

Regulatory Division (1145) CEPOA-RD Post Office Box 6898 JBER, Alaska 99506-0898

Public Notice of Application for Permit

PUBLIC NOTICE DATE:

January 31, 2017

EXPIRATION DATE:

March 1, 2017

REFERENCE NUMBER:

POA-1980-210-M4

WATERWAY:

SAGAVANIRKTOK RIVER

Interested parties are hereby notified that a Department of the Army permit application has been received for work in waters of the United States as described below and shown on the enclosed project drawings.

Comments on the described work, with the reference number, should reach this office no later than the expiration date of this Public Notice to become part of the record and be considered in the decision. Please contact Heather Markway at (907) 753-2797, toll free from within Alaska at (800) 478-2712, by fax at (907) 753-5567, or by email at Heather.N.Markway@usace.army.mil if further information is desired concerning this notice.

<u>APPLICANT</u>: Halliburton Energy Services, Inc., 6900 Arctic Boulevard, Anchorage, Alaska 99518 (Ms. Renee Huntman, (907) 275-2620, renee.huntman@halliburton.com)

<u>LOCATION</u>: The project site is located within Section 18, T. 10 N., R. 15 E., on USGS Quad Map AK-BEECHEY POINT A-3; Umiat Meridian; Latitude 70.22773°N, Longitude -148.41326°W, Spine Road, ADL Lease #47660, Deadhorse, Alaska.

<u>PURPOSE</u>: The applicant's overall project purpose is to maintain safe traffic patterns and adequate storage for equipment on the Halliburton Energy Services, Inc. (HES) gravel pad north of Deadhorse, providing support to their ongoing oil and gas operations on the North Slope.

PROPOSED WORK: The proposed work is to expand the current HES gravel pad by 5.35-acres. Approximately 52,000 cubic yards of clean fill material would be placed in wetlands abutting the north side of the existing HES pad and to east of an existing pipeline. The gravel pad expansion would be constructed so it is level with the existing pad, 5 feet thick. According to Halliburton, the gravel will provide area for parking 30 pieces of additional oilfield equipment (20,000 square feet), palletized storage area for bulk proppant (10,000 square feet), area for function testing equipment (2,000 square feet) and storage of snow in the winter.

The work would impact a total of approximately 5.35 acres of tundra wetlands that would be filled. According to the applicant, the wetlands to be filled are primarily of high to moderate value, "Category II" wetlands. The affected acres are Cowardin Classes PUBH, PEM1E, and PEM1F. Their HGM Classes are Riverine, Depressional, and Flat. Acres of wetlands in each category are shown in Table 1, below. Gravel would be transported by large dump trucks and placed, leveled, and compacted with dozers, loaders, graders, and a vibrating rolling compactor.

Cowardin Classification	Hydrogeomorphic Class	Impacted Acreage
PEM1E (Palustrine, emergent, persistent, seasonally flooded/saturated)	Flat	4.87
PEM1F (Palustrine, emergent, persistent, semipermanently flooded)	Riverine	0.29 0.10
PUBH (Palustrine, unconsolidated bottom, permanently flooded)	Riverine	
PUBH (Palustrine, unconsolidated bottom, permanently flooded)	Depressional	0.10
Total		5.35

TABLE 1: Wetlands and Waters Filled

All work would be performed in accordance with the plans dated September 2016 and January 2017 (attached).

ADDITIONAL INFORMATION: The project area is leased by the applicant from the Alaska Department of Transportation & Public Facilities, Aviation Leasing, ADL Lease #47660. Halliburton leased the 40 acre track of property from the State of Alaska, Department of Natural Resources on November 12, 1969. The current lease was signed on October 1, 1980, for 40 years. The first buildings were placed in 1970 before the Corps Regulatory Program had been established.

On September 3, 1980, Halliburton received permit number POA-1980-210 for an expansion on the pad. The permit has been modified three times under the same project number (POA-1980-210) in 1990, 2000, and 2013. It is unknown at this time what exactly was authorized under POA-1980-210-M1 in 1990. The 2000 modification (POA-1980-210-M2) permitted an expansion of the pad by 0.17 acres, and the 2013 modification (POA-1980-210-M3) permitted a 1.07 acre expansion. Another expansion to the pad (0.767 acres) was permitted in 2007 under a separate project number (POA-2007-1168).

The Corps is reviewing this project as the 4th modification of POA-1980-210.

<u>APPLICANT PROPOSED MITIGATION</u>: The applicant provided the following statements (in italics) regarding proposed measures to avoid, minimize, and compensate for impacts to waters of the United States from activities involving discharges of dredged or fill material. The Corps has not evaluated the applicants proposed mitigation statements (below) at this time:

- a. Avoidance: There are no practicable, non-wetland alternatives to the proposed project, i.e., there are no upland alternatives for the project. The safest, most cost effective, and least environmentally-damaging alternative for new gravel placement is at the proposed location at the north side of the existing HES pad. With the current alignments, the 5.35 acres to be filled are already bordered by gravel fill on two sides, restricting the water and nutrient transfer into the wetland. Construction would occur during the winter and utilize existing roads for construction of the gravel infrastructure to avoid additional tundra and soils damage. All equipment and vehicles would remain on the existing pads and roads for the construction period.
- b. Minimization: The Pad Expansion Area is sited to avoid streams and rivers, and most high value wetlands to the greatest extent practicable. Project features have also been designed to minimize footprint and yet safely and practically extend the existing pad. The following provides details of how HES has minimized their impacts to wetlands and waters of the U.S.

Gravel Infrastructure Design

Site location for the gravel expansion was selected by HES to minimize the quantity of gravel deposited, acreage of wetlands affected, and still provide a safe vehicle traffic pattern.

The proposed project will utilize an existing road that connects the facility to Prudhoe Bay road system. Because of this utilization, only an additional 5.35 acres will be impacted with the gravel pad extension. The pad will have minimum thickness of 5 feet of gravel, as is standard North Slope construction practice to maintain the integrity of the underlying permafrost.

The size of the Pad Expansion Area was minimized by optimizing facility designs and vehicle traffic patterns. The current proposed extension pad dimensions are the minimum size necessary to provide safe operations.

Hydrologic Considerations

The proposed gravel infrastructure location has been located to minimize impacts to natural stream flows. No major streams will be filled or crossed by the gravel fill.

High value wetlands were avoided to the extent possible by siting the pad extension adjacent to existing pads and roads.

Spill Prevention and Response

Spill prevention and response measures will be implemented to lessen possible impacts to wetlands and waters. Personnel will be trained in both prevention and response techniques. Prevention procedures occur during all stages of storage, transport, and operations.

c. Compensatory Mitigation:

The project will pursue compensatory mitigation via an In-Lieu Fee (ILF) program within the Arctic Coastal Plain (ACP) physiographic province. ILF is the only practicable means for wetland compensation as there are no wetland mitigation banks within the ACP, nor are there adequate non-wetland sites available for permittee-responsible mitigation. The Conservation Fund's (TCF) Alaska ILF program (AKILF) will be used solely for the preservation of wetlands and related applicable aquatic sites as mitigation for unavoidable impacts to wetlands and waters of the U.S. caused by the project. Unless specified under a separate agreement, the AKILF will not be used for the establishment, restoration or enhancement of wetlands, but it will be used for preservation.

The AKILF will seek to preserve high-functioning wetlands according to the priorities identified by the Interagency Review Team (IRT), local, state, and federal land management agencies. There are extensive opportunities for wetlands preservation in Alaska; approximately 30 million acres of private land are located within the boundaries of Alaska's state and federal conservation areas, including parks, refuges, forests, and critical habitat areas. Because of the process by which these lands were selected, these private lands often encompass high-value wetlands. The Conservation Fund has preserved over 300,000 acres of habitat in Alaska since 1994, the vast majority of which are wetlands. Preserving these lands contributes toward overall conservation of the ecological functions and services in the watershed that wetlands and associated upland habitats provide.

As detailed in TCF's prospectus (currently under review by the IRT), seven principal criteria will be used to identify specific properties for acquisition:

- Ecologically significant wetlands or waters with high values and functions;
- Willing seller;
- Priority for land managing agency or entity;
- Strategic location for landscape-scale conservation and effective management;
- Threat of loss or conservation;
- Opportunity for matching funds; and
- Local project support.

As specified in 33 CFR 332.3(h), preservation may be used as compensatory mitigation when the following criteria are met:

- The resources to be preserved provide important physical, chemical, or biological functions for the watershed;
- The resources to be preserved contribute significantly to the ecological sustainability of the watershed. In determining the contribution of those resources to the ecological sustainability of the watershed, the district engineer must use appropriate quantitative assessment tools, where available;
- Preservation is determined by the district engineer to be appropriate and practicable;
- 4. The resources are under threat of destruction or adverse modifications; and
- 5. The preserved site will be permanently protected through an appropriate real estate or other legal instrument (e.g. easement, title transfer to state resource agency, or land trust).

Generally, TCF seeks to protect larger, ecologically meaningful properties rather than smaller, isolated tracts. The Conservation Fund will work to prioritize lands for potential acquisition based on ecological significance, through working closely with natural resource managers and biologists. The Conservation Fund will consult the IRT on project selection, and projects must be approved by the District Engineer.

Typically a mitigation statement or plan would include subsections describing the mitigation site selection rational, protection instrument, work plan, maintenance plan, performance standards, monitoring requirements, long-term management plan, adaptive management plan, and financial assurances. Because the project is pursuing compensation through The Conservation Fund's AKILF these additional subsections are not applicable to this project because all aspects of the acquisition and long-term management of the compensatory lands will be handled by the AKILF program per their approved ILF program instrument.

Determination of Compensatory Credit Needs

After incorporating all appropriate and practicable avoidance and minimization measures, the proposed design for the pad expansion will result in approximately 5.35 acres of unavoidable impacts to wetlands due to placement of fill in jurisdictional wetlands. There are no anticipated unavoidable impacts to other waters of the U.S. associated with this project such as rivers or streams.

Compensatory credit needs were determined by identifying where unavoidable wetland impacts will occur within the project area, evaluating the ecosystem functions performed by those wetlands, and then applying standard mitigation ratios to the appropriate wetland categories.

The functional assessment results were then used to categorize wetlands on a scale of I (high functioning, high value wetlands) to IV (low functioning, low value wetlands).

Table 2 summarizes the proposed exchange ratio and proposed ILF preservation credits. The proposed project will affect 5.35 acres of Category II wetlands, and no acres of Category I, III, or IV wetlands.

Recent North Slope developments, as well as USACE guidance document RGL 09-01, were used to develop proposed exchange ratios for each category. Based on a 3:1 ratio for Category I wetland impacts; a 2:1 ratio for Category II wetland impacts; and a 1.5:1 ratio for Category III and IV impacts; the proposed project will require the purchase of 10.70 acres (credits) through the AKILF program to offset the anticipated 5.35 acres of project related wetland impacts.

Wetland Functional Category	Description	Total Impacted Wetland Acres	Proposed Exchange Ratio	ILF Preservation Credits
1	High Functioning Wetlands. These are valuable, high functioning wetlands that may be regionally rare, difficult to replace, and are generally less common than wetlands in other categories.	0	3:1	0
11	High to Moderate Functioning Wetlands. These wetlands may provide habitat for very sensitive or important wildlife or plants; be difficult to replace; or provide very high functions, particularly for wildlife.	5.35	2:1	10.70
111	Moderate to Low Functioning Wetlands. These wetlands can provide important functions and be important for a variety of wildlife. These wetlands are generally less diverse than Category II wetlands.	0	1.5 : 1	0
IV	Degraded and Low Functioning Wetlands. These wetlands are typically the smallest, often isolated with very little vegetation diversity, and generally already degraded by human activities. Regional differences allow for a more narrow definition of this category.	0	1.5:1	0
Totals		5.35		10.70

TABLE 2: Proposed Project Design Mitigation Ratios and ILF Preservation Credit Requirements in Acres

WATER QUALITY CERTIFICATION: A permit for the described work will not be issued until a certification or waiver of certification, as required under Section 401 of the Clean Water Act (Public Law 95-217), has been received from the Alaska Department of Environmental Conservation.

<u>CULTURAL RESOURCES</u>: The latest published version of the Alaska Heritage Resources Survey (AHRS) has been consulted for the presence or absence of historic properties, including those listed in or eligible for inclusion in the National Register of Historic Places. There are no listed or eligible properties in the vicinity of the worksite. Consultation of the AHRS constitutes the extent of cultural resource investigations by the District Commander at this time, and he is otherwise unaware of the presence of such resources. This application is being coordinated with the State Historic Preservation Office (SHPO). Any comments SHPO may have concerning presently unknown archeological or historic data that may be lost or destroyed by work under the requested permit will be considered in our final assessment of the described work.

<u>ENDANGERED SPECIES</u>: The project area is within the known or historic range of three threatened species, the Polar bear (*Ursus maritimus*), Steller's eider (*Polysticta stelleri*), and Spectacled eider (*Somateria fischeri*).

We have determined the described activity may affect the Polar bear, Steller's eider, and Spectacled eider. We will initiate the appropriate consultation procedures under section 7 of the Endangered Species Act with the U.S. Fish and Wildlife Service. Any comments they may have concerning endangered or threatened species or their critical habitat will be considered in our final assessment of the described work.

<u>ESSENTIAL FISH HABITAT</u>: The Magnuson-Stevens Fishery Conservation and Management Act, as amended by the Sustainable Fisheries Act of 1996, requires all Federal agencies to consult with the NMFS on all actions, or proposed actions, permitted, funded, or undertaken by the agency, that may adversely affect Essential Fish Habitat (EFH). No EFH species are known to use the project area.

TRIBAL CONSULTATION: The Alaska District fully supports tribal self-governance and government-to-government relations between Federally recognized Tribes and the Federal government. Tribes with protected rights or resources that could be significantly affected by a proposed Federal action (e.g., a permit decision) have the right to consult with the Alaska District on a government-to-government basis. Views of each Tribe regarding protected rights and resources will be accorded due consideration in this process. This Public Notice serves as notification to the Tribes within the area potentially affected by the proposed work and invites their participation in the Federal decision-making process regarding the protected Tribal right or resource. Consultation may be initiated by the affected Tribe upon written request to the District Commander during the public comment period.

<u>PUBLIC HEARING</u>: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, reasons for holding a public hearing.

EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts, which the proposed activity may have on the public interest, requires a careful weighing of all the factors that become relevant in each particular case. The benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. The outcome of the general balancing process would determine whether to authorize a proposal, and if so, the conditions under which it will be allowed to occur. The decision should reflect the national concern for both protection and utilization of important resources. All factors, which may be relevant to the proposal, must be considered including the cumulative effects thereof. Among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people. For activities involving 404 discharges, a permit will be denied if the discharge that would be authorized by such permit would not comply with the Environmental Protection Agency's 404(b)(l) guidelines. Subject to the preceding sentence and any other applicable guidelines or criteria (see Sections 320.2 and 320.3), a permit will be granted unless the District Commander determines that it would be contrary to the public interest.

The Corps of Engineers is soliciting comments from the public; Federal, State, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

AUTHORITY: This permit will be issued or denied under the following authorities:

(X) Discharge dredged or fill material into waters of the United States – Section 404 Clean Water Act (33 U.S.C. 1344). Therefore, our public interest review will consider the guidelines set forth under Section 404(b) of the Clean Water Act (40 CFR 230).

Project drawings and a Notice of Application for State Water Quality Certification are enclosed with this Public Notice.

District Commander U.S. Army, Corps of Engineers

STATE OF ALASKA

DEPARTMENT OF ENVIRONMENTAL CONSERVATION WQM/401 CERTIFICATION 555 CORDOVA STREET ANCHORAGE, ALASKA 99501-2617 PHONE: (907) 269-7564/FAX: (907) 334-2415

NOTICE OF APPLICATION FOR STATE WATER QUALITY CERTIFICATION

Any applicant for a federal license or permit to conduct an activity that might result in a discharge into navigable waters, in accordance with Section 401 of the Clean Water Act of 1977 (PL95-217), also must apply for and obtain certification from the Alaska Department of Environmental Conservation that the discharge will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. By agreement between the U.S. Army Corps of Engineers and the Department of Environmental Conservation, application for a Department of the Army permit to discharge dredged or fill material into navigable waters under Section 404 of the Clean Water Act also may serve as application for State Water Quality Certification.

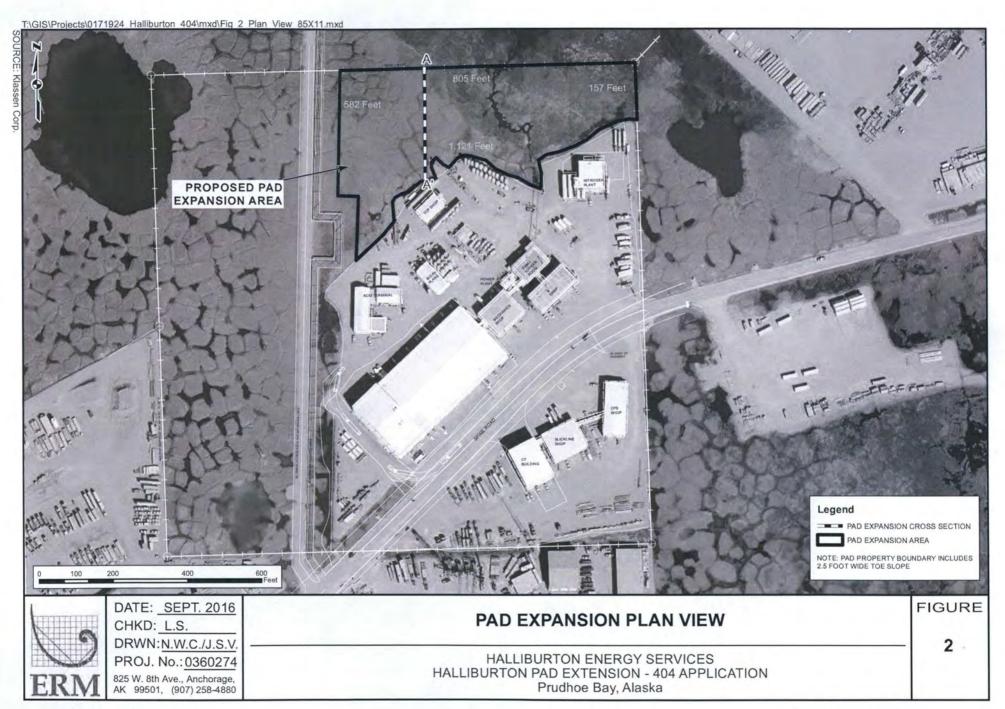
Notice is hereby given that the application for a Department of the Army Permit described in the Corps of Engineers' Public Notice No. POA-1980-210-M4, SAGAVANIRKTOK RIVER, serves as application for State Water Quality Certification from the Department of Environmental Conservation.

After reviewing the application, the Department may certify there is reasonable assurance the activity, and any discharge that might result, will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. The Department also may deny or waive certification.

Any person desiring to comment on the project, with respect to Water Quality Certification, may submit written comments to the address above by the expiration date of the Corps of Engineer's Public Notice.

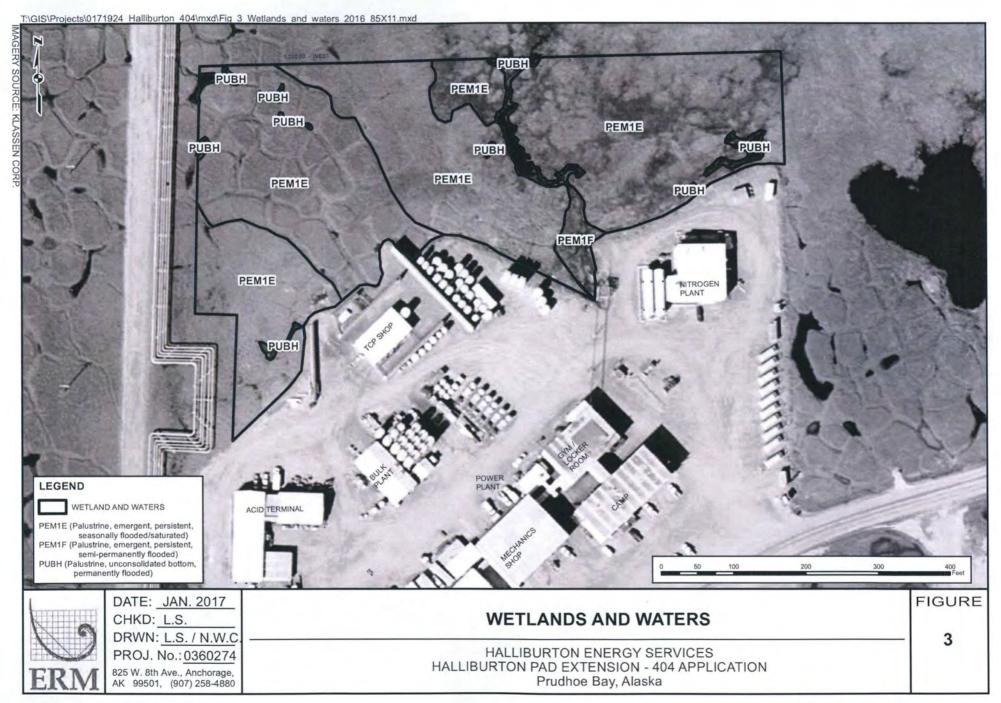


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Public Notice Figures

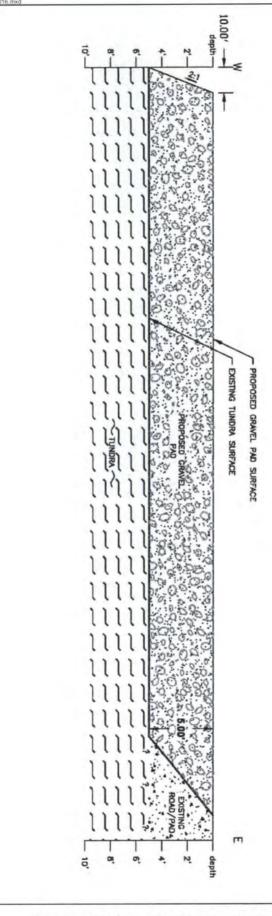


POA-1980-210-M4

DATE: <u>SEPT. 2016</u> CHKD: <u>L.S.</u>

DRWN:N.W.C. PROJ. No.: 0360274

825 W. 8th Ave., Anchorage, AK 99501, (907) 258-4880



CROSS SECTION A-A' OF PROPOSED PAD EXPANSION

HALLIBURTON ENERGY SERVICES PAD EXTENSION - 404 APPLICATION Prudhoe Bay, Alaska FIGURE

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