THE STATE of ALASKA GOVERNOR MICHAEL J. DUNLEAVY

Department of Natural Resources

Division of Oil and Gas

550 West 7th Avenue, Suite 1100 Anchorage, AK 99501-3561 Main: 907.269-8431 Fax: 907-269-8939

February 4, 2019

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

RE: LONS 97-007, ConocoPhillips Alaska Inc., Colville River Unit, CD1, Cement Plant Expansion 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 on state lands as proposed in the Colville River Unit (CRU) Plan of Operations (Plan) amendment application dated January 8, 2019, for the above referenced project.

Scope:

ConocoPhillips Alaska, Inc. (CPAI) requests authorization to expand the existing cement plant on the Colville Delta No.1 (CD1) pad.

Plan activities include:

- Installation of twelve 4,000 cubic-foot cement silos, 48 vertical support members (VSMs), two platform extensions, stairs, containment relocation, a second truck loadout point, piping, and manifold upgrades on the southern end of the existing cement plant.
- Extension of two platforms and addition of stairs to access the new cement silos.
- Modification of air manifolds on 16 of the existing silos.
- Relocation of existing cement plant liquid storage area and construction of similarly lined secondary containment area at the new location.
- Construction of a second truck loadout point adjacent to the added silos.
- Spoils generated from the project will be taken to the Arctic Slope Regional Corporation mine site.

Location information:

CRU CD1

Meridian: Umiat Township: 11N Range: 5E Section: 5 Lat 70.3409302, Long -150.9330343

ADI (~). 025550

ADL(s): 025559

LONS 97-007, ConocoPhillips Alaska Inc, CRU, CD1 Cement Plant Expansion Unit Plan of Operations Amendment Decision

CD1 is located approximately nine miles north of Nuiqsut.

Agency review:

As a courtesy, the amendment application was circulated to the Alaska Department of Fish and Game (ADF&G) and DNR: Divisions of Mining, Land & Water (DMLW) and Oil and Gas.

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 CRU 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 February 4, 2022. 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 James Hyun at 907-269-8885 or emailed to james.hyun@alaska.gov.

LONS 97-007, ConocoPhillips Alaska Inc, CRU, CD1 Cement Plant Expansion Unit Plan of Operations Amendment Decision

Sincerely,

For Nathaniel Emery

Natural Resource Specialist

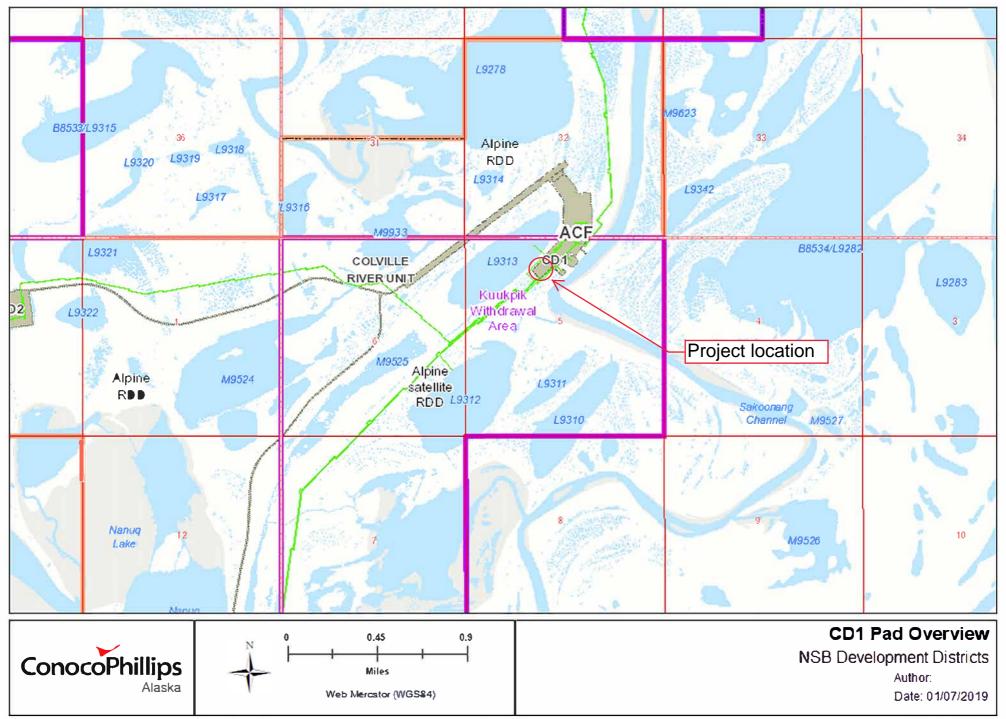
Attachments: Figure(s) 1-3

2018 North Slope Mitigation Measures

ecc:

DOG: Nathaniel Emery, Paul Blanche, and Mark Henspeter DMLW: Melissa Head, Kimberley Maher, and Becky Baird

ADF&G: Jack Winters



The source website and all maps are the property of ConocoPhillips and may not be used without authorization by ConocoPhillips.

This map is a graphical representation and is not guaranteed for completeness, accuracy, scale, or suitability for any purpose.

Figure 1

