

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
STATE PIPELINE COORDINATOR'S OFFICE
411 W. 4th Avenue, Suite 2C
Anchorage, AK 99501

PUBLIC NOTICE
ALASKA DEPARTMENT OF NATURAL RESOURCES
OFFICE OF PROJECT MANAGEMENT AND PERMITTING
CONDITIONAL RIGHT OF WAY LEASE APPLICATIONS
ADL 417577 - Oil Pipeline
ADL 417578 – Gas Pipeline

Pursuant to AS 38.35.070, the Commissioner of the Department of Natural Resources hereby gives notice that on September 19, 2005, the Department of Natural Resources, Office of Project Management and Permitting (OPMP) submitted two right-of-way lease applications in accordance with the Alaska Right-of-Way Leasing Act, AS 38.35. The OPMP proposes to acquire two 45-mile overlapping rights-of-way to transport oil and gas from the Point Thomson vicinity to existing and future facilities in Prudhoe Bay. The rights-of-way are located on State lands managed by the Department of Natural Resources.

The following is a general description of the proposed pipeline routes. All lands are located within the Umiat Meridian, State of Alaska:

Township 9 North, Range 23 East, Sections 3, 4, 5, 6
Township 10 North, Range 23 East, Sections 31, 32, 34
Township 10 North, Range 22 East, Sections 34, 35, 36
Township 9 North, Range 22 East, Sections 3, 4, 5, 6
Township 9 North, Range 21 East, Sections 1, 2, 7, 8, 9, 10, 11, 12, 17, 18
Township 9 North, Range 20 East, Sections 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 22, 23, 24
Township 9 North, Range 19 East., Sections 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 22, 23, 24
Township 9 North, Range 18 East, Sections 1, 2, 3, 4, 5, 10, 11, 12
Township 10 North, Range 18 East, Sections 29, 30, 31., 32, 33, 34
Township 10 North, Range 17 East, Sections 16, 17, 18, 20, 21, 22, 23, 25, 26, 27, 28, 34, 35, 36
Township 10 North, Range 16 East, Sections 1, 2, 10, 11, 12, 13, 14.

The OPMP requested two overlapping 700-foot wide rights-of-way for construction and operation of the pipelines. One application is for an oil pipeline on vertical support members (ADL 417577) and the other is for a natural gas pipeline (ADL 417578), which may be partially or fully buried or partially or fully supported on vertical support members. The pipelines will be at least seven (7) feet off the tundra.

The proposed pipeline diameters have not been determined at this time because of a lack of information on production reservoirs and oil and gas field development plans. The composition of the oil and gas entering the pipelines is unknown. The pipelines will be pigged to allow better assessment of the line and to allow better maintenance, cleaning and corrosion control.

Gas compressor, refrigeration and pumping stations are not anticipated to be necessary. Should the gas pipeline require such facilities in the future, either for the original design or to increase capacity after original design, the facilities will be applied for and authorized under the Lease Amendment process. Planning for future tie-ins will be part of the engineering process. Tie-ins will be provided, where practicable, to commingle gasses from different fields and off-takes for gas for industrial purposes.

The oil pipeline will be constructed with shut-off valves or United States Department of Transportation approved leak prevention loops at navigable waterways. The pipeline will have isolation valves at its inlets and outlets, and at all branch connections. Tie-ins will be provided where practicable to include tie-ins commingling oils from different fields. Oil may also be withdrawn from the pipeline to refine in topping plants to produce heating and diesel oils for industrial purposes. The exact design will be tailored to meet the needs of future development in this area.

The pipelines will be constructed in winter and will be built from temporary ice roads. Water withdrawal sites will be identified when the final design of the pipelines are completed.

The proposed aggregate capacity of the gas pipeline is projected to be no more than two billion standard cubic feet/day (2,000 mmscfd). The proposed aggregate capacity of the oil pipeline is projected to be no more than one million production barrels/day (1,000,000 bbl/day) of crude oil.

The proposed pipelines will be constructed for a lifetime of a minimum of thirty years. This is typical of production pipelines on the North Slope. Pipelines can be operated indefinitely under most circumstances, with the appropriate level of maintenance.

Copies of the OPMP application may be viewed at the following locations or on-line at www.jpo.doi.gov :

Department of Natural Resources, Public Information Center, Anchorage
Department of Natural Resources, Public Information Center, Fairbanks
Department of Natural Resources, Public Information Center, Juneau
Alaska Resource Library Information Services (ARLIS), Anchorage
Anchorage, Z. H. Loussac Public Library
Barrow, Tuzzy Consortium Library
Fairbanks, Noel Wien Library

In accordance with AS 38.35.200(a), a person will have standing to seek judicial review of a decision of the Commissioner of the Department of Natural Resources on this application only if: (1) the person is an applicant, competing applicant or a person who has a direct financial interest affected by the lease that is subject of this notice of application; and (2) the person delivers a written objection to the application to the State Pipeline Coordinator's Office not later than 60 days from the date of initial publication of this notice.

The State of Alaska, Department of Natural Resources, State Pipeline Coordinator's Office complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, or special modifications to participate in this review may call (907) 271-5070 or 269-8411 TTY/TDD. Please provide sufficient notice in order for the Department to accommodate your needs.

For more information, please contact Janetta Pritchard at (907) 257-1391 or at the above address. The State Pipeline Coordinator's Office reserves the right to waive technical defects in this publication.

/s/ Frederick M. Thompson
Acting State Pipeline Coordinator