

Notice of Public Hearing
STATE OF ALASKA
ALASKA OIL AND GAS CONSERVATION COMMISSION

RE: Docket Number: CO-24-015
Hilcorp Alaska, LLC's Spacing Exception Application for Well Happy Valley B-18
Deep Creek Unit
Kenai Peninsula Borough, Alaska

Hilcorp Alaska, LLC (Hilcorp), by letter dated October 31, 2024, filed an application with the Alaska Oil and Gas Conservation Commission (AOGCC) for an exception to the spacing requirements of Conservation Order No. 553A.001 to allow for the drilling, completion, testing, and operation of the proposed Happy Valley B-18 development gas well in the Deep Creek Unit Happy Valley Beluga / Tyonek Pool within 1,500 feet of an external property line where the owners and landowners are not the same on both sides of the line, pursuant to 20 AAC 25.055(d).

Surface Location:	2289' FSL, 422' FEL, Section 21, T2S, R13W, Seward Meridian (SM)
Target Location:	2191' FNL, 250' FWL, Section 22, T2S, R13W, SM
Bottom Hole Location:	87' FNL, 2018' FWL, Section 22, T2S, R13W, SM

Well spacing regulations protect the oil and gas rights of adjacent leaseholders and landowners and maximize resource recovery by establishing default limits on how close, under the land's surface, oil and gas wells can be to property lines where ownership changes hands. These limits are set forth in a regulation, 20 AAC 25.055. Operators must abide by the default limits unless they apply for, and obtain, an order approving an exception to those limits. Although exceptions to the default limits are not unusual, AOGCC carefully evaluates each application, and typically grants them only when actual geologic conditions demonstrate that the proposed subsurface location of a well is necessary to reach otherwise unreachable oil or gas and that both the rights of adjacent leaseholders and landowners and underground drinking water can be protected. As a general matter, AOGCC does not have extensive authority over surface impacts such as noise, emissions, or construction.

This notice does not contain all the information filed by Hilcorp. To obtain more information, contact the AOGCC's Special Assistant, Samantha Coldiron, at (907) 793-1223 or samantha.coldiron@alaska.gov.

The AOGCC has tentatively scheduled a public hearing on this matter for January 14, 2025, at 10:00 a.m. via Microsoft Teams. The hearing, which may be changed to full virtual, if necessary, will be held in the AOGCC hearing room located at 333 West 7th Avenue, Anchorage, AK 99501. The audio call in information is (907) 202 7104 Conference ID: 364 413 504#. Anyone who wishes to participate remotely using MS Teams video conference should contact Ms. Samantha Coldiron at least two business days before the scheduled public hearing to request an invitation for the MS Teams. To request that the tentatively scheduled hearing be held, a written request must be filed with the AOGCC no later than 4:30 p.m. on December 6, 2024.

If a request for a hearing is not timely filed, the AOGCC may issue an order without a hearing. To learn if the AOGCC will hold the hearing, call (907) 793-1223 after December 10, 2024.

In addition, written comments regarding this application may be submitted to the AOGCC, at 333 West 7th Avenue, Anchorage, AK 99501 or samantha.coldiron@alaska.gov. Comments must be received no later than 4:30 p.m. on December 20, 2024, except that, if a hearing is held, comments must be received no later than the conclusion of the January 14, 2025, hearing.

If, because of a disability, special accommodations may be needed to comment or attend the hearing, contact Samantha Coldiron, at (907) 793-1223, no later than January 7, 2025.

Jessie L.
L. Chmielowski
Date: 2024.11.18
13:19:07 -09'00'

Jessie L. Chmielowski
Commissioner

Gregory Wilson
Date: 2024.11.18 13:27:52 -09'00'

Gregory C. Wilson
Commissioner