



November 29, 2017

Chris Wrobel
Permitting Coordinator
Conoco Phillips Alaska Inc.
P.O. Box 100360
Anchorage, AK 99510-0360

RE: LONS 81-005, Conoco Phillips Alaska Inc., Prudhoe Bay Unit, Kuparuk River East Channel Revetment/Roadway Repair Plan of Operations Amendment Decision.

Dear Mr. Wrobel:

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 Prudhoe Bay Unit (PBU) Plan of Operations (Plan) amendment application dated October 4, 2017 for the above referenced project.

Scope:

ConocoPhillips Alaska Inc. (CPAI) proposes to construct a temporary gravel bypass road for repairs and erosion revetment work on Spine Road at the East Channel of the Kuparuk River, located in the PBU. This project includes 0.45 acres of temporary gravel fill and 0.1 acres of permanent gravel and armor rock placed in the East Channel of the Kuparuk River. This project was previously permitted in 2015 and then deferred before construction started. CPAI is proposing to restart the project and construction is scheduled to start in the spring/summer of 2018. Two elements of the original project changed from the previously permitted project in 2015: 1) construction of the temporary bypass road, and 2) removal of turnaround pad. Construction of the temporary bypass road is scheduled to begin after spring break-up. The temporary bypass road will be removed at the end of the project and graded back to the preconstruction elevation of the previously existing area.

Plan activities include:

- Installation of new road improvements.
- Installation of 200 foot-long section of temporary fill for bypass road.
- Demolition of bypass road.

Location information:

Prudhoe Bay Unit
Kuparuk River Channel
Meridian: Umiat

Township: T11N

Range: 13E

Section: 6

Lat 70.3287, Long -148.9574
ADL(s): 028260 and 028282

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 October 24, 2017 for comment on the Plan: U.S. Army Corps of Engineers, Alaska Department of Fish and Game (ADFG), Department of Environmental Conservation (DEC), DNR: Division of Mining, Land & Water (DMLW) and the Division of Oil and Gas. The comment deadline was 4:30 pm Alaska Time on November 11, 2017. No comments were received.

Public notice:

The Division did not public notice this amendment application.

Conditions/Stipulations:

1. A Status Report for the activities conducted under this approval must be filed with this office on May 1 and November 1 each year, from the date this approval is issued and until a Completion Report is filed with the Division. Failure to file in a timely manner may result in revocation of this approval. The completion report shall contain a statement describing clean-up activities conducted, the method of debris disposal, and a narrative description of known incidents of surface damage.
2. The applicant shall defend, indemnify and hold the State of Alaska harmless from and against any and all claims, damages, suits, losses, liabilities and expenses for injury to or death of persons and damage to or loss of property arising out of or in connection with the entry on and use of State lands authorized under this approval by the applicant, its contractors, subcontractors and their employees.
3. Amendments and modifications to this approval require 15-day advance notice and must be approved in writing by the Department of Natural Resources.
4. The applicant shall inform and ensure compliance with any and all conditions of this approval by its employees, agents and contractors, including subcontractors at any level.
5. The Commissioner of the Department of Natural Resources may require that an authorized representative be on-site during any operations conducted under this approval. This stipulation is required to ensure that the Divisions of Oil and Gas, and Mining, Land and Water meet their statutory responsibilities for monitoring activities taking place on state-owned lands.
6. Rehabilitation shall be completed to the satisfaction of the Commissioner.
7. Tundra travel on or across Native land claims is not authorized under this approval. The applicant shall consult Bureau of Land Management master title plats prior to all operations to ensure surface operations do not cross or impact existing or pending native allotment claims. The purpose of this stipulation is to avoid trespass and/or damage to in-holdings on state-owned lands.
8. Notification. The applicant shall notify the Department of Natural Resources of all spills that must be reported under 18 AAC 75.300 under timelines of 18.AAC 75.300. All fires and explosions must be reported to DNR immediately. The DNR 24-hour spill report number is

(907) 451-2678; the fax number is (907) 451-2751. The Alaska Department of Environmental Conservation (ADEC) oil spill report number is (800) 478-9300. DNR and ADEC shall be supplied with all follow-up incident reports.

Amendment Specific Stipulation:

9. A certified As-Built survey of the activity shall be provided within one year of placement of the improvement. This As-Built must be both digital and hard copy.

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 PBU agreement for conformance.

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after issuance of the decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

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 November 29, 2020. 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.

Any questions or concerns about this amendment may be directed to Natural Resource Specialist John Easton at 907-269-8815 or emailed to john.easton@alaska.gov.

Sincerely,

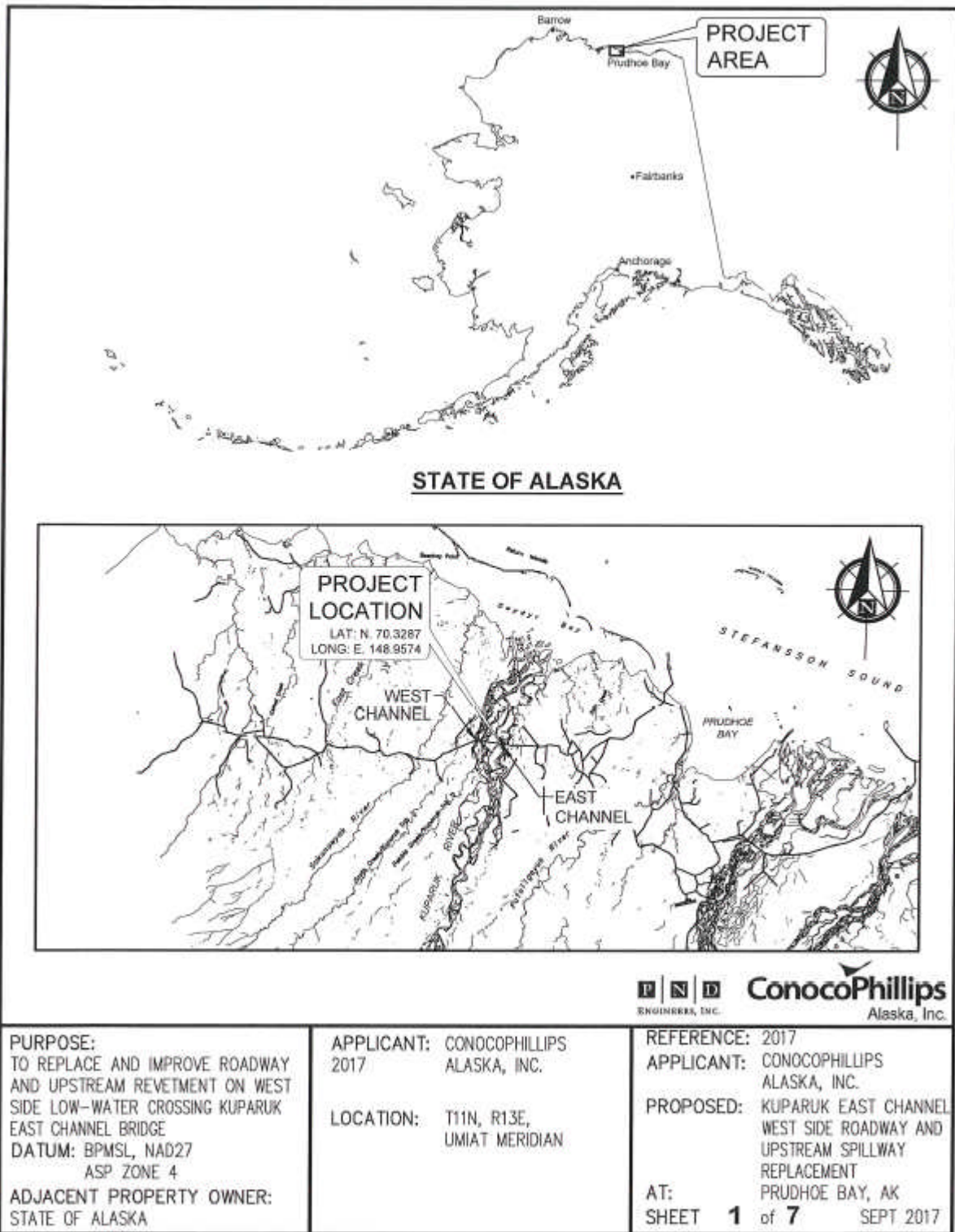


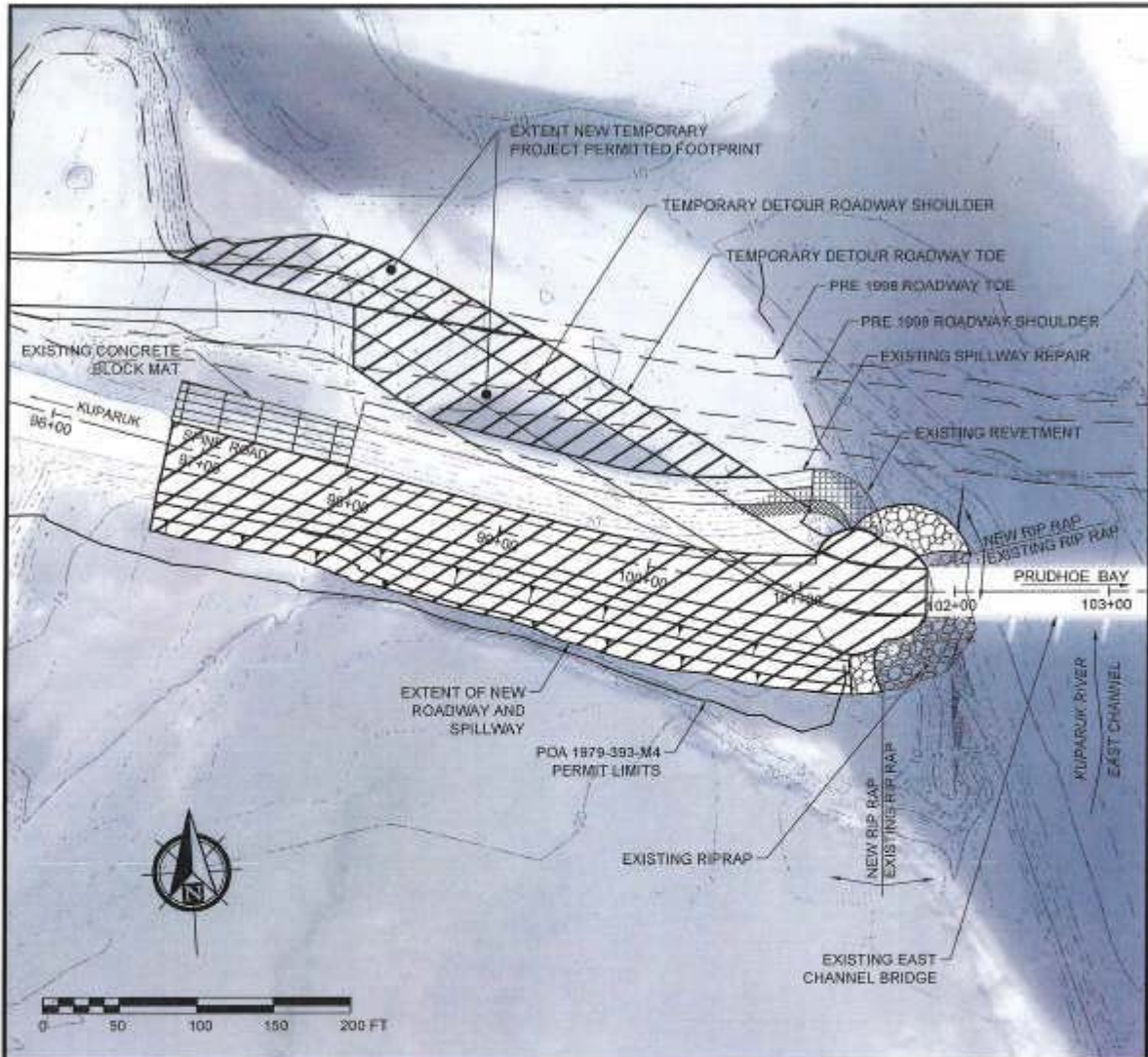
Nathaniel G. Emery
Natural Resource Specialist

Attachments: Figures 1-2
2008 North Slope Mitigation Measures with 2011 Supplement

ecc: DOG: Kim Kruse, Nathaniel Emery, Paul Blanche, Conor Williamson and James Hyun
DMLW: Melissa Head, Kimberley Maher and Matthew Willison
ADF&G: Jack Winters
Borough: Josie Kaleak, Matt C. Dunn, John Adams and Jason Bergerson
Other: regpagemaster@usace.army.mil and Stephen Moore

Fig 1-2





EAST CHANNEL PERMITTING PLAN

P | N | D **ConocoPhillips**
ENGINEERS, INC. Alaska, Inc.

REFERENCE: 2017
APPLICANT: CONOCOPHILLIPS
ALASKA, INC.
PROPOSED: KUPARUK EAST CHANNEL
WEST SIDE ROADWAY AND
UPSTREAM SPILLWAY
REPLACEMENT
AT: PRUDHOE BAY, AK
SHEET **2** of **7** SEPT 2017