STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES STATE PIPELINE COORDINATOR'S OFFICE

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PUBLIC NOTICE COMMISSIONER'S ANALYSIS AND PROPOSED DECISION POLAR NATURAL GAS PIPELINE RIGHT-OF-WAY DRAFT LEASE LEASEHOLD LOCATION ORDER No. 37

The Commissioner of the Department of Natural Resources (DNR) received an amended application, dated April 10, 2012, from Polar LNG, LLC for a pipeline right-of-way lease under Alaska Statute 38.35 (Right-of-Way Leasing Act) for the proposed Polar Natural Gas Pipeline. The public notice of the application was published in accordance with AS 38.35.070 on April 13, 2012.

The proposed Polar Natural Gas Pipeline right-of-way lease is 3.54 miles long, originating at the tie-in to the Seawater Injection Plant feed gas line and terminating at the Fairbanks Natural Gas, LLC pad, located Prudhoe Bay (Deadhorse). During construction, the right-of-way on state-owned or managed lands will be up to 75 feet wide, containing 36.4 acres. The operations right-of-way will be 30 feet wide and will contain approximately 12.9 acres.

Associated with the issuance of the right-of-way lease, and justified within the Commissioner's Analysis and Proposed Decision, is the proposed implementation of Leasehold Location Order (LLO) No. 37. The LLO will be issued in accordance with AS 38.05.185 and will allow the DNR to keep lands within the proposed pipeline right-of-way open to mining while retaining flexibility through the leasing process to ensure that proposed mining operations would not interfere with the location, construction and operation of the pipeline. Existing mining operations will not be affected by this order.

In accordance with AS 38.35.080, the Commissioner has prepared an analysis of the Polar LNG application that finds Polar LNG, LLC, to be fit, willing and able to construct and operate a pipeline in a manner required by present and future public interest as required by Alaska Statute 38.35.100.

The public is invited to comment on the proposed LLO, the draft right-of-way lease and the Commissioner's Analysis and Proposed Decision. All comments must be submitted in writing to the State Pipeline Coordinator's Office (SPCO) before 5:00 p.m. on Sept. 16, 2013.

The public may obtain printed copies of these documents from the SPCO. The documents are also available at the SPCO website: http://dnr.alaska.gov/commis/pco. Copies will also be available at the following locations: Loussac Library (Anchorage), Noel Wein Public Library (Fairbanks), Tuzzy Consortium Library (Barrow), Kavolook Community Library (Kaktovik) and Nuiqsut Trapper School.

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) 269-8411 TTY/TDD. Please provide sufficient notice in order for the Department to accommodate your needs. The State Pipeline Coordinator's Office reserves the right to waive technical defects in this publication. Please contact the SPCO for more information.