

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL & GAS
STATE PIPELINE COORDINATOR'S SECTION

PUBLIC NOTICE

RELINQUISHMENT OF THE RIGHT-OF-WAY LEASE
FOR THE MILNE POINT PRODUCTS PIPELINE, ADL 416172
AND
AMENDMENT TO THE RIGHT-OF-WAY LEASE FOR THE
MILNE POINT OIL PIPELINE, ADL 410221

The Commissioner of the Department of Natural Resources (Commissioner), pursuant to Alaska Statute (AS) 38.35.070, hereby gives notice that Harvest Alaska, LLC as Managing Partner and Operator for the Milne Point Pipeline, LLC (Lessee), submitted a request to relinquish the Right-of-Way Lease for the Milne Point Products Pipeline (MPPP), ADL 416172. The MPPP is an 8-inch diameter pipeline and is approximately 10 miles long, and runs next to the Milne Point Oil Pipeline (MPOP) Right-of-Way Lease, ADL 410221 on the same vertical support members (VSMs) and within nearly the same acres of state land. The MPPP had been approved to transport natural gas or natural gas liquids (NGLs) but has been in suspended service since 2002.

The following was requested by the Lessee:

1. A relinquishment of the MPPP Right-of-Way Lease (ADL 416172), and a release of interest in all state lands subject to the lease. Harvest Alaska, LLC states that Hilcorp Alaska, LLC is the only potential shipper of hydrocarbons through the MPPP and has no current or future need to ship natural gas or NGLs. The Oliktok Pipeline (ADL 411731) was the only connected pipeline in the MPPP vicinity and was placed in suspended service.
2. To allow the MPPP to remain in place. The Lessee states that because the MPOP and MPPP share the same VSMs, removal of the MPPP would place an unnecessary risk to the MPOP.
3. Combine the MPPP with the MPOP Right-of-Way Lease (ADL 410221) as a related facility where the MPPP would be used as an emergency back-up pipeline for the MPOP.

The State Pipeline Coordinator's Section (SPCS) is proposing an amendment to the MPOP Right-of-Way Lease to include the MPPP as a related facility to the MPOP Right-of-Way Lease for the transportation of oil.

The application is available online: <http://dog.dnr.alaska.gov/Home/Newsroom>. The public may request hard copies of documents at cost from the SPCS at the address below.

AS 38.35.200 governs judicial review of decisions of the commissioner:

- AS 38.35.200. Judicial review of decisions of commissioner on application.*
- (a) An applicant or competing applicant or a person who has direct financial interest affected by the lease who raises objections within 60 days of the publication of notice under AS 38.35.070 are the only persons with standing to seek judicial review of a decision of the commissioner under AS 38.35.100.*
- (b) The only grounds for judicial review of a decision of the commissioner are*
- (1) failure to follow the procedures set out in this chapter; or*
 - (2) abuse of discretion so capricious, arbitrary, or confiscatory as to constitute a denial of due process.*

Any objections pursuant to AS 38.35.200 must be submitted in writing to the address below by 5:00 p.m. on October 30, 2018.

State Pipeline Coordinator's Section
3651 Penland Parkway
Anchorage, AK 99508
Phone: (907) 269-6479, Fax: (907) 269-6880
Email: spco.records@alaska.gov

The State of Alaska, Department of Natural Resources 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 269-8411 TTY/TDD. Please provide sufficient notice in order for the department to accommodate your needs.

DNR reserves the right to waive technical defects in this publication.

/s/ Graham Smith
Acting Pipeline Section Manager
Division of Oil and Gas
Department of Natural Resources

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