



April 1, 2016

Ms. Suzan Simonds
SAExploration, Inc.
8240 Sandlewood Pl., Suite #102
Anchorage, AK 99507

RE: MLUPNS 16-002, SAExploration, Inc., Toolik/Kuparuk 2D Geophysical Exploration Permit Modification Approval

Dear Ms. Simonds:

The Division of Oil and Gas (Division) approved SAExploration, Inc. (SAE) Toolik/Kuparuk 2D (TK2D) Miscellaneous Land Use Permit (MLUP) application, dated January 19, 2016 and revised March 1, 2016, to conduct geophysical exploration on State of Alaska lands on the North Slope. Permit, MLUPNS 16-002, authorized SAE to conduct a land based seismic survey on State of Alaska land and waters within the vicinity of Franklin Bluffs pad along the Dalton Highway subject to the conditions of the permit. The approved permit dates are March 7, 2016 to May 31, 2016.

On March 3, 2016 SAE submitted a proposed modification to MLUPNS 16-002 to the Division for approval. SAE is requesting a permit to conduct activity within an expanded permit boundary, shown in Appendix A as 'Mod 2'. Approval of this modification does not relieve SAE from securing other permits or authorizations associated with the proposed modification. Any further modification is subject to further review and approval by the Department of Natural Resources (DNR).

This modification is approved effective April 1, 2016.

Issuance of a permit under 11 AAC 96 is not a disposal of an interest in land and does not grant a preference right to a lease or other disposal. The permit is revocable for cause for violation of a permit stipulation of this chapter, and is revocable at will if the department determines that the revocation is in the state's interest. The proposed activities are for a discrete and limited duration with limited, temporary impact to the land, and are not part of a larger project or investment by the permittee that might weigh against revoking the permit. Therefore the permit is both legally and functionally revocable. Each permit issued is subject to any stipulations the department determines necessary to assure compliance with this chapter, to minimize conflicts with other uses, to minimize environmental impacts, or otherwise to be in the interests of the state. Public notice of any miscellaneous land use application is discretionary under 11 AAC 96.030(c). The Director of the Division has the right at any time to amend or modify any provisions of this permit, or to revoke this permit.

Modification Description:

SAE is conducting a two-dimensional (2D) seismic survey at points southwest of Deadhorse. SAE requests to extend the project boundary for the existing seismic survey approximately 14 miles to the east and approximately 6 miles south of the original survey area. Approximately 200 additional linear miles will be added to the survey for a project total of about 620 linear miles.

Project Area Legal Description:

Meridian: Umiat

Township: 3N	Range: 11E	Section(s): 1-2, 11-14, 23-26
	Range: 12E	Section(s): 1-25
	Range: 13E	Section(s): 1-25
	Range: 14E	Section(s): 1-25
	Range: 15E	Section(s): 1-36
Township: 4N	Range: 14E	Section(s): 1-36
	Range: 15E	Section(s): 1-36
Township: 5N	Range: 14E	Section(s): 7-36
	Range: 15E	Section(s): 1-36

This decision is reviewing the following activities for potential Division approval:

Activities supporting seismic data acquisition on State of Alaska land and waters have been reviewed under the authority of this approval.

This decision is not reviewing the following activities for potential Division approval:

State land within the Umiat Meridian in the North Slope area has been designated as Special Use Lands under ADL 50666. A permit is required from the Division of Mining, Land and Water (DMLW) for motorized use, unless that use is for subsistence purposes or is on a graveled road.

Agency Review:

The Division provided an Agency review and comment opportunity for the activities considered for authorization under this decision. The following government entities were notified on March 10, 2016 for comment on the permit modification: North Slope Borough, Alaska Department of Fish and Game (ADFG), Alaska Department of Environmental Conservation, and DNR: State Pipeline Coordinator's Section, Division of Mining Land and Water, and Division of Oil and Gas. The comment deadline was 4:30 pm Alaska time on March 24, 2016. No comments were received.

Performance Guarantee:

The permittee has provided the Division with a performance guarantee under 11 AAC 96.060 in the amount of \$100,000.

Insurance:

The certificate of insurance has been furnished to the department and lists the State of Alaska, Department of Natural Resources as an additional named insured on the policy. The policy is issued by an insurer licensed to transact the business of insurance under AS 21.

Modification Approved:

Should any unforeseen issues arise, the Division has the authority to amend or revoke this permit modification. As detailed in this permit, the Division shall be notified if, during the conduct of activities, a surface use conflict occurs. All activities conducted under this permit are subject to inspection by the Division, and if damage occurs, appropriate interest holders will be engaged and corrective action will be prescribed. The Division will impose additional provisions as necessary under 11 AAC 96.040 at any time during the activity approved under this permit to minimize impacts and conflicts.

The Division considered all facts material to this modification including the permit provisions contained in this authorization per 11 AAC 96.040(b). The Division has determined that this permit modification is subject to the original stipulations dated March 7, 2016 for this non-permanent activity as conditioned is in the state's interest.

An eligible person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of issuance of this 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.

Sincerely,



Kim Kruse
Permitting Manager
Division of Oil and Gas

Appendix: A: Map

ecc: Gordon Brower NSB, gordon.brower@north-slope.org
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