



LEASE PLAN OF OPERATIONS 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: dog.permitting@alaska.gov



SECTION I: APPLICANT INFORMATION	
1. Applicant: Name: Hilcorp Alaska, LLC Mailing Address: 3800 Centerpoint Drive, Suite 1400 City: Anchorage State: Alaska Zip Code: 99503 Phone: 907-777-8300 Fax: 907-777-8560 Email: Enter Email.	2. Applicant Contact: First Name: Charles Last Name: Frey Title: Environmental Specialist <i>Is the Mailing Address the same as Applicant's Mailing Address? If "No", please provide information below:</i> <input checked="" type="checkbox"/> Yes Mailing Address: Enter Mailing Address. City: Enter City. State: Enter State. Zip Code: Enter Zip Code. Phone: 907-564-5042 Fax: Enter Fax. Email: Charles.frey@hilcorp.com
SECTION II: THIRD PARTY INFORMATION (Fill out this section only if you are applying for the Applicant)	SECTION III: APPLICATION DATE AND NUMBER (FOR OFFICE USE ONLY)
Third Party Company Name: Enter 3rd Party Company Name. First Name: Enter First Name. Last Name: Enter Last 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: Describe your affiliation to the Applicant.	Application Date: Application Number:
SECTION IV: PROJECT INFORMATION	
1. Project Name:	Middle Ground Shoal
2. Proposed Start Date:	9/1/2023
3. Project Description:	
Describe what and where:	
Hilcorp intends to conduct various field studies to determine the potential for future production on ADLS 17595, 18754 and 18756. Hilcorp will provide the Division of Oil and Gas with annual updates on such efforts beginning no later than April 1, 2024 until 2026 or the return of production, whichever is first. Hilcorp plans to	

conduct a field study on MGS exploration area to identify potential drilling targets. This study will also evaluate the potential to drill from the Baker Platform or whether a new exploration/ production platform would be required. Hilcorp anticipates evaluating costs related to construction of new drilling and production platform. A new offshore platform, if built, would also likely require installation of new pipelines to shore. This creates a contingency to potentially reactivate Platform A in the future

SECTION V: LAND STATUS

1. State Mineral Estate:

Are supplemental pages for land status included in Appendix C? Yes No

Affected ADL: 18754 Date Effective: 6/30/2023 Date Assigned: 10/27/2016

Oil And Gas Lessee(s): Hilcorp Alaska, LLC

Surface Ownership: State of Alaska

Do you have, or anticipate having an Access Agreement: Yes No

Special Use Lands: NA

Jointly Managed Lands: NA

Other Considerations: NA

Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
Platform A	Seward Meridian T08N, R12W, S06, OR S07	60.795928, -151.495534
Platform A	Seward Meridian T08N, R13W, S01, OR S02 OR S11 OR S12	60.795928, -151.495534
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Affected ADL: 17595 Date Effective: 6/30/2023 Date Assigned: 10/27/2016

Oil And Gas Lessee(s): Hilcorp Alaska, LLC

Surface Ownership: State of Alaska

Do you have, or anticipate having an Access Agreement: Yes No

Special Use Lands: NA

Jointly Managed Lands: NA

Other Considerations: NA

Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
Baker Platform	Seward Meridian T09N, R12W, S19, OR S30 OR S31	60.828666, - 151.485615
Baker Platform	Seward Meridian T09N, R13W, S25 OR S36	60.828666, - 151.485615
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Affected ADL: 18756 Date Effective: 6/30/2023 Date Assigned: 10/27/2016

Oil And Gas Lessee(s): Hilcorp Alaska, LLC

Surface Ownership: State of Alaska

Do you have, or anticipate having an Access Agreement: Yes No

Special Use Lands: NA

Jointly Managed Lands: NA

Other Considerations: NA

Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
Platform C	Seward Meridian T08N, R13W, S13, OR S14 OR S15 OR S22 OR S23 OR S24 OR S25 OR S26	60.763975, - 151.502053
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Click here to enter text.	Click here to enter text.	Click here to enter text.

Affected ADL: Enter ADL. Date Effective: Enter Date. Date Assigned: Enter Date.

Oil And Gas Lessee(s): Click here to enter text.

Surface Ownership: Click here to enter text.

Do you have, or anticipate having an Access Agreement: Yes No

Special Use Lands: NA

Jointly Managed Lands: NA

Other Considerations: NA

Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
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Click here to enter text.	Click here to enter text.	Click here to enter text.

Affected ADL: Enter ADL. Date Effective: Enter Date. Date Assigned: Enter Date.

Oil And Gas Lessee(s): Click here to enter text.

Surface Ownership: Click here to enter text.

Do you have, or anticipate having an Access Agreement: Yes No

Special Use Lands: Click here to enter 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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2. State of Alaska Surface Lands:

Are supplemental pages for land status included in Appendix C? Yes No

Oil And Gas Mineral Estate Owner: State of Alaska

Access Authorization(s): NA

Special Use Lands: NA

Jointly Managed Lands: NA

Other Considerations: NA

Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
Platform A	Seward Meridian T08N, R12W, S06, OR S07	60.795928, -151.495534
Platform A	Seward Meridian T08N, R13W, S01, OR S02 OR S11 OR S12	60.795928, -151.495534
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Oil And Gas Mineral Estate Owner: State of Alaska

Access Authorization(s): NA

Special Use Lands: NA

Jointly Managed Lands: NA

Other Considerations: NA

Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
Baker Platform	Seward Meridian T09N, R12W, S19, OR S30 OR S31	60.828666, -151.485615
Baker Platform	Seward Meridian T09N, R13W, S25 OR S36	60.828666, -151.485615
Platform C	Seward Meridian T08N, R13W, S13, OR S14 OR S15 OR S22 OR S23 OR S24 OR S25 OR S26	60.763975, -151.502053

Oil And Gas Mineral Estate Owner: State of Alaska

Access Authorization(s): NA

Special Use Lands: NA

Jointly Managed Lands: NA

Other Considerations: NA

Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
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3. Private Lands:

Are supplemental pages for land status included in Appendix C? Yes No

Oil And Gas Mineral Estate Owner: NA

Surface Ownership And Access Agreement(s): NA

Special Use Lands: NA

Jointly Managed Lands: NA

Other Considerations: NA

Project Components	Meridian, Township, Range, And Section(s)	GPS Coordinates
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Click here to enter text.	Click here to enter text.	Click here to enter text.

Oil And Gas Mineral Estate Owner: Click here to enter text.

Surface Ownership And Access Agreement(s): Click here to enter text.

Special Use Lands: Click here to enter 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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Click here to enter text.	Click here to enter text.	Click here to enter text.

Oil And Gas Mineral Estate Owner: Click here to enter text.

Surface Ownership And Access Agreement(s): Click here to enter text.

Special Use Lands: Click here to enter 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: BOND INFORMATION

Bonded Company: Hilcorp & DNR entered into FAA in 2011

Type: Enter Bond Type. Number: Enter Bond Number. Amount: Enter Bond Amount.

Bonding Company: Enter Bonding Company.

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.

SECTION VII: SEQUENCE AND SCHEDULE OF OPERATIONS

Project Milestone #	Project Milestone	Proposed Start Date	Proposed End Date
1.	Middle Ground Shoal Unit Termination	6/30/2023	9/1/2023
2.	Annual project update No later than April 1, 2024	3/1/2024	4/1/2024
3.	Annual project update no later than April 1, 2025	3/1/2025	4/1/2025
4.	Annual project update no later than April 1, 2026	3/1/2026	4/1/2026
5.	June 30,2026 end of SOP	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 VIII: PROJECTED USE REQUIREMENTS

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

The Baker platform has a total of 25 wells which are currently shut in. Platform A has a total of 24 wells which are currently shut in. Platform C has a total of 24 wells which are currently shut in. Hilcorp is considering a Plugging and Abandoning campaign on Platform C.

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

The Baker platform was constructed in 1965 with 4 legs in -102' mean low water (MLW). It is currently Light housed but could be returned to production at a later date. Baker has an 8" nominal oil pipeline and an 8" nominal gas pipeline, both are 13,000' in length and route to Platform A. Platform A was constructed in 1964 with 4 legs in -90' (MLW). It is currently shut in and averaged 880 BOPD prior to being shut in. Platform A has an 8" nominal oil pipeling flowing gas and an 8" nominal gas pipeline NIS (not in service). Both are 7 miles in length that route to the MGS onshore facility. Platform C was constructed in 1967 with 4 legs in -73' (MLW). It is currently shut in and averaged 450 BOPD prior to being shut in. Platform C has an 8" nominal oil pipeline (NIS) and an 8"/10" nominal gas pipeline (NIS) that are 2.5 miles in length and route to Platform A.

3. Describe the proposed operations, including the location and design, of Fuel and Hazardous Substances:

No new Fuel or Hazardous Substances will be stored on site as part of this application. Diesel fuel for facility light/power will be stored in properly sized secondary containment.

4. Describe the proposed operations, including the location and design, of Solid Waste Sites:

No new solid waste sites will be constructed as part of this application.

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

No new water supplies will be added as part of this application.

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

No new utilities are currently planned under this Lease Plan of Operation.

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

No new Material Sites will be added as aprt of this application.

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

NA – Offshore.

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

Helidecks currently exist on the platforms.

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

No addition Facilities and Equipment will be added as part of this application.

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)
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).
Enter Agency.	Enter Permit Type.	Enter Permit Number.	Enter Application Status.	Enter Projected Use Requirement(s).
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Enter Agency.	Enter Permit Type.	Enter Permit Number.	Enter Application Status.	Enter Projected Use Requirement(s).

SECTION IX: REHABILITATION PLAN

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

This operations plan is focused on returning the leases, lands and facilities to production, however Hilcorp is also concurrently exploring the future utilization of such facilities and lands for alternative energy objectives, including tidal, wind and CCUS. As a result, Hilcorp's plan for the rehabilitation of the applicable leases, lands and facilities is subject to ongoing discussions with the state related to such future utilization. Hilcorp will continue to coordinate with the state, and will prepare any required plans, to ensure the proper rehabilitation measures are accomplished in a manner that takes into consideration the ultimate use of the leases, lands and facilities at the end of their useful life.

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

Restoration and Rehabilitation Activities will be determined when formal abandonment plans are submitted.

SECTION X: 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 Lease area and adjacent areas including:

Fish and Wildlife Habitats: Hilcorp complies with the Marine Mammal Protection Act and Endangered Species Act through consultations and permits authorized by the US Fish and Wildlife Service as well as National Marine Fisheries Service. These permits and consultations specify measures to mitigate potential impacts to marine mammals, including implementation of a Protected Species Observer program for any activities that the potential to cause Level B or Level A harassment.

Historic and Archeological Sites: No Historical or Archaeological Sites.

Public Use Areas: NA

Other Uses: NA

SECTION XI: GLOSSARY OF TERMS

Term #	Term	Term Definition
1.	SOP	Suspension of Production
2.	MLW	Mean low water
3.	NIS	Not in Service
4.	MGS	Middle Ground Shoal
5.	Enter Term.	Enter Term Definition.
6.	Enter Term.	Enter Term Definition.
7.	Enter Term.	Enter Term Definition.
8.	Enter Term.	Enter Term Definition.
9.	Enter Term.	Enter Term Definition.
10.	Enter Term.	Enter Term Definition.

SECTION XII: CONFIDENTIALITY

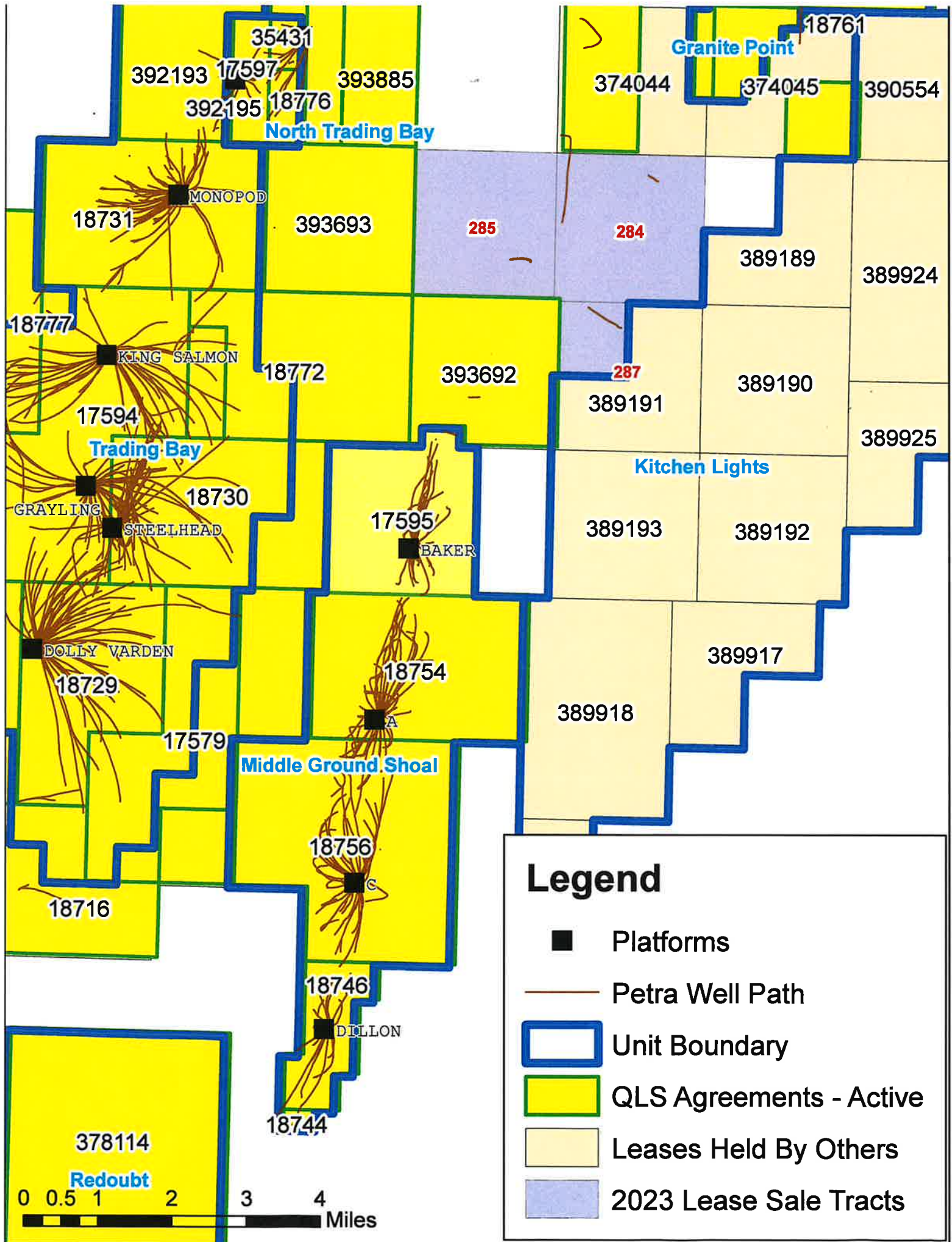
The undersigned hereby requests that each page/section of this application marked confidential be held confidential under AS 38.05.035(a)(8).

APPLICANT CONTACT:

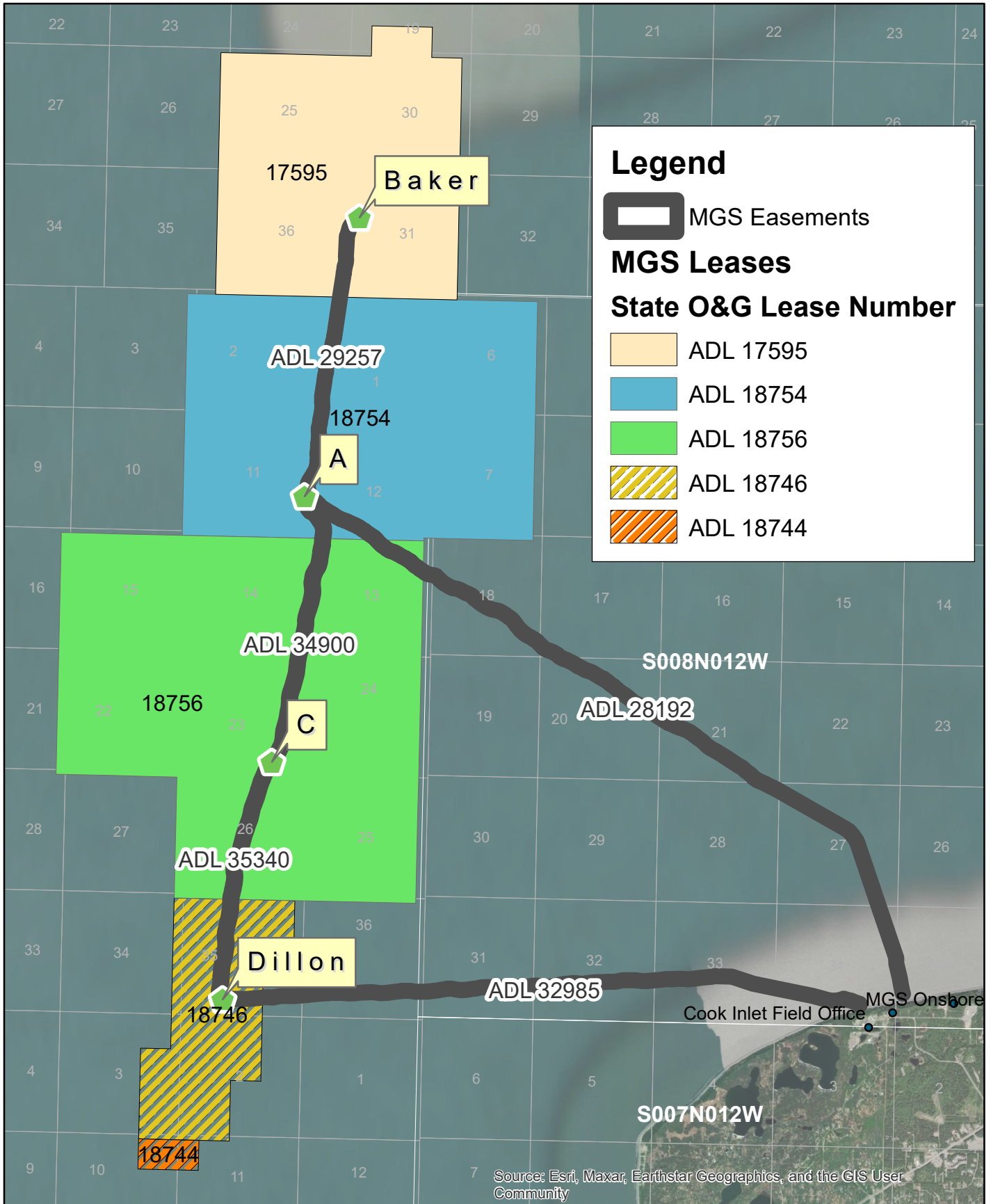
Sign here. _____	Enter Name. _____	Enter Title. _____	Enter Date. _____
Signature	Name	Title	Date

APPENDIX A: MAPS

1. MGS leases
2. MGS easements



Middle Ground Shoal Pipeline Easements



Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community



APPENDIX B: MITIGATION MEASURES

Include mitigation measures here.

APPENDIX C: OTHER

Insert other information here.

MITIGATION MEASURE ANALYSIS: COOK INLET

The following instructions are provided for guidance to adequately complete the Mitigation Measure Analysis form.

1. The applicant shall respond to each Mitigation Measure, and all subsets of mitigation measures; i.e. A.2.d.i should be addressed and A.2.d.ii, and so forth.
2. The applicant's response shall begin by clearly indicating if the **mitigation measure is satisfied**, an **exception is requested**, or if the mitigation measure is **not applicable**.
3. The applicants' response shall then address how the proposed project clearly satisfies the mitigation measure, meets the intent of the mitigation measure, is not practicable, or is not applicable.
4. The applicant shall verify working 'in consultation with' parties other than Department of Natural Resources (DNR), Division of Oil and Gas (DO&G) by reporting meeting dates and parties present for Mitigation Measures which require consultation with parties other than DNR, DO&G; i.e. Mitigation Measure 1.b.

Please note that this form, along with the Plan of Operations Application form and the Plan of Operations, must be adequately completed before DNR DO&G will review an application for potential approval.

Cook Inlet	Company Response
A. Mitigation Measures	
1. Facilities and Operations	
<p>a. A plan of operations must be submitted and approved before conducting exploration, development or production activities, and must describe the lessee's efforts to minimize impacts on residential, commercial, and recreational areas, Native allotments and subsistence use areas, and adjacent private lands. At the time of application, lessee must submit a copy of the proposed plan of operations to all surface owners whose property will be entered.</p>	<p>A.1.a. . Mitigation measure is satisfied – Lease Plan of Operation submitted</p>
<p>b. Facilities must be designed and operated to minimize sight and sound impacts in areas of high residential, commercial, recreational, and subsistence use and important wildlife habitat. Methods may include providing natural buffers and screening to conceal facilities, sound insulation of facilities, or by using alternative means approved by the director, in consultation with ADF&G.</p>	<p>A.1.b. Mitigation measure is satisfied</p>
<p>c. The siting of onshore facilities, other than roads, docks, utility or pipeline corridors, or terminal facilities will be prohibited within one-half mile of the mean high water of Cook Inlet, except where land use plans classify an area for development, or established usage and use history show development. The siting of facilities other than docks, roads, utility, and pipeline crossings will also be prohibited within 500 feet of all fish bearing streams and waterbodies and 1,500 feet of all current surface drinking water sources. Additionally, to the extent practicable, the siting of facilities will be prohibited within one-half mile of the banks of the main channel of the Harriet, Alexander, Lake, Deep, and Stariski creeks, and the Drift, Big, Kustatan, McArthur, Chuitna, Lewis, Theodore, Beluga, Susitna, Little Susitna, Kenai, Kasilof, Ninilchik, and Anchor rivers. Facilities may be sited within these buffers if the lessee demonstrates to the satisfaction of the director, in consultation with ADF&G, that site locations outside these buffers are not practicable or that a location inside the buffer is environmentally preferred. Road, utility, and pipeline crossings must be consolidated and aligned perpendicular or near perpendicular to watercourses.</p>	<p>A.1.c. Mitigation measure is satisfied</p>

<p>d. Impacts to identified wetlands must be minimized to the satisfaction of the director, in consultation with ADF&G and ADEC. The director will consider whether facilities are sited in the least sensitive areas. Further, all activities within wetlands require permission from the U.S. Army Corps of Engineers.</p>	<p>A.1.d. not applicable</p>
<p>e. Exploration activities must be supported by air service, an existing road system or port facility, ice roads, or by off-road vehicles that do not cause significant damage to the vegetation or ground surface. Construction of temporary drill pads, airstrips, and roads may be allowed. Construction of permanent roads may be allowed upon approval by the director. Unrestricted surface travel may be permitted by the director and DMLW, if an emergency condition exists.</p>	<p>A.1.e. Mitigation measure is satisfied</p>
<p>f. With the exception of drill pads, airstrips, and roads permitted under A1e, exploration facilities must be consolidated, temporary, and must not be constructed of gravel. Use of abandoned gravel structures may be permitted on a case-by-case basis.</p>	<p>A.1.f. not applicable</p>
<p>g. Pipelines must utilize existing transportation corridors and be buried where conditions permit. Pipelines and gravel pads must be designed to facilitate the containment and cleanup of spilled fluids. Pipelines, flowlines, and gathering lines must be designed and constructed to assure integrity against climatic conditions and geologic hazards.</p> <p>In areas with above ground placement, pipelines must be designed, sited, and constructed to allow for the free movement of wildlife. Where practicable, pipelines must be located on the upslope side of roadways and construction pads, unless DMLW determines that an alternative site is environmentally acceptable.</p>	<p>A.1.g. Mitigation measure is satisfied</p>
<p>h. Pipelines that must cross marine waters will be constructed beneath the marine waters using directional drilling techniques, unless the director, in consultation with ADF&G and the local borough and Coastal Resource Service Areas, approves an alternative method based on technical, environmental, and economic justification. Offshore pipelines must be located and constructed to prevent obstruction to marine navigation and fishing operations.</p>	<p>A.1.h. Mitigation measure is satisfied</p>
<p>i. Gravel mining sites required for exploration and development activities will be</p>	<p>A.1.i. not applicable</p>

<p>restricted to the minimum necessary to develop the field efficiently and to minimize environmental damage. Gravel mine sites required for exploration activities must not be located within an active floodplain of a watercourse unless DMLW, after consultation with ADF&G, determines that there is no practicable alternative, or that a floodplain site would be compatible with fish and wildlife habitat after mining operations are completed and the site is closed.</p>	
<p>2. Habitat, Fish, and Wildlife</p>	
<p>a. Detonation of explosives will be prohibited in open water areas of fish bearing streams and lakes. Explosives must not be detonated beneath, or in close proximity to, fish-bearing streams and lakes if the detonation of the explosive produces a pressure rise in the water body of greater than 2.7 pounds per-square-inch, or unless the water body, including its substrate, is solidly frozen. Detonation of explosives within or in close proximity to a fish spawning bed during the early stages of egg incubation must not produce a peak particle velocity greater than 0.5 inches per second. Blasting criteria have been developed by ADF&G and are available from ADF&G upon request. The location of known fish bearing waters within the project area can be obtained from ADF&G.</p>	<p>A.2.a. not applicable</p>
<p>b. Compaction or removal of snow cover overlying fish bearing water bodies is prohibited except for approved crossings. If ice thickness is not sufficient to facilitate a crossing, ice and/or snow bridges may be required.</p>	<p>A.2.b. not applicable</p>
<p>c. Removal of water from fishbearing rivers, streams and natural lakes shall be subject to prior written approval by DMLW and ADF&G. Water intake pipes used to remove water from fish bearing waterbodies must be surrounded by a screened enclosure to prevent fish entrainment and impingement. Screen mesh size shall be no greater than 1 mm (0.04 inches), unless another size has been approved by ADF&G. The maximum water velocity at the surface of the screen enclosure may be no greater than 0.4 feet per second, unless an alternative velocity has been approved by ADF&G. Screen material must be corrosion resistant, and must be adequately supported to prevent excessive sagging which could result in unusable intake surface. The intake structure must be designed and installed to avoid excessive fouling from floating debris, and a minimum of eight square feet of effective wetted screen surface must be provided for each multiple of a 450-gallon per minute (one cubic foot per second) pumping rate. The pump intake opening must be placed equidistant</p>	<p>A.2.c. not applicable</p>

<p>from all effective wetted screen surfaces.</p>	
<p>d. Surface entry will be prohibited in parcels that are within the Kenai River Special Management Area.</p> <p>Surface entry, other than access, will be prohibited on state lands within the Kenai National Wildlife refuge.</p> <p>Lessees are prohibited from placing drilling rigs and lease-related facilities and structures within an area near the Kenai River composed of: all land within Section 36 in T6N, R11W that is located south of a line drawn from the protracted NE corner to the protracted SW corner of the section; all land within the western half of Section 31 in T6N, R10W and Section 6 in T5N, R10W; and all land within Section 1 in T5N, R11W.</p>	<p>A.2.d. not applicable</p>
<p>e. Surface entry into the critical waterfowl habitat along the Kasilof River is prohibited. Directional drilling from adjacent sites may be allowed.</p>	<p>A.2.e. not applicable</p>
<p>f. Surface entry will be prohibited within one-quarter mile of trumpeter swan nesting sites between April 1 and August 31. The siting of permanent facilities, including roads, material sites, storage areas, powerlines, and above ground pipelines will be prohibited within one-quarter mile of known nesting sites. Trumpeter swan nesting sites will be identified by ADF&G at the request of the lessee.</p>	<p>A.2.f. not applicable</p>
<p>g. The director, in consultation with ADF&G, shall restrict or modify lease related activities if scientific evidence documents the presence of Steller's eiders from the Alaska breeding population in the lease area and it is determined that oil and gas exploration and development will impact them or their over-wintering habitat in the near-shore waters of Cook Inlet.</p>	<p>A.2.g. Mitigation measure is satisfied</p>
<p>h. The director, in consultation with ADF&G, may impose seasonal restrictions on activities located in and adjacent to important waterfowl and shorebird habitat during the plan of operations approval stage.</p>	<p>A.2.h. not applicable</p>
<p>Bears:</p> <p>i. Lessees are required to prepare and implement a human-bear interaction plan designed to minimize conflicts between bears and humans. The plan shall</p>	<p>A.2.i. not applicable</p>

<p>include measures to:</p> <ul style="list-style-type: none"> i. minimize attraction of bears to facility sites, including garbage and food waste; ii. organize layout of buildings and work areas to minimize interactions between humans and bears such as including the use of electric fencing; iii. warn personnel of bears near or on facilities and the proper actions to take; iv. if authorized, deter bears from the drill site; v. provide contingencies in the event bears do not leave the site; vi. provide for proper storage and disposal of materials that may be toxic to bears; and vii. document and communicate the sighting of bears onsite or in the immediate area to all shift employees. 	<p>A.2.i.i. not applicable</p> <p>A.2.i.ii. not applicable</p> <p>A.2.i.iii. not applicable</p> <p>A.2.i.iv. not applicable</p> <p>A.2.i.v. not applicable</p> <p>A.2.i.vi. not applicable</p> <p>A.2.i.vii. not applicable</p>
<p>j. Before commencement of any activities, lessees shall consult with ADF&G to identify the locations of known bear den sites that are occupied in the season of proposed activities. Exploration and development activities started between November 15 and March 31 may not be conducted within one-half mile of known occupied brown bear dens, unless alternative mitigation measures are approved by the ADF&G. A lessee who encounters an occupied den not previously identified by ADF&G must report it to the Division of Wildlife Conservation, ADF&G, within 24 hours. Mobile activities shall avoid such discovered occupied dens by one-half mile unless alternative mitigation measures are approved by DO&G with concurrence from ADF&G. Non-mobile facilities will not be required to be relocated.</p>	<p>A.2.j. not applicable</p>
<p>k. Recognizing the importance of sufficient vegetative cover and access by Kenai Peninsula brown bears feeding at streams, the director, in consultation with ADF&G, may require lessees to locate exploration and development facilities beyond the 500-foot buffer along anadromous streams during the plan of operations approval stage, except as provided in A1c.</p>	<p>A.2.k. not applicable</p>

<p>Caribou:</p> <p>l. Surface entry within the core calving area of the Kenai Lowlands Caribou Herd is prohibited, except that surface entry for seismic exploration will be allowed from October 16 to March 31.</p>	<p>A.2.l. not applicable</p>
<p>m. Exploration and development activities will be restricted or prohibited between April 1 and October 15 within the core summer habitat of the Kenai Lowlands Caribou Herd, except that maintenance and operation of production wells will be allowed year-round. Permanent roads, or facilities other than production wells, will also be restricted or prohibited within this area. Facilities within the core summer habitat of the Kenai Lowlands Caribou Herd that require year-round access must be located in forested areas, where practical.</p>	<p>A.2.m. not applicable</p>
<p>n. Pipelines must be buried within the core summer habitat of the Kenai Lowlands Caribou Herd.</p>	<p>A.2.n. not applicable</p>
<p>o. The director, in consultation with ADF&G, may impose seasonal restrictions on activities located in, or requiring travel through or overflight of, important moose or caribou calving and wintering areas during the plan of operations approval stage.</p>	<p>A.2.o. not applicable</p>
<p>Beluga Whales:</p> <p>p. No permanent or temporary oil and gas exploration or development may occur within High Value/High Sensitivity (Type 1) beluga whale habitat areas, unless it occurs on upland areas (above Mean Higher Water datum). Type 1 habitat areas include the following tracts: 320-334, 391-409, 410, 462, 464-475, 476-481, 483, 484, 485, 486, 493, 494, 497, 498, 522, 524-537, 538, 539, 540, 541, 542, 543, 544, 547-552, 559, 575-577, 579, 581, 582, 585, 586, 590, 593, 594, 598, 616-618, 620-623, 627, 655-658, and 662.</p>	<p>A.2.p. not applicable – Not in a Type 1 area.</p>
<p>q. The director will assess oil and gas-related activities within all High Value (Type 2) beluga whale habitat areas on a case-by-case basis. No permanent surface entry or structures are allowed, and temporary activities and structures, for example exploration drilling, will only be allowed between November 1 and April 1 of each year, unless it occurs on upland areas, within the following tracts: 021, 022, 126, 127, 129-132, 161, 162, 175, 177, 211, 218, 257, 301,</p>	<p>A.2.q. not applicable - Not in a Type 2 area.</p>

<p>302, 373, 376, 377, and 384.</p>	
<p>r. The director will assess oil and gas-related activities within the remaining tracts (Type 3 habitat areas) on a case-by-case basis.</p>	<p>A.2.r. Mitigation measure satisfied - Hilcorp complies with the Marine Mammal Protection Act and Endangered Species Act through consultations and permits authorized by the US Fish and Wildlife Service as well as National Marine Fisheries Service. These permits and consultations specify measures to mitigate potential impacts to marine mammals, including implementation of a Protected Species Observer program for any activities that the potential to cause Level B or Level A harassment.</p>
<p>3. Subsistence, and Other Fish and Wildlife Uses</p>	
<p>a. Lease-related use will be restricted when DO&G determines it is necessary to prevent unreasonable conflicts between lease-related activities and subsistence, and commercial, sport, personal use, and educational harvest activities. In enforcing this term DO&G, during review of plans of operation, will consult with other agencies, the affected local borough(s) and the public to identify and avoid potential conflicts. In order to avoid conflicts with subsistence, commercial, sport and educational harvest activities, restrictions may include alternative site selection, requiring directional drilling, seasonal drilling restrictions, and other technologies deemed appropriate by DO&G.</p>	<p>A.3.a. not applicable</p>
<p>4. Fuel, Hazardous Substances, and Waste</p>	
<p>a. Secondary containment (see definitions) shall be provided for the storage of fuel or hazardous substances.</p>	<p>A.4.a. Mitigation measure is satisfied – Following ADEC ODPCP and EPA SPCC plan requirements where applicable.</p>
<p>b. Containers with an aggregate storage capacity of greater than 55 gallons which contain fuel or hazardous substances shall not be stored within 100 feet of a waterbody, or within 1,500 feet of a current surface drinking water source.</p>	<p>A.4.b. Mitigation measure is satisfied – Following ADEC ODPCP and EPA SPCC plan requirements where applicable.</p>
<p>c. During equipment storage or maintenance, the site shall be protected from leaking or dripping fuel and hazardous substances by the placement of drip pans or other surface liners designed to catch and hold fluids under the equipment, or by creating an area for storage or maintenance using an impermeable liner or other suitable containment mechanism.</p>	<p>A.4.c. Mitigation measure is satisfied – Following ADEC ODPCP and EPA SPCC plan requirements where applicable.</p>

<p>d. During fuel or hazardous substance transfer, secondary containment or a surface liner must be placed under all container or vehicle fuel tank inlet and outlet points, hose connections, and hose ends. Appropriate spill response equipment, sufficient to respond to a spill of up to 5 gallons, must be on hand during any transfer or handling of fuel or hazardous substances. Trained personnel shall attend transfer operations at all times.</p>	<p>A.4.d. Mitigation measure is satisfied – Following ADEC ODPCP and EPA SPCC plan requirements where applicable. Spill response equipment is stored on site at each facility.</p>
<p>e. Vehicle refueling shall not occur within the annual floodplain, except as addressed and approved in the plan of operations. This measure does not apply to water-borne vessels.</p>	<p>A.4.e. not applicable - offshore</p>
<p>f. All independent fuel and hazardous substance containers shall be marked with the contents and the lessee's or contractor's name using paint or a permanent label.</p>	<p>A.4.f. Mitigation measure is satisfied – Following ADEC ODPCP and EPA SPCC plan requirements where applicable.</p>
<p>g. A freshwater aquifer monitoring well, and quarterly water quality monitoring, may be required down gradient of a permanent above-ground liquid hydrocarbon storage facility.</p>	<p>A.4.g. not applicable - offshore</p>
<p>h. Waste from operations must be reduced, reused, or recycled to the maximum extent practicable. Garbage and domestic combustibles must be incinerated or disposed of at an approved site in accordance with 18 AAC 60. (See also Section B2, below.)</p>	<p>A.4.h. Mitigation measure is satisfied – Significant waste is not planned to be generated during this time. Hilcorp Alaska Waste Guide details how waste is managed and provides training.</p>
<p>i. New solid waste disposal sites will not be approved or located on state property during the exploratory phase. Exceptions may be provided for drilling waste if the facility will comply with the applicable provisions of 18 AAC 60.</p>	<p>A.4.i. not applicable - offshore</p>
<p>j. Wherever practicable, the preferred method for disposal of muds and cuttings from oil and gas activities is by underground injection. Other methods of disposal shall be allowed only upon approval by the director, in consultation with ADEC and ADF&G.</p>	<p>A.4.j. Mitigation measure is satisfied – mud and cuttings generated from oil and gas activities are sent to the Hilcorp Grind and Inject facility for disposal.</p>

<p>5. Access</p>	
<p>a. Public access to, or use of, the lease area may not be restricted except within the immediate vicinity of drill sites, buildings, and other related facilities. Areas of restricted access must be identified in the plan of operations. Lease facilities and operations shall not be located so as to block access to or along navigable or public waters as defined in AS 38.05.965.</p>	<p>A.5.a. not applicable - offshore</p>
<p>6. Prehistoric, Historic, and Archaeological Sites</p>	
<p>a. Before the construction or placement of any gravel, or other structure, road, or facility resulting from exploration, development, or production activities, the lessee must conduct an inventory of prehistoric, historic, and archeological sites within the area affected by an activity. The inventory must include consideration of literature provided by the affected borough and local residents; documentation of oral history regarding prehistoric and historic uses of such sites; evidence of consultation with the Alaska Heritage Resources Survey and the National Register of Historic Places; and site surveys. The inventory must also include a detailed analysis of the effects that might result from the activity.</p>	<p>A.6.a. not applicable – offshore – If at such time an activity that triggers a SHPO consultation a survey meeting those requirements will be completed.</p>
<p>b. The inventory of prehistoric, historic, and archeological sites must be submitted to the director, and to DPOR Office of History and Archaeology, who will coordinate with the affected borough for review and comment. If a prehistoric, historic, or archeological site or area could be adversely affected by a lease activity, the director, after consultation with DPOR Office of History and Archaeology and the affected borough, will direct the lessee as to the course of action to take to avoid or minimize adverse effects.</p>	<p>A.6.b. not applicable – offshore – If at such time an activity that triggers a SHPO/ Office of History and Archaeology consultation a survey meeting those requirements will be completed.</p>
<p>c. If a site, structure, or object of prehistoric, historic, or archaeological significance is discovered during lease operations, the lessee must report the discovery to the director as soon as possible. The lessee must make reasonable efforts to preserve and protect the discovered site, structure, or object from damage until the director, after consultation with DPOR Office of History and Archaeology and the affected borough, has directed the lessee as to the course of action to take for its preservation.</p>	<p>A.6.c. not applicable – offshore – If at such time an activity that triggers a SHPO/ Office of History and Archaeology consultation a survey meeting those requirements will be completed.</p>

<p>7. Local Hire, Communication, and Training</p>	
<p>a. Lessees are encouraged to employ local and Alaska residents and contractors, to the extent they are available and qualified, for work performed in the lease area. Lessees shall submit, as part of the plan of operations, a proposal detailing the means by which the lessee will comply with the measure. The proposal must include a description of the operator's plans for partnering with local communities to recruit, hire, and train local and Alaska residents and contractors. The lessee is encouraged, in formulating this proposal, to coordinate with employment and training services offered by the State of Alaska and local communities to train and recruit employees from local communities.</p>	<p>A.7.a. Mitigation measure is satisfied – Hilcorp has a preference to hire Alaska workers and contractors.</p>
<p>b. A plan of operations application must describe the lessee's past and prospective efforts to communicate with local communities and interested local community groups.</p>	<p>A.7.b. Mitigation measure is satisfied</p>
<p>c. A plan of operations application must include a training program for all personnel including contractors and subcontractors. The program must be designed to inform each person working on the project of environmental, social, and cultural concerns that relate to that person's job. The program must use methods to ensure that personnel understand and use techniques necessary to preserve geological, archeological, and biological resources. In addition, the program must be designed to help personnel increase their sensitivity and understanding of community values, customs, and lifestyles in areas where they will be operating.</p>	<p>A.7.c. not applicable – offshore</p>
<p>8. Definitions</p>	
<p><u>Facilities</u> means any structure, equipment, or improvement to the surface, whether temporary or permanent, including, but not limited to, roads, pads, pits, pipelines, power lines, generators, utilities, airstrips, wells, compressors, drill rigs, camps and buildings.</p> <p><u>Hazardous substance</u> means: (A) an element or compound that, when it enters into or on the surface or subsurface land or water of the state, presents an imminent and substantial danger to the public health or welfare, or to fish, animals, vegetation, or any part of the natural habitat in which fish, animals, or wildlife may be found; or (B) a substance defined as a hazardous substance</p>	

under 42 U.S.C. 9601 - 9657 (Comprehensive Environmental Response, Compensation, and Liability Act of 1980); "hazardous substance" does not include uncontaminated crude oil or uncontaminated refined oil; (AS 46.09.900).

Identified wetlands are those areas that have been identified as wetlands by the U.S. Army Corps of Engineers under Section 404 of the Clean Water Act.¹

Minimize means to reduce adverse impacts to the smallest amount, extent, duration, size, or degree reasonable in light of the environmental, social, or economic costs of further reduction.

Plan of operations means a lease Plan of operations under 11 AAC 83.158 and a unit Plan of operations under 11 AAC 83.346.

Practicable means feasible in light of overall project purposes after considering cost, existing technology, and logistics of compliance with the standard.

Secondary containment means an impermeable diked area or portable impermeable containment structure capable of containing 110 percent of the volume of the largest independent container. Double walled tanks do not qualify as Secondary Containment unless an exception is granted for a particular tank.

Temporary means no more than 12 months.

¹ *Wetlands means those areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas (40 CFR Parts 122.2, 230.3, and 232.2).*