

MEMORANDUM

Department of Natural Resources

State of Alaska

Division of Oil & Gas

TO: Chantal Walsh, Director

DATE: August 2, 2018

THRU: Nathaniel Emery, Natural Resource Specialist IV

FROM: James Hyun, Natural Resource Specialist III

Phone No.: 269-8812

SUBJECT: Subsea Flowline Repair - ADL 417493 Eni Nikaitchuq Development Flowline

The Department of Natural Resources, Division of Oil and Gas (Division), received a proposed change to ADL 417493 easement on July 10, 2018, from ENI US Operating Co. Inc. (ENI). The subsea flowline needs to be repaired due to significant internal pitting in the bottom third of the 14-inch produced fluids flowline. ENI proposes to use a pipe thruster in the flowline on the Oliktok Point Pad (OPP) end and a horizontal directional drilling rig at Spy Island Drill Site (SID). ENI will utilize a push-pull methodology to install the 10-inch repair sleeve within the existing 14-inch produced fluids line. The flowline and SID wells will be shut-in for 30 to 45 days during the repair.

ADL 417493 was approved on March 29, 2006 to allow ENI to construct onshore and offshore pads and pipelines in support of the Nikaitchuq Unit development project. The Division-approved activities are confined within the ADL 417493 easement boundary. Staging and assembly of materials may occur on other State of Alaska and Air Force surface lands adjacent to OPP.

The Division has delegated authority over oil and gas related 38.05.850 easements on the North Slope. The Division believes that ENI's request constitutes a minor modification to the project and proposes that the repair work be granted. Approval of this modification constitutes a minor change to the EA that does not expand the scope of the easement, nor does it constitute a new or expanded interest in state land. Therefore, this action requires your concurrence but will not be serialized as an amendment to the decision should concurrence be granted.

- I concur
- I do not concur


Chantal Walsh
Director, Division of Oil and Gas

8/2/2018
Date