

APPLICATION FOR EASEMENT ON STATE LAND AS 38.05.850



State of Alaska
Department of Natural Resources, Division of Oil and Gas
550 W. 7th Ave, Suite 1100, Anchorage, AK 99501-3563
Phone: 907-269-8800
Permitting Email: dog.permitting@alaska.gov



Non-refundable application fee: \$1500

ADL#

(to be filled in by state)

SECTION I. APPLICANT INFORMATION	
Applicant Name: Michael W. Schoetz	Title: Division Landman
Company: Hilcorp North Slope, LLC	
Mailing Address: 3800 Centerpoint Drive, Suite 1400	
City/State/Zip Code: Anchorage, Alaska 99503	
Phone: (907) 777-8414	Email: mschoetz@hilcorp.com
SECTION II. PROJECT LOCATION/LAND STATUS	
State of Alaska Surface Lands:	
Are supplemental pages for Land Status included in Appendix A? Yes ☐ No ☒	
1. Meridian, Township, Range, and Section(s): Township 12N, Range 11E, Umiat Meridian, Alaska: Section 31: N/2 NE/4 Covering 80 acres, more or less, within the Kuparuk River Unit.	
2. Is the project within or partially within an Oil and Gas Unit? Partially within the Kuparuk River Unit	
3. Is the project within or partially within an Oil and Gas lease held by the applicant? If yes, list ADL(s): ADL 47449	
4. Other Considerations (Existing easement ADL if applying for amendment or renewal): None	
5. Letter of non-objection or third-party commercial agreement obtained from other affected parties? Yes ☐ No ☒ If no, please explain LNO has been requested but not received by time of submitting application.	
SECTION III. PROJECT INFORMATION	
1. Project Name: ADL 47449 Wellbore Easement	

2. Construction Start/End Date: Begin: Q3 2025, End: Q1 2026	Easement Duration: 35 years																																																																
3. Project Activities:																																																																	
A. Project Description: The purpose of the subsurface easement is to allow for one wellbore drilled from L-Pad in the Prudhoe Bay Unit (located on ADL 28239) to cross the unit boundary and travel underneath Section 31 of T12N R11E (ADL 47449), which is located in the Kuparuk River Unit, and re-enter the Prudhoe Bay Unit. The wellbore will be an injector well targeting the Schrader Bluff OBD Sands. The well will not be producing hydrocarbons from the Kuparuk River Unit and will be drilled and completed in compliance with the AOGCC rules and regulations, specifically Orion Oil Pool Conservation Order No. 505C and Area Injection Order 26C. The well is planned to be spudded in late November to early December. Once the well has been completed, Hilcorp will apply to revise and reduce the easement to encompass only that area covering the wellbore path, approximately 50 feet in width. The well will be “in zone” (at an approximate depth of -4,200 TVDss) on Hilcorp’s ADL 28239 and would travel across the portion of ADL 47449 that lies within the Kuparuk River Unit for approximately 300 feet until it re-enters the Prudhoe Bay Unit. Allowing the wellbore to remain in zone as it crosses the Kuparuk River Unit portion of ADL 47449 allows for easier drilling and provides the most responsible development of State resources.																																																																	
B. Methods of Construction: The proposed wellbore will be drilled with a 6.125” hole across the easement area. Upon completion of the drilling of the well to TD, a 4.5” cemented liner with injection sleeves (approximately every 300’ MD) will be run from surface casing shoe to the lateral TD. The liner will consist of blank pipe within the Kuparuk River Unit. No injection sleeves will be run in this section to prevent injection into hydrocarbon bearing intervals across the easement.																																																																	
C. Easement Parameters: Enter setback or buffer (ft) from the proposed project boundary for construction and operation easement. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="4" style="text-align: left;">Construction Easement (including buffers)</th> <th colspan="4" style="text-align: left;">Operation Easement (including buffers)</th> </tr> <tr> <th style="width: 15%;">Projects</th> <th style="width: 15%;">Length (ft)</th> <th style="width: 15%;">Width (ft)</th> <th style="width: 15%;">Size (acre)</th> <th style="width: 15%;">Projects</th> <th style="width: 15%;">Length (ft)</th> <th style="width: 15%;">Width (ft)</th> <th style="width: 15%;">Size (acre)</th> </tr> </thead> <tbody> <tr> <td>Gravel Pad</td> <td></td> <td></td> <td></td> <td>Gravel Pad</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Gravel Road</td> <td></td> <td></td> <td></td> <td>Gravel Road</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Pipeline</td> <td></td> <td></td> <td></td> <td>Pipeline</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Wellbore</td> <td></td> <td></td> <td></td> <td>Wellbore</td> <td>Enter</td> <td></td> <td></td> </tr> <tr> <td>Other</td> <td></td> <td></td> <td></td> <td>Other</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td></td> <td></td> <td></td> <td>Total</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Construction Easement (including buffers)				Operation Easement (including buffers)				Projects	Length (ft)	Width (ft)	Size (acre)	Projects	Length (ft)	Width (ft)	Size (acre)	Gravel Pad				Gravel Pad				Gravel Road				Gravel Road				Pipeline				Pipeline				Wellbore				Wellbore	Enter			Other				Other				Total				Total			
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D. Waste Management: Located on L Pad, Prudhoe Bay Unit																																																																	
E. Staging and Storage Areas: Located on L Pad, Prudhoe Bay Unit																																																																	

F. Airstrips and Landing Zones: Deadhorse, Alaska airport
G. Historical Properties and Cultural Resources: Not applicable – easement is for subsurface access only
H. Anadromous Fish Streams and Other Streams: Not applicable – easement is for subsurface access only
I. Fuel and Hazardous Substances: Not applicable – wellbore will not be open to injection within the easement area
J. Air Quality: Not applicable – easement is for subsurface access only
K. Water Quality: Not applicable
L. Utilities: Not applicable
M. Material Sites: Not applicable
N. Water Supplies: Not applicable
O. Roads: Access to easement area will not be required. Easement is for subsurface access only.
P. Personnel: Operation crews will be located on Prudhoe Bay Unit L Pad and not within the easement area.
4. Associated Structures: Wellbore will be spudded from the existing L Pad within the Prudhoe Bay Unit

5. Is this an existing use? Yes ☐ No ☒ If Yes, provide documentation verifying existing use, such as easement atlas, affidavits attesting to use and existence, pictures, etc.

6. What type of easement are you applying for?

Private Exclusive ☐ Private Non-Exclusive ☒ Public ☐

This will be a private non-exclusive subsurface wellbore easement within the Kuparuk River Unit.

7. Other permits or authorizations applied for in conjunction with this proposed project:

The proposed well will require a Permit to Drill from the AOGCC and will be covered by Hilcorp North Slope, LLC's statewide AOGCC bond.

8. Generally outline long-term maintenance and operation requirements:

There will be no disturbance to the surface.

9. Generally outline plans for rehabilitating the affected project area after completion of operations:

There will be no disturbance to the surface.

10. Operating procedures designed to mitigate, minimize, or avoid adverse effects:

Describe operating procedures designed to prevent or minimize adverse effects on other natural resources and other uses of the project area and adjacent areas, including fish and wildlife habitats, historic and archaeological sites, and public use areas. Any training related to minimizing adverse effects. e.g., cultural awareness, wildlife awareness etc. should be included. Describe project specific procedures.

The proposed wellbore will be drilled in accordance with all AOGCC safety protocols and regulations.

SECTION IV. PERFORMANCE GUARANTY		
Bonded Company:		
Type:	Bond Number:	Amount:
Bonding Company (must be qualified to conduct business in Alaska):		
Mailing Address:		
Phone:	Fax:	Email:
SECTION V. INSURANCE		
Comprehensive General Liability Insurance:		
Amount of Insurance:		
Insurer Name (must be qualified to conduct business in Alaska):		
Mailing Address:		
Phone:	Fax:	Email:

If this authorization is granted, I agree to construct and maintain the improvements authorized in a workmanlike manner, and to keep the area in a neat and sanitary condition; to comply with all the laws, rules, and regulations pertaining thereto; and provided further that upon termination of the easement for which application is being made, I agree to remove or relocate the improvements and restore the area without cost to the state and to the satisfaction of the Director of the Division of Oil and Gas.


Applicant's signature

October 14, 2025
Date

INSTRUCTIONS:

Maps:

Attach a USGS map (scale of 1:63,360) or a state status plat showing the location of the proposed easement. Please see the easement guidance document for additional map requirements.

The final granting of easement will be contingent upon our receipt of as-built depicting the post construction location of the improvements. Instructions for the completion of the as-built will be provided by the DNR Survey Section.

AS 38.05.035 (a) authorizes the director to decide what information is needed to process an application for the sale or use of state land and resources. This information is made a part of the state public land records and becomes public information under AS 40.25.110 and 40.25.120 (unless the information qualifies for confidentiality under AS 38.05.035(a)(8) and confidentiality is requested). Public information is open to inspection by you or any member of the public upon request. A person who is subject of the information may challenge its accuracy or completeness under AS 40.25.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit are punishable under AS 11.56.210.

