



THE STATE  
*of* **ALASKA**  
GOVERNOR BILL WALKER

Department of Natural Resources

Division of Oil & Gas  
Anchorage Office

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November 27, 2017

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. John F. Schell, Jr.  
Manager, Land and Business Development  
ConocoPhillips Alaska, Inc.  
700 G Street, ATO 1476  
Anchorage, Alaska 99501

Re: Amendment to the Colville River Unit Annual Plan of Development

Dear Mr. Schell:

In a letter dated November 20, 2017, Unit Operator, ConocoPhillips Alaska, Inc. (CPAI) submitted the Amendment to the 19th Annual Plan of Development (Amendment), Colville River Unit Agreement (CRUA) to the State of Alaska, Department of Natural Resources, Division of Oil and Gas (Division). The Division had previously approved the 19th Annual Plan of Development (POD) for the CRUA on May 9, 2017. CPAI now requests to amend the POD to provide further detail. The Division approves the Amendment.

CPAI proposes drilling two wells from a single surface location and single surface casing. Each well will evaluate an individual prospect. Information gained from the first well may determine the need for the second well. Each well will be plugged and abandoned. The wells will be drilled from an ice pad accessed from an ice road connected to the Alpine Resupply ice road.

In a decision dated August 1, 2017 the Commissioner of the Department of Natural Resources granted with conditions the Fifth Expansion of the Colville River Unit, CPAI accepted the conditions on August 11, 2017. Two wells are required to be drilled as part of the fifth expansion decision, known as the 2018 and 2020 Well Commitments. If the two wells identified in the Amendment are drilled as described, and CPAI completes the actions required following the drilling of each well, the 2018 and 2020 Well Commitments would be fulfilled.

The activities proposed in the Amendment benefit the state by exploring the state's resources. The work CPAI is performing at the CRU is advisable to protect the public interest and increase state oil and gas revenues. CPAI's plan to explore the area with the least possible impact conserves natural resources in the area. Future development plans for the area will be reviewed in subsequent plans of development and operations.

The Division has considered the criteria in 11 AAC 83.303 and finds that the Amendment protects the public interest and is therefore approved

An eligible person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of “issuance” of this decision, as defined in 11 AAC 02.040(c) and (d), and may be mailed or delivered to Andrew T. Mack, 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](mailto:dnr.appeals@alaska.gov). This decision takes effect immediately. 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.

Sincerely,



Chantal Walsh  
Director

cc: Teresa Imm, Arctic Slope Regional Corporation  
Rob Brumbaugh, U.S. Department of the Interior, Bureau of Land Management