

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

July 24, 2018 Ms. Jessika Gonzalez Permitting Coordinator ConocoPhillips Alaska, Inc. P.O. Box 100360 Anchorage, AK 99510-0360

RE: LONS 09-009, ConocoPhillips Alaska, Inc., Colville River Unit, CD5, Weathered Crude Tank, 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 July 3, 2018 for the above referenced project.

Scope:

ConocoPhillips Alaska, Inc. (CPAI) proposes the installation of a weathered crude tank and associated oil piping in the existing Chemical Tank Farm on the Colville Delta No. 5 (CD5) pad. The weathered crude tank is required to support continued operations at CD5. The weathered crude tank has a nominal capacity of 847 barrels.

Plan activities include:

• Installation of a weathered crude tank and associated oil piping at CD5.

Location information:

Colville River Unit

CD5

Meridian: Umiat Township: 11N

Range: 04E Section: 18

Lat: 70.3133770, Long: -151.2230468 (NAD83)

The CD5 pad is located approximately 8 miles northwest of the village of Nuiqsut.

Agency review:

As a courtesy, the amendment application was circulated to the Alaska Department of Fish and Game (ADFG) and DNR: Division of Mining, Land & Water (DMLW) and Division of Oil and Gas. 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 July 24, 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 G. Emery

Natural Resource Specialist

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LONS 09-009, ConocoPhillips Alaska, Inc., Colville River Unit, CD5 Weathered Crude Tank Unit Plan of Operations Amendment Decision

Attachments: Figure 1-2

2018 North Slope Mitigation Measures

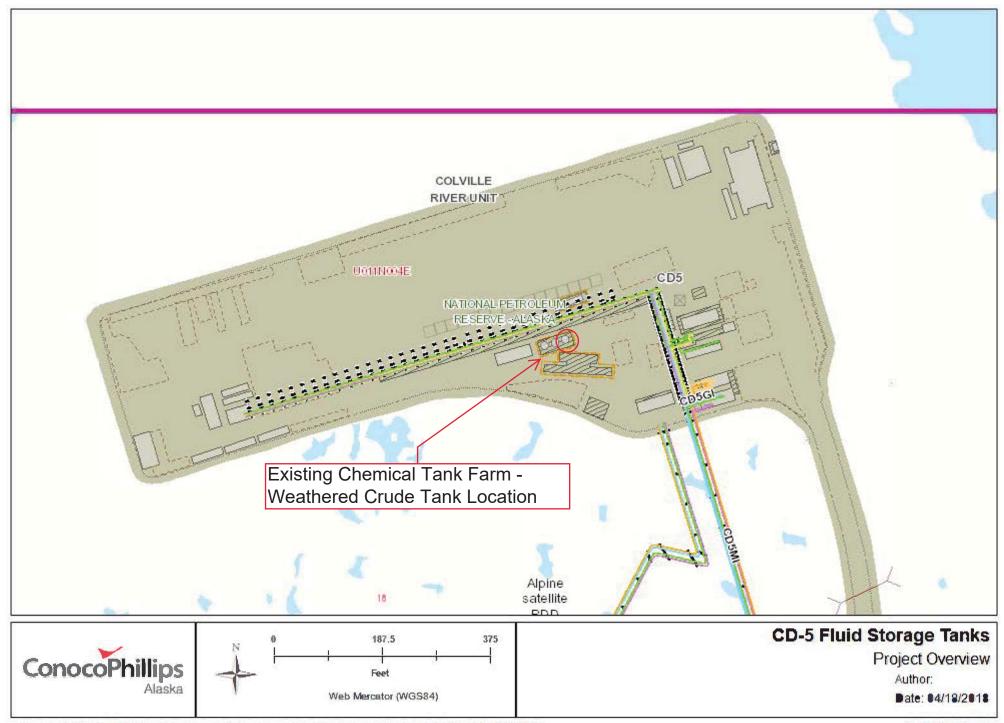
ecc: DOG: Graham Smith, Nathaniel Emery, Jes Spuhler, Paul Blanche, James Hyun, Mark

Henspeter and Tiana Heyano

DMLW: Becky Baird, Melissa Head and Kimberley Maher

ADF&G: Jack Winters

Other: Kuukpik Permitting - Mark Major majorinor@live.com



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