION DATE AND NUMBER
(Fill out this section only if you are applying for the Applicant)	
3rd Party Company Enter Name.	Application Date (Office Use Only):
First Enter First Last Name: Name. Name:	
Title: Enter Title.	
Mailing Address: Enter Mailing Address.	
City: Enter City.	
State: Enter State. Zip Code: Enter Zip Code.	
Phone: Enter Phone. Fax: Enter Fax.	
Email: Enter Email.	
Describe the affiliation to the Applicant:	Application Number: LO/Cl 17-001 (Pearl Pad)
Describe your affiliation to the Applicant.	
SECTION IV: PR	OJECT INFORMATION

1. Project Name: Pearl #8 Grass Roots Drill Well

2. Proposed Start Date: 8/1/2022

3. Project Description:

Is activity discussed in the approved Plar	of Development on file with the Division's Units Section?	⊠ Yes □ No
Describe what and where:		
Drill one grass roots gas well, Pearl #8 from F conductors (as needed).	Pearl Pad, and install associated infrastructure including gas flowline	es, electrical instrumentation, well cellars, and
	SECTION V: LAND STATUS	
1. State Mineral Estate:		
Are supplemental pages for land status in	nduded in Appendix C?	☐ Yes ⊠ No
Affected ADL: 384372	Date Effective: 1/1/2012 D	ate Assigned: 12/29/2011
Oil And Gas Lessee(s): Hilcorp Alaska,	LLC	
Surface Ownership: Private		
Do you have, or anticipate having an Acc	ress Agreement: ☐ Yes	
Special Use Lands: None		
Jointly Managed Lands: None		
Other Considerations: None		
Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
Pearl #8 Wellbore and BHL	Seward Meridian, T01S, R14W, Section 14	N 60.090960, W -151.628996 (NAD 83)
Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.
2. State of Alaska Surface Lands:		
Are supplemental pages for land status in	ncluded in Appendix C?	☐ Yes ☐ No
Oil And Gas Mineral Estate Owner:	ick here to enter text.	
Access Authorization(s): Click here to	enter text.	
Special Use Lands: Click here to en	ter text.	
Jointly Managed Lands: Click here to	enter text.	
Other Considerations: Click here to	enter text.	
Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.
3. Private Lands:		
Are supplemental pages for land status in	nduded in Appendix C?	☐ Yes ☐ No
Oil And Gas Mineral Estate Owner:	lick here to enter text.	
Surface Ownership And Access Agreeme	ent(s): Click here to enter text.	
Special Use Lands: Click here to en	ter text.	
Jointly Managed Lands: Click here to	enter text.	
Other Considerations: Click here to	enter text.	
Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
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	SECTION VI: SEQUENCE AND SCHEDULE OF OPERATION	DNS

Project Milestone #	Project Milestone	Proposed Start Date	Proposed End Date	
1.	Mobilization and preperations for drilling activities	8/1/2022	8/2/2022	
2.	Drilling and Well Testing Pearl #8	8/2/2022	9/2/2022	
3.	Install facility piping, electrical and instrumentation lines to tie well into existing Paxton Pad production infrastructure	9/2/2022	9/30/2022	
4.	Gas production from Pearl #8	9/30/2022	-	
5.	*** Note that all proposed project milestone dates are subject to change based on permit authorizations, project constraints, scheduling, weather, and other factors.	Enter Date.	Enter Date.	
6.	Enter Milestone.	Enter Date.	Enter Date.	
7.	Enter Milestone.	Enter Date.	Enter Date.	
8.	Enter Milestone.	Enter Date.	Enter Date.	
9.	Enter Milestone.	Enter Date.	Enter Date.	
10.	Enter Milestone.	Enter Date.	Enter Date.	

## **SECTION VII: PROJECTED USE REQUIREMENTS**

1. Describe the proposed operations, including the location and design, of **Well Sites**:

Hilcorp proposes to drill two grassroots gas production wells Pearl #8 & Pearl #9 from existing Pearl Pad. Pearl #8 is located on private surface lands and will produce from ANDR subsurface leases, and Pearl #9 is located on private surface lands and private subsurface mineral estates. As such Pearl #9 is not a component of this application package. Well cellars, conductors, on-pad flowlines, and associated tie-in infrastructure will be installed after drilling is completed. No new gravel footprint or off-pad work is proposed for the drilling and installation of the proposed wells.

2. Describe the proposed operations, including the location and design, of **Buildings**:

Hilcorp will tie the new well into future gas production facility infrastructure located on pearl Pad. On-pad gas production facilities will be permitted in a sperate authorization and are not included in this scope of work. No new buildings are proposed as part of this authorization.

- 3. Describe the proposed operations, including the location and design, of Fuel and Hazardous Substances:
- 1. During drilling, diesel fuel for refueling equipment will be stored in an approximately 5,000-gallon tank.
- 2. Ethylene glycol for the line heater. Glycol is already used on site for gas production.
- 3. Methanol may be stored in a 450-gallon tote for freeze protection. Methanol is already periodically used on site for gas production.
- 4. Existing SPCC plan will be used to guide appropriate secondary containment usage.
- 4. Describe the proposed operations, including the location and design, of **Solid Waste Sites**:

No solid waste sites are included in the project. Waste will be handled consistent with Hilcorp waste management practices as outlined below: • Waste will be properly segregated and containers labeled to ensure proper disposal. • Closed-top dumpsters will be onsite for food trash and household waste and will be hauled away from the site regularly to prevent overfilling. • Household waste/paper trash will be sent to the Kenai Peninsula Borough Landfill for disposal. • Oily waste will be segregated and sent to a specialty waste contractor for offsite disposal. • Waste drilling mud and cuttings will be hauled via vacuum truck or supersucker directly from the rig process tank to an offsite, permitted underground injection disposal facility. The only anticipated storage of drilling waste on location would be in the event of an issue at the disposal facility that prevented immediate shipment, in which case Hilcorp would obtain Alaska Department of Environmental Conservation (ADEC) Temporary Drilling Waste Storage plan approval.

5. Describe the proposed operations, including the location and design, of Water Supplies:

Approximately 100 barrels (bbls) per day of freshwater will be used for drilling this well. Hilcorp intends to utilize an existing permitted water well (TWUA A2017-124) adjacent to Pearl Pad, or other nearby Hilcorp operated locations.

6. Describe the proposed operations, including the location and design, of **Utilities**:

No installation of utilities are proposed as a component of this authorization.

7. Describe the proposed operations, including the location and design, of **Material Sites**:

No gravel sources required. Existing pad and roads will be utilized.

8. Describe the proposed operations, including the location and design, of **Roads**:

Existing roads and natural gas producing pad will be utilized. No additional roads will be built.

9. Describe the proposed operations, including the location and design, of Airstrips:

Existing commercial airstrips will be utilized. No new airstrips are proposed as part of this project.

10. Describe the proposed operations, including the location and design, of All Other Facilities and Equipment:

Drilling activities will be conducted by Hilcorp Drilling under the direction of Monty Myers, Hilcorp's Drilling Manager (907-777-8431). Figures 4 and 5 show typical layouts for the Hilcorp Rig 169 and associated equipment. Major components include the following: Equipment, including the drilling rig and pipe, the completion rig, mud tanks and mud pumps, boilers, drilling foreman/toolpusher trailer, light plants, generators, cement silo(s), and other miscellaneous equipment will be onsite temporarily to support drilling efforts. Well testing will be conducted following AOGCC guidelines and approvals. The temporary testing equipment will include a line heater, liquids/gas separator, flare, and 400-bbl water storage tank. Industry Best Management Practices (BMPs) will be implemented to minimize noise from the drilling program, for example all equipment will be maintained to minimize exhaust emissions and noise. Drilling and well testing work is temporary. Sound impacts will be temporary and will occur primarily during construction and drilling. Except where safety concerns dictate otherwise, lights on the drill rig and mobile light plants will be pointed down toward activities occurring on the pad. The typical use of loudspeakers to communicate during drilling will be replaced by the use of handheld radios. Additionally, drilling vehicles and heavy equipment will use broadband "white noise" backup alarms, instead of the typical louder and more annoying single-tone backup alarms. Sight impacts will be mitigated by leaving the existing trees and vegetation surrounding the pad area.

11. If another permit(s) is required for the above described Projected Use Requirements, provide the following information:

Agency	Permit Type	Permit Number	Application Status	Projected Use Requirement(s)
See Appendix C - Other	Enter Permit Type.	Enter Permit Number.	Enter Application Status.	Enter Projected Use Requirement(s).

### **SECTION VIII: REHABILITATION PLAN**

1. Proposed Level of Infrastructure, Facilities and Equipment Removal:

N/A. No change to Pearl Pad general operations.

2. Description of Restoration and Rehabilitation Activities for Vegetation, Habitat, Impacted Wildlife, and Other Applicable Resources:

N/A. No change to Pearl Pad general operations.

#### SECTION IX: OPERATING PROCEDURES DESIGNED TO MINIMIZE ADVERSE EFFECTS

Describe operating procedures designed to prevent or minimize adverse effects on other natural resources and other uses of the Unit area and adjacent areas including: Fish and Wildlife Habitats: Industry Best Management Practices (BMPs) will be implemented to minimize noise from the drilling program, for example all equipment will be maintained to minimize exhaust emissions and noise. Drilling and well testing work is temporary. Sound impacts will be temporary and will occur primarily during construction and drilling. Except where safety concerns dictate otherwise, lights on the drill rig and mobile light plants will be pointed down toward activities occurring on the pad. The typical use of loudspeakers to communicate during drilling will be replaced by the use of handheld radios. Additionally, drilling vehicles and heavy equipment will use broadband "white noise" backup alarms, instead of the typical louder and more annoying single-tone backup alarms. Sight impacts will be mitigated by leaving the existing trees and vegetation surrounding the pad area. N/A. No change to Paxton Pad general operations & no off-pad operations are planned. Historic and Archeological Sites: Public Use Areas: Industry Best Management Practices (BMPs) will be implemented to minimize noise from the drilling program, for example all equipment will be maintained to minimize exhaust emissions and noise. Drilling and well testing work is temporary. Sound impacts will be temporary and will occur primarily during construction and drilling. Except where safety concerns dictate otherwise, lights on the drill rig and mobile light plants will be pointed down toward activities occurring on the pad. The typical use of loudspeakers to communicate during drilling will be replaced by the use of handheld radios. Additionally, drilling vehicles and heavy equipment will use broadband "white noise" backup alarms, instead of the typical louder and more annoying single-tone backup alarms. Sight impacts will be mitigated by leaving the existing trees and vegetation surrounding the pad area. Other Uses: **SECTION X: GLOSSARY OF TERMS Term Definition** Term # **Term** Enter Term. Enter Term Definition. 1. 2. Enter Term. Enter Term Definition. 3. Enter Term. Enter Term Definition.

# SECTION XI: CONFIDENTIALITY

The undersigned hereby requests that each page/section of this application <u>marked</u> confidential be held confidential under AS 38.05.035(a)(8). APPLICANT CONTACT:

Enter Term Definition.

Enter Term Definition.

Signature	Name	Title	Date
Sign here.	Enter Name.	Enter Title.	Enter Date.

Enter Term.

Enter Term.

4.

5.

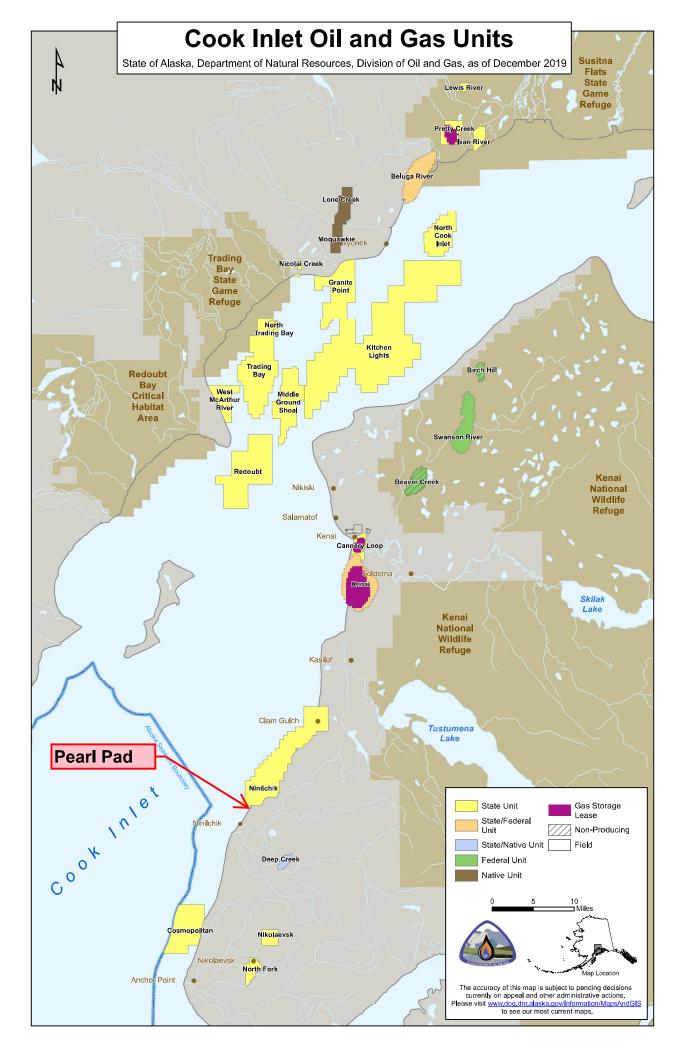
## **APPENDIX A: MAPS**

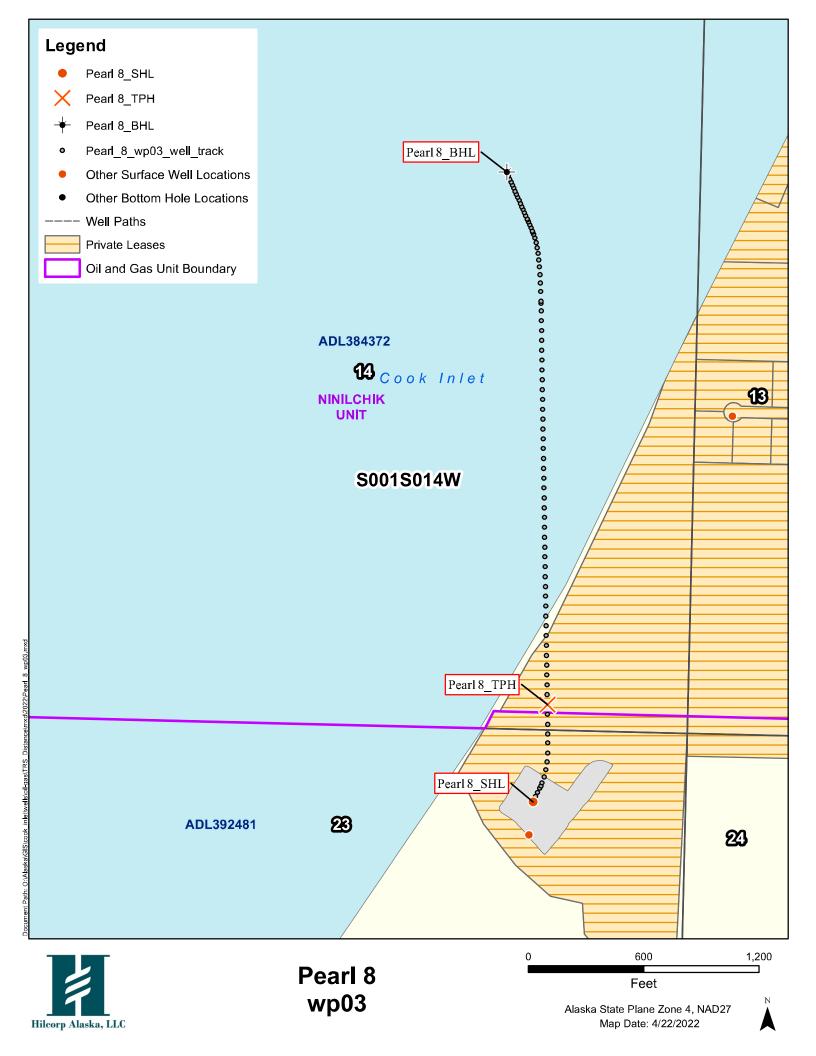
Figure 1: Pearl Pad General Vicinity Map

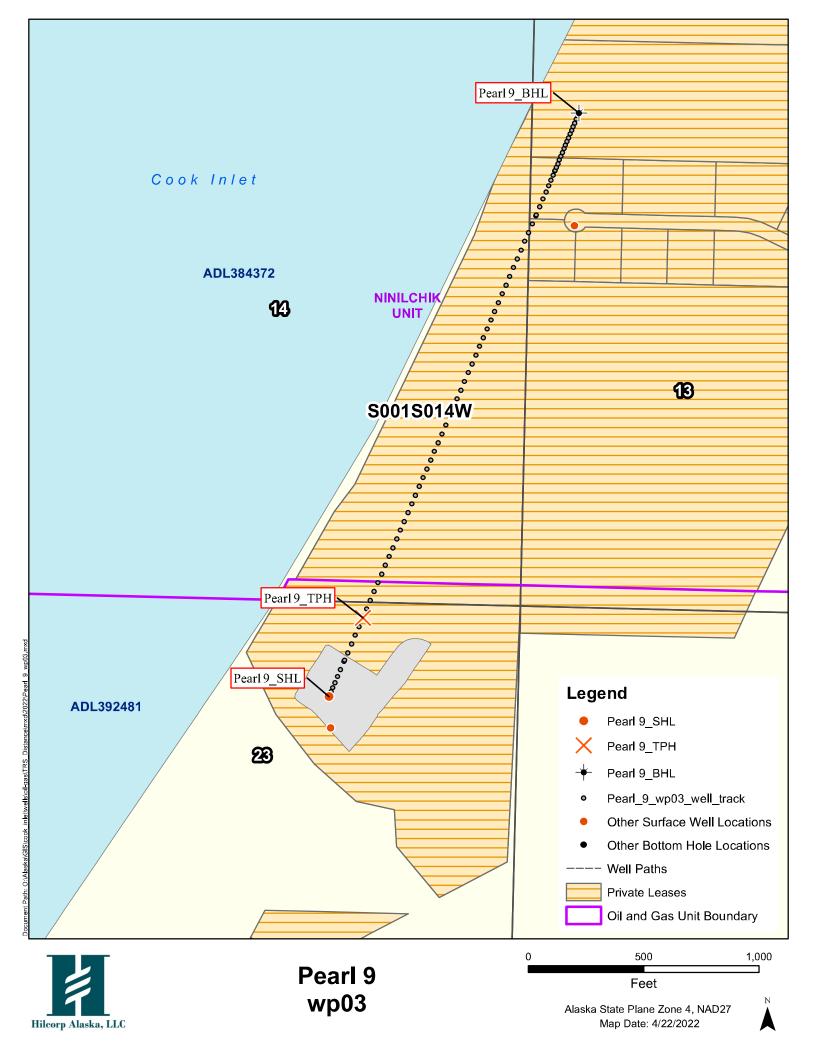
Figure 2: Paxton #8 Subsurface Lease Map

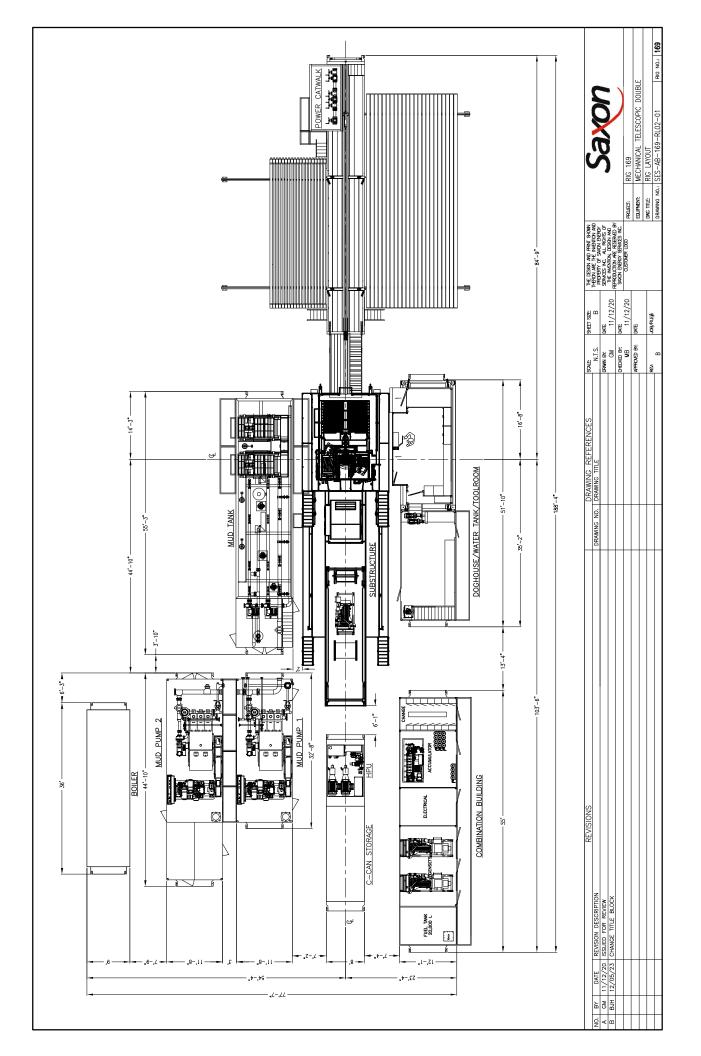
Figure 3: Paxton #9 Subsurface Lease Map

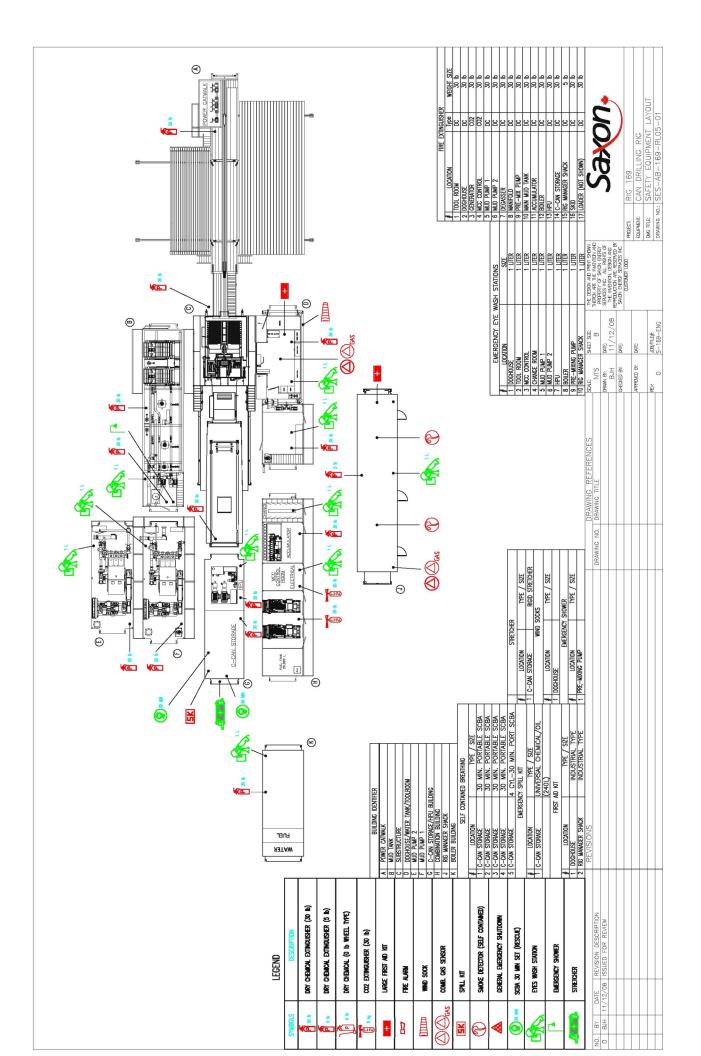
Figure 4-5: Hilcorp Rig 169 Typical Layout











APPENDIX B: MITIGATION MEASURES
No Change to Existing Mitigation Measures.

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Other Agency Permits Required

# **Other Agency Permits:**

Agency	Permit Type	Permit Number	Application Status	Projected Use Requirement(s)
ADEC-AIR	MG1 Minor Air Permit (POGO)	AQ1319MG118	Recieved	Drill Rig Air Permit
ADNR-DMLW	Temporary Water Use	TWUA A2017-124	Recieved	Water Use
KPB Solid Waste	MSW Landfill Authorization	N/A	Recieved	Liner Disposal
AOGCC	Permit to Drill	TBD	In Process	Permit to Drill
Enter Agency.	Enter Permit Type.	Enter Permit Number.	Enter Application Status.	Enter Projected Use Requirement(s).
Enter Agency.	Enter Permit Type.	Enter Permit Number.	Enter Application Status.	Enter Projected Use Requirement(s).