Department of Natural Resources

DIVISION OF OIL AND GAS

550 W. 7th Avenue Suite 1100 Anchorage, Alaska 99501-3560 Main: 907.269.8800 Fax: 907.269.8939





November 16, 2018

Jessika Gonzalez Permitting Coordinator ConocoPhillips Alaska, Inc PO Box 100360 Anchorage, AK 99501

RE: LONS 09-009, ConocoPhillips Alaska, Inc, Colville River Unit, Colville Delta No. 5, CD5 Extension 2 Unit Plan of Operations Amendment Decision.

Dear Ms. Gonzalez:

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 within the Colville River Unit (CR) as described in the Plan of Operations (Plan) amendment application dated October 29, 2018 for the above referenced project.

Scope:

ConocoPhillips Alaska, Inc. (CPAI) requests authorization to drill up to 10 additional wells on the existing Colville Delta No. 5 (CD5) pad at the east end of the existing pipe rack. Additional infrastructure may include the installation of 33 new Vertical Support Members (VSMs), two pipe racks, pipe supports, interconnects, remote electronics instrumentation module modifications, thermosyphons, conductors, well houses, mouseholes, lateral piping, and other drill site infrastructure on the CD5 pad. The CD5X2 project does not require additional gravel footprint.

The proposed activities will begin on February 1, 2019 and are expected to be completed by April 30, 2024.

Plan activities include:

- Drilling up to 10 new wells on the existing CD5 pad in a phased approach based on rig availability.
- Installation of related infrastructure on the existing CD5 pad.

Location information:

CR CD5 Meridian: Umiat Township: 11N Range: 4E 70.31363349907198, -151.2213559202944, NAD83

Section: 18

CD5 is located approximately eight miles northwest of Nuiqsut.

Agency review:

As a courtesy, the amendment application was circulated to Arctic Slope Regional Corporation (ASRC), Kuukpik Corporation, and the Bureau of Land Management (BLM), as well as the State of Alaska Department of Fish and Game (ADF&G), and DNR: Division of Mining, Land & Water (DMLW), Division of Oil & Gas (DOG). No comments were received.

Conditions/Stipulations:

1. 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 CR 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 16, 2021**. 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 Mark Henspeter at 907-269-8812 or emailed to mark.henspeter@alaska.gov.

LONS 09-009, ConocoPhillips Alaska, Inc., Colville River Unit, Colville Delta No. 5, CD5X2 Unit Plan of Operations Amendment Decision

11/16/2018

Sincerely,

Jathanie Gunny

Nathaniel Emery Natural Resource Specialist

Attachments: Figure 1

ecc: DOG: Nathaniel Emery, Paul Blanche, James Hyun, Jes Spuhler DMLW: Melissa Head, Kimberley Maher, Becky Baird, Clif Enochs ADF&G: Jack Winters Kuukpik Corporation: Mark Major Arctic Slope Regional Corporation: Teresa Imm Bureau of Land Management: Donna Wixon

