



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF OIL AND GAS

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October 7, 2025

PUID: LOCI-22-005-PM091825A

Stetson Sannes
Environmental Specialist
Hilcorp Alaska, LLC
3800 Centerpoint Drive, Suite 1400
Anchorage, AK 99503

RE: LOCI 22-005, Hilcorp Alaska, LLC, Beluga River Unit, K Pad Additional Infrastructure Installation, Unit Plan of Operations Amendment Decision

Dear Mr. Sannes:

The Alaska Department of Natural Resources, Division of Oil and Gas (Division), in accordance with Alaska Statute 38.05 and Alaska Oil and Gas Leasing Regulations (11 AAC 83) grants authorization to conduct activities on State lands as proposed in the Beluga River Unit (BRU) Plan of Operations (Plan) amendment application dated September 18, 2025, for the above referenced project.

Scope:

Hilcorp Alaska, LLC (Hilcorp) has proposed the installation of new infrastructure on K Pad within the BRU for the purpose of supporting three new grassroots wells. The scope of the project includes installing well cellars and conductors to support new grassroots wells; installing two 6-inch and one 4-inch subsurface flowlines to connect the new wells to separator packages; installing three 24-inch separator skids; installing fuel gas and instrument air piping between skids and buildings; installing electrical instrumentation from the electrical building to the wellheads; installing either a line heater building or a dehydration building; and relocating a 10,000-gallon water tank from B Pad to K Pad. Trenching for subsurface activities will be backfilled with the excavated soil and leveled.

Plan Activities Include:

- Install well cellars and conductors to support new grassroots wells
- Install two (2) 6-inch and one (1) 4-inch subsurface flowlines to tie the new wells into the separator packages
- Install three (3) 24-inch separator skids
- Install one (1) line heater skid
- Relocate a 10,000-gallon produced water tank from B Pad to K Pad
- Install fuel gas and instrument air piping between skids and buildings
- Install electrical instrumentation to connect well heads to the electrical building, line heater building, and/or dehydration building

Location Information:

Beluga River Unit (BRU)

K Pad

Meridian: Seward Township: 13 N Range: 10W Sections: 13, 24

Latitude: 61.203974 Longitude: -151.003787

ADL(s): ADL 21128

K Pad is located within the Beluga River Unit on the west side of Cook Inlet, approximately two miles west of the mouth of the Beluga River.

Agency Review:

The Division provided a review and comment opportunity for the activities considered for authorization under this decision. The following government entities were notified on September 19, 2025, for comment on the Plan: The Alaska Department of Environmental Conservation (ADEC); the Alaska Department of Fish and Game (ADF&G); the Department of Natural Resources, Division of Mining, Land, and Water (DMLW); the United States Army Corps of Engineers (USACE); the Kenai Peninsula Borough (KPB); and the Division's Units, Resource Evaluation, and Pipeline Coordinator Sections. The comment deadline was 4:30 pm Alaska Time on October 3, 2025. No comments were received.

Conditions/Stipulations:

A certified As-Built Survey of the activity shall be provided within one year of placement of the improvement. This As-Built must contain a hard copy, as well as a digital GIS file containing a shapefile or ESRI Feature Class.

Please attach this amendment approval with the original decision. This unit operations amendment approval is issued in accordance with Alaska Statute 38.05, Alaska Administrative Codes 11 AAC 83.346 and 11 AAC 83.303. The Division reviewed this amendment under the unit regulation for the Plan, 11 AAC 83.346, and considers the factors set forth in 11 AAC 83.303 (a) and (b). The amendment was also evaluated against the BRU agreement for conformance.

This approval signifies only that the State of Alaska has no objection to the operations outlined in the Plan amendment application. It does not constitute certification of any property right or land status claimed by the applicant nor does it relieve the applicant of responsibility to obtain approvals or permits from other persons or governmental agencies that may also be required. All stipulations contained in the original lease and subsequent Plan approvals remain in full force and effect.

If activities have not commenced, this approval expires on October 7, 2028. Failure to comply with the terms and conditions outlined in the lease, the attached stipulations, and this authorization may result in revocation of this unit operations approval.

Please contact me at (907) 269-8774 or hannah.silta@alaska.gov if you have any questions.

Sincerely,

Signed by:

Hannah Silta

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Hannah Silta

Natural Resource Specialist IV

An eligible person affected by this decision may appeal the decision to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any appeal must be received within twenty (20) calendar days after issuance of this decision under 11 AAC 02.040. An eligible person must first appeal a decision to the Commissioner before seeking relief in superior court. The Alaska State Courts establish its own rules for timely appealing final administrative orders and decisions of the department. Appeals may be mailed or hand-delivered to DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907)-269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. Appeals must be accompanied by the fee established in 11 AAC 05.160(d)(6), which has been set at \$200 under provisions of 11 AAC 05.160(a)-(b). A pdf or print copy of 11 AAC 02 may be obtained by contacting the DNR Commissioner's office by phone at (907) 269-8431, or via email at dnr.appeals@alaska.gov, and is also available on the department's website at <http://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf>.

Attachments: Figure 1, BRU K Pad Facility Upgrades Map
2018 Cook Inlet Mitigation Measures

ecc: DOG: Graham Smith, Alex Zinck, Evelyn Jobe, Molly Fenton, Jack McGowan, SPC
Records, DOG Units, and DOG Resource Evaluation
DMLW: Henry Brooks, Southcentral Region Office (SCRO), and the SAIL Section
ADF&G: Kaitlynn Cafferty
ADEC: ADEC Agency Reviews and ADEC Oil & Gas
KPB: Marcus Mueller
Other: USACE

K-Pad Facility Upgrades

