



April 19, 2018

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

RE: LONS 97-007, ConocoPhillips Alaska Inc., CRU, CD-3, Fluid Storage ISO 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 approval to conduct activities as proposed in the Colville River Unit (CRU) Plan of Operations (Plan) amendment application dated April 10, 2018 for the above referenced project.

Scope:

ConocoPhillips Alaska Inc. (CPAI) requests authorization to store fluids other than methanol in the six ISO tanks on the Colville Delta Number 3 (CD-3) pad. The existing 5,000-gallon methanol ISO tanks will be replaced with 6,500-gallon ISO tanks. The ISO tanks will contain standard liquids for North Slope oil field operations, including but not limited to: diesel, methanol, corrosion inhibitor, scale inhibitor, emulsion breaker, glycol, mutual solvent, and foam inhibitor. Each secondary containment will exceed 110% of the maximum tank capacity and be constructed of wood timbers and an impermeable liner. All project work will occur on pad.

Plan activities include:

- Removal of 5,000-gallon methanol ISO tanks.
- Installation of six 6,500-gallon ISO tanks.

Location information:

CRU

CD-3

Meridian: Umiat

Township: 12N

Range: 5E

Section: 5

Lat: 70.4193510, Long: -150.9116312

ADL(s): 372105

Agency review:

As a courtesy, the application was circulated to the Alaska Department of Fish and Game (ADFG), Division of Mining, Land & Water (DMLW), and the Alaska Department of Environmental Conservation (ADEC). 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 be both digital and hard copy.

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 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 April 19, 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 James Hyun at 907-269-8885 or emailed to james.hyun@alaska.gov.

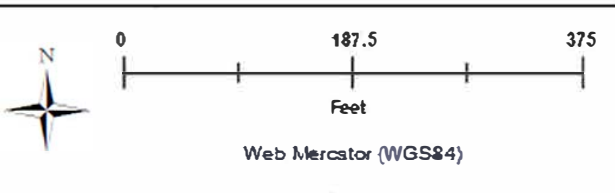
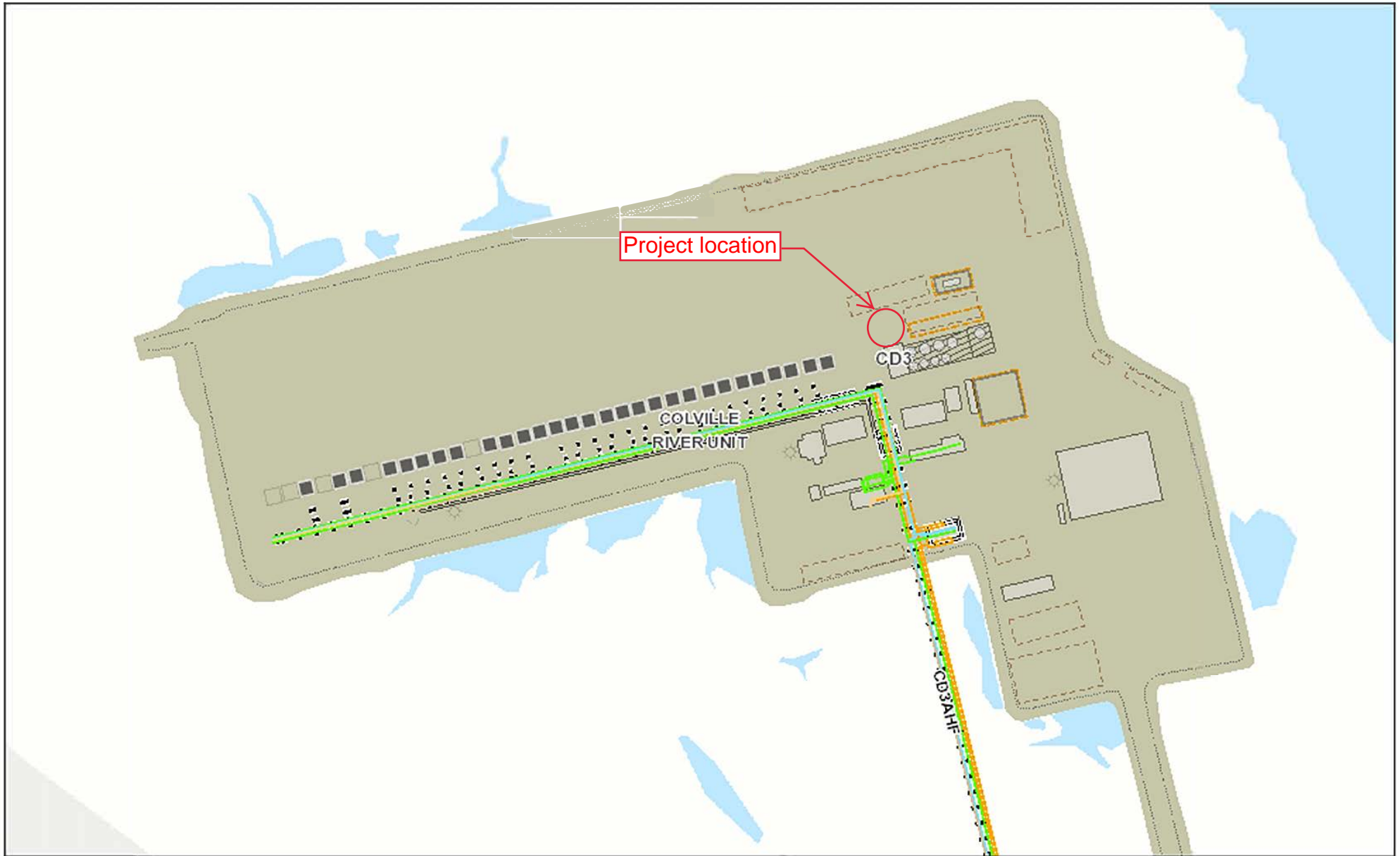
Sincerely,



Nathaniel Emery
Natural Resource Specialist

Attachments: Figure 1
2018 North Slope Mitigation Measures

ecc: DOG: Graham Smith, Nathaniel Emery, Paul Blanche, and spco.records@alaska.gov
DMLW: Melissa Head, Henry Brooks, Kimberley Maher, and Becky Baird
ADFG: Jack Winters
ADEC: Laurie Silfven



CD3 Fluid Storage ISO Tanks

Project Overview

Author:

Date: 03/29/2018

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