



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

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

October 8, 2018

Jessika Gonzalez
Permitting Coordinator
ConocoPhillips Alaska, Inc.
PO Box 100360
Anchorage, AK, 99510-0360

RE: LONS 85-102, ConocoPhillips Alaska, Inc., Kuparuk River Unit, Drill Site 3R, West Sak Expansion Project, Unit Plan of Operations Amendment Decision.

Dear Jessica 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 Kuparuk River Unit (KR) Plan of Operations (Plan) amendment application dated September 19, 2018 for the above referenced project.

Scope:

ConocoPhillips Alaska, Inc. (CPAI) requests authorization for placement of gravel to expand the DS-3R pad adjacent to the north access road and expand the existing access road crown width to approximately 32 feet. Approximately 27,740 cubic yards (cy) of gravel will be placed within the existing pad footprint to raise and expand portions of the pad to provide access to existing and future infrastructure. Approximately 740 cy of gravel will be placed along the north access road to expand the crown width and will impact approximately 0.07 acres of tundra. The existing culvert beneath the north access road will be removed and replaced with a new culvert consistent with current CPAI specifications. The project will also include trenching to connect a power pole located to the east of the pad. The trench will be approximately 113 feet long, 4 feet deep, and 1 foot wide, and will impact approximately 0.003 acres of tundra. Excavated material will be used as backfill, and then capped with approximately 4 inches of overburden.

Construction activities will begin upon receiving authorization and will be completed by November 30, 2019.

Plan activities include:

- Placement of ~27,740cy of gravel before November 30, 2019.
- Trenching to power pole between before November 30, 2019.

Location information:

Kuparuk River Unit

Drill Site 3R

Meridian: Umiat

Township: 13N

Range: 09E

Section: 9

70.4977 -149.8385 NAD83

ADL(s): 355023

DS-3R is located along the coastline approximately 1 mile SE of Oliktok Point

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 September 21, 2018 for comment on the Plan: Alaska Department of Environmental Conservation (ADEC), Alaska Department of Fish and Game (ADF&G), and DNR: Division of Mining, Land & Water (DMLW), Division of Oil and Gas (DOG), North Slope Borough, and US Army Corps of Engineers (USACE). The comment deadline was 4:30 pm Alaska Time on October 5, 2018.

No comments were received.

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 Stipulations:

9. 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 Kuparuk River Unit agreement for conformance.

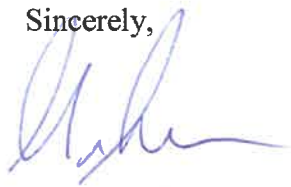
A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after issuance of the decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W 7th Avenue, 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 **October 8, 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,

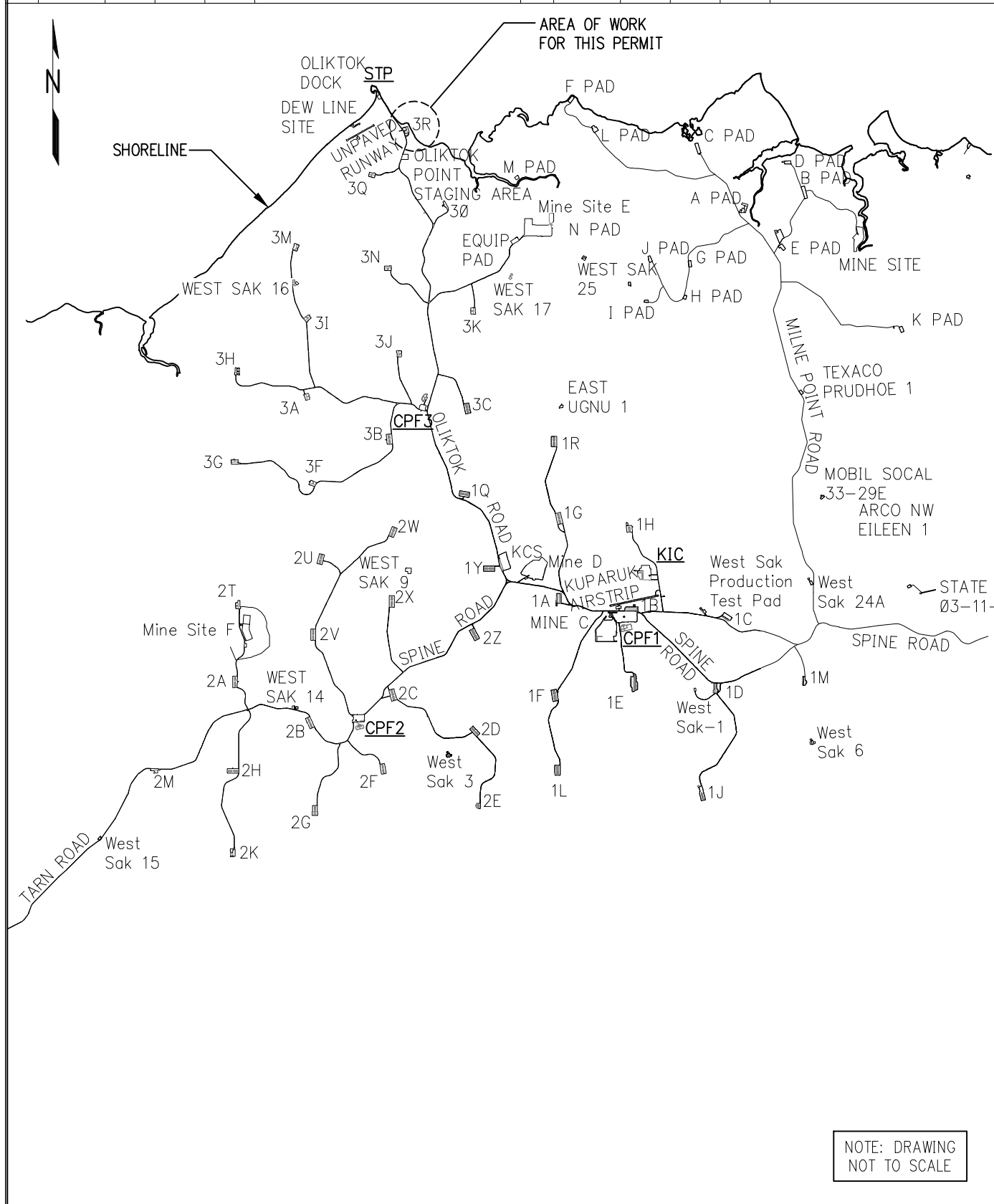


For Nathaniel Emery
Natural Resource Specialist

Attachments: Figure(s) 1-3

ecc: DOG: Graham Smith, Nathaniel Emery, Paul Blanche, James Hyun, Kenneth Diemer,
Katie Farley, Chris Grundman, Donna Speer, SPCO Records
DMLW: Melissa Head, Becky Baird, Kimberley Maher, Clif Enochs, Henry Brooks
ADF&G: Jack Winters
ADEC: Laurie Silfven, DEC Oil and Gas
NSB: Jason Bergerson, Josie Kaleak, Matt Dunn
Other: USACE

REV	DATE	BY	CK	APP	DESCRIPTION	REV	DATE	BY	CK	APP	DESCRIPTION
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NOTE: DRAWING NOT TO SCALE



AREA: 3R MODULE: 3RYD UNIT: D3
 KUPARUK VICINITY MAP
 DRILLSITE 3R
 GRAVEL PERMITTING

CADD FILE NO. SK-001	08/18	DRAWING NO: SK-001	PART: 001 OF -	REV: 0
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REV	DATE	BY	CK	APP	DESCRIPTION	REV	DATE	BY	CK	APP	DESCRIPTION
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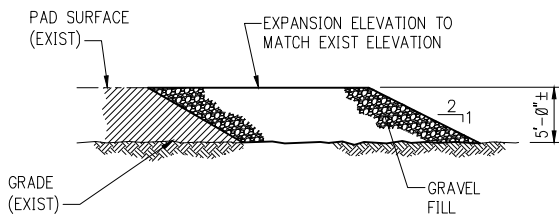
"ORIGINAL" USACE PERMITTED AREA, POA-1985-459-1P

DS3R PROPOSED GRAVEL EXPANSION
SCALE: NTS

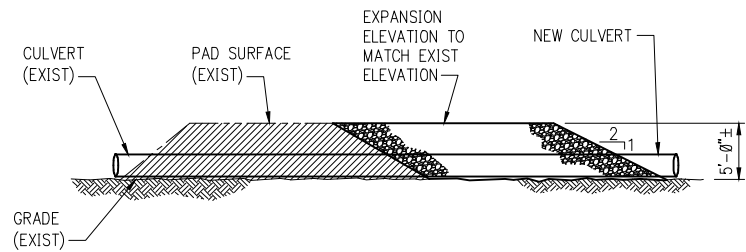
DS3R GRAVEL EXPANSION				
GRAVEL FILL FOOT PRINT			CUBIC YARDS (ACTUAL)	CUBIC YARDS (REQUIRED)
ORIGINAL	127,468 SQ FT	2.926 ACRES	23,605 CU YDS	25,966 CU YDS
AREA B	2,889 SQ FT	0.066 ACRES	672 CU YDS	740 CU YDS
TOTAL	130,357 SQ FT	2.993 ACRES	24,277 CU YDS	26,705 CU YDS

NOTES:

1. THIS DRAWING WAS DEVELOPED USING EXISTING SITE PLAN DRAWINGS. NO FIELD VERIFICATION WAS PERFORMED.
2. DEMOLISH EXISTING CULVERT AND REPLACE WITH NEW CULVERT.



GRAVEL PAD EXTENSION SECTION
SCALE: NTS



GRAVEL PAD EXTENSION SECTION W/ CULVERT
SCALE: NTS



AREA: 3R MODULE: 3RYD UNIT: D3
PROPOSED GRAVEL EXPANSION
 ACCESS ROAD
 GRAVEL PERMITTING

CADD FILE NO.
SK-002

08/18

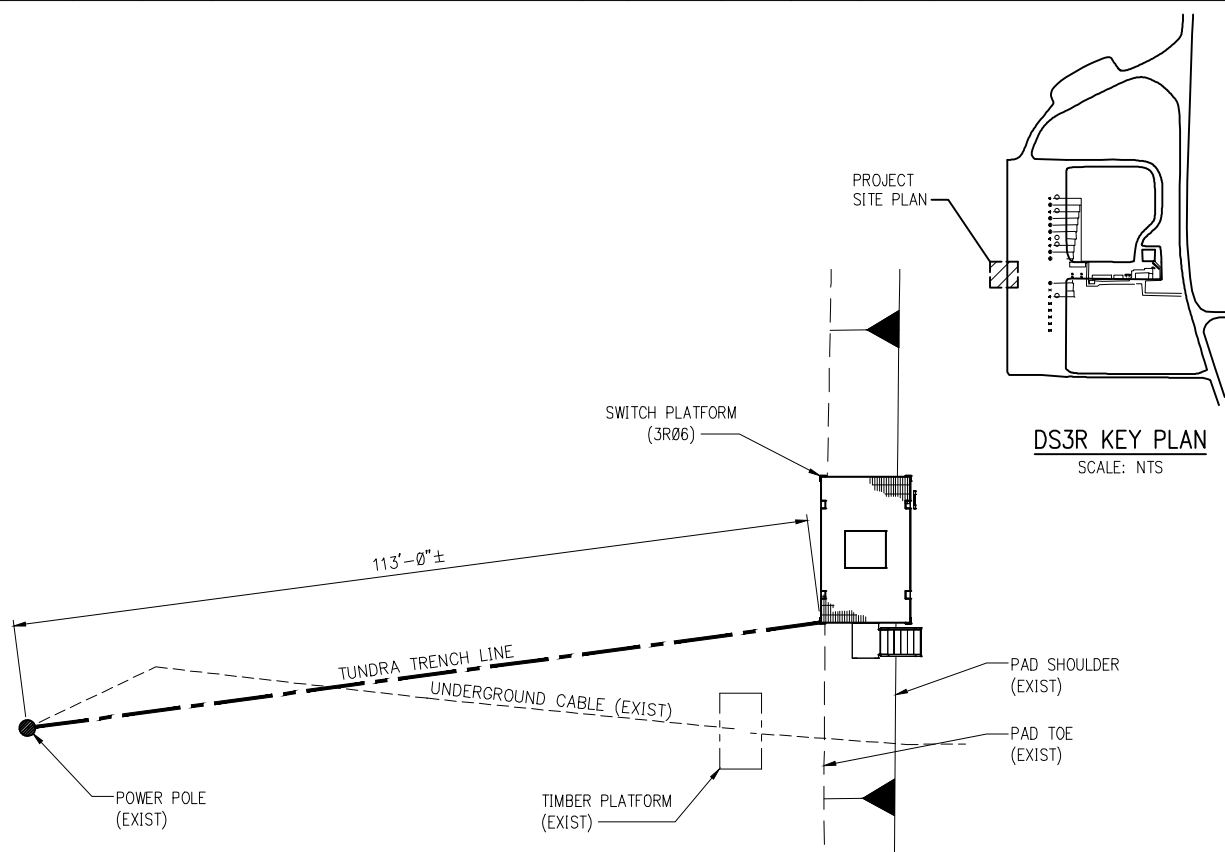
DRAWING NO:

SK-002

PART: 001 OF -

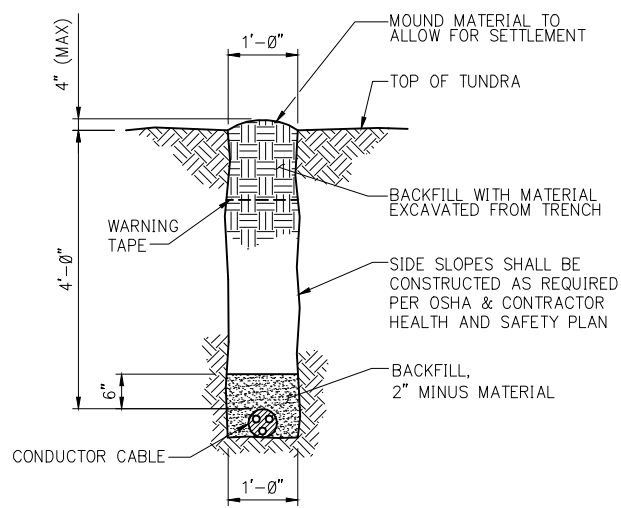
REV: 0

REV	DATE	BY	CK	APP	DESCRIPTION	REV	DATE	BY	CK	APP	DESCRIPTION
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DS3R KEY PLAN
SCALE: NTS

DS3R PROPOSED TUNDRA TRENCH
SCALE: NTS



TUNDRA TRENCH DETAIL
SCALE: NTS

TUNDRA TRENCH			
TUNDRA FILL FOOT PRINT	CUBIC YARDS (ACTUAL)	CUBIC YARDS (REQUIRED)	
113 SQ FT	0.0026 ACRES	17 CU YDS	18.37 CU YDS

NOTE:
1. THIS DRAWING WAS DEVELOPED USING EXISTING SITE PLAN DRAWINGS. NO FIELD VERIFICATION WAS PERFORMED.



AREA: 3R MODULE: 3RYD UNIT: D3
**PROPOSED GRAVEL EXPANSION
TUNDRA TRENCH
GRAVEL PERMITTING**

CADD FILE NO. SK-003	08/18	DRAWING NO. SK-003	PART: 001 OF -	REV: 0
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