



December 7, 2018

Jessika Gonzalez
Permitting Coordinator
ConocoPhillips, Alaska Inc.
P.O. Box 100360
Anchorage, AK 99510

RE: LONS 09-009, ConocoPhillips Alaska, Inc., Colville River Unit, Colville Delta No. 5, CD5 Fluid Storage Tanks 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) Plan of Operations (Plan) amendment application dated November 19, 2018, for the above referenced project.

Scope:

ConocoPhillips Alaska, Inc. (CPAI) requests authorization to store various hydrocarbons and other fluids in an existing crude storage tank and add an additional storage tank in the Fluid Tank Farm on the Colville Delta No. 5 (CD5) pad. Both existing and new fluid storage tanks have a nominal capacity of 847 barrels each. The existing tank will remain where currently located within the established fluid storage tank farm area, and the approved contents will be broadened to include standard fluids for North Slope oil field operations.

The new tank will be placed within the same tank farm area as the existing tanks. The area has permanent secondary containment consisting of a lined containment basin with concrete walls large enough for the contents of the largest tank with additional capacity to allow for local precipitation. The tanks will be utilized until the end of field life.

The proposed activities are scheduled to begin as soon as authorization is received. All work will occur on the existing pad.

Plan activities include:

- Storage of various hydrocarbons and other fluids in existing storage tank
- Installation of new storage tank within existing tank farm

Location information:

CR

CD5

Meridian: Umiat

Township: 11N

Range: 4E

Section: 18

70.3133770, -151.2230468 NAD83

CD5 is located approximately eight miles northeast of Nuiqsut.

As a courtesy, the amendment application was circulated to Arctic Slope Regional Corporation (ASRC), and Kuukpik Corporation, as well as the Alaska Department of Fish and Game, DNR: Division of Mining, Land & Water (DMLW), and Division of Oil & Gas.

DMLW requested further information on total capacity of the secondary containment area surrounding the tank farm and verification of which local precipitation estimate was utilized in calculating capacity. No objections 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 emailed 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, then this approval expires on **December 7, 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.

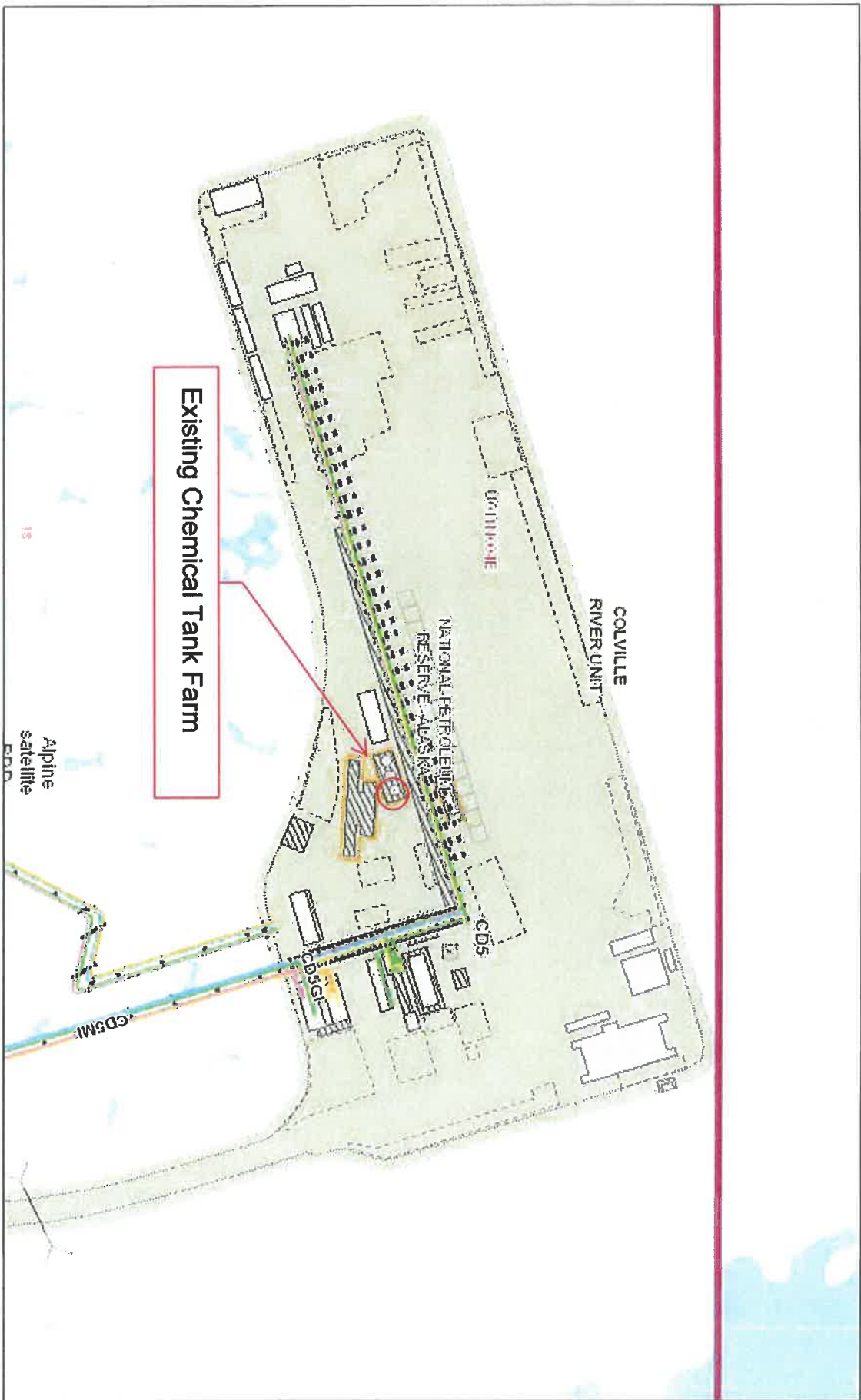
Sincerely,



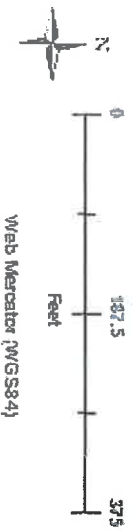
Nathaniel Emery
Natural Resource Specialist

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



ConocoPhillips
Alaska



CD-5 Fluid Storage Tanks

Project Overview

Author:

Date: 04/18/2018

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