United States Department of the Interior
BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT
Alaska OCS Region
3801 Centerpoint Drive, Suite 500
Anchorage, Alaska 99503-5823

January 21, 2025

Mr. Luke Suchecki
Landman, Hilcorp Alaska, LLC
3800 Centerpoint Drive, Suite 1400
Anchorage, AK 99503

Dear Mr. Sucheski,

The Liberty Unit Agreement, Contract No. 7501030001U, consists of leases OCS-Y-1585, OCS-Y-1650 and OCS-Y-1886, each of which is beyond its primary term of ten years and is not producing oil or gas. These three leases have remained valid beyond their primary terms due to a series of subsequent Suspensions of Production (SOP). The most recent SOP for these leases, approved on December 22, 2021, expired on December 26, 2024. Hilcorp submitted another SOP request on August 28, 2024, and the Department of the Interior determined that the August 28, 2024, SOP request failed to justify granting another SOP. The Department therefore denied the request on December 26, 2024. Accordingly, effective December 27, 2024, your leases have expired pursuant to 30 CFR 250.1301(g)(2) and your unit has terminated pursuant to 30 CFR 250.1301(g)(1).

Further, Article 16.1 of the Liberty Unit Agreement states: "This Agreement … shall terminate when oil or gas is no longer being produced from the unit area and drilling or well-reworking operations are no longer being conducted in accordance with the provisions of Article IX of this Agreement. If the Regional Supervisor has ordered or approved a suspension of operations or production on all or part of the unit area pursuant to the regulations, this Agreement shall be continued in force and effect for a period of time equal to the length of the authorized suspension and thereafter so long as operations are being conducted in accordance with the provisions of Article IX herein." BSEE has determined that the required grounds for unit continuation under Article 16.1 are not met and therefore deems the Unit Agreement terminated concurrently with the expiration of the leases effective December 27, 2024.

Please contact Justin Miller at (907) 334-5300 or Justin.Miller@bsee.gov if you have any questions.

Sincerely,

JUSTIN MILLER Digitally signed by JUSTIN MILLER
Date: 2025.01.21 09:56:18 -09'00'

Justin T. Miller
Regional Director

Cc: Bureau of Ocean Energy Management
Office of Natural Resources Revenue