



US Army Corps
of Engineers
Alaska District

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

Public Notice of Application for Permit

PUBLIC NOTICE DATE February 6, 2015
EXPIRATION DATE March 9, 2015
REFERENCE NUMBER POA-1980-307-M5
WATERWAY Ugnuravik River

Interested parties are hereby notified that a Department of the Army (DA) permit application has been received for discharge of dredged and/or fill materials into waters of the United States (US), including wetlands, as described below and shown on the enclosed project figures/drawings.

Comments on the described work, with the reference number (POA-1980-307-M5) need to reach the US Army Corps of Engineers, Alaska District (USACE) 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 Mr. Harry A. Baij Jr.** by e-mail message at harry.a.baij@usace.army.mil, direct telephone line at 907-753-2784, or toll free from within Alaska at 800-478-2712, if you have questions or need further information concerning this Public Notice.

APPLICANT. ConocoPhillips Alaska, Inc. (CPAI), P.O. Box 100360, Anchorage, AK 99510. The contact person is Mr. Steve Brashear, Environmental Coordinator, e-mail address Steve.W.Brashear@conocophillips.com, direct telephone line 907-263-4691.

PROJECT NAME. Mine Site C Expansion.

LOCATION. On the Arctic Coastal Plain, North Slope Borough, Kuparuk River Unit (KRU), approximately 28 miles east of the Village of Nuiqsut, within Sections 8, 9, 16, & 17; T. 11 N.; R. 10 E; Umiat Meridian; US Geological Survey Quadrangle Map Beechey Point B-5; Latitude +70.313933 and Longitude -149.629197, NAD 83 decimal degrees. The site is approximately 0.25 miles west of the Kuparuk Operations Center (KOC)/Central Processing Facility No. 1 (CPF-1). The proposed Mine Site C gravel pit expansion project is directly south of the existing gravel pit.

PURPOSE. The applicant's stated purpose is the gravel mine site expansion is necessary for the continued maintenance of existing roads and pads as well as future development projects in the Greater Kuparuk Area.

PROPOSED WORK. Expand Mine Site C by approximately 125 acres to access approximately 6,023,000 million cubic yards of gravel fill material. Approximately 57,000 cubic yards of organic top soil material and 2,192,000 cubic yards of mineral subsoil would be excavated and used in the reclamation of the mine site. Development of the new 125-acre mine cell will require dewatering the southern half of Pothole Lake (Lake M1204). The northern portion of Pothole Lake has already been developed by the existing mine site area. Extraction of gravel from Mine Site C is expected to continue for at least 20 years and possibly longer, depending

on future oil field development. To the extent feasible, rehabilitation activities will occur during the operational life of the mine. For example, as overburden is removed, some of it will be placed along the northwest edge of the existing mine site to begin construction of a shallow wetland area. The remaining overburden will be stockpiled until it is needed for rehabilitation purposes. At mine closure, overburden material will be removed from a large stockpile at the nearby Kuparuk Industrial Center (KIC) pad and used in rehabilitation of the mine site.

All work would be performed in accordance with the attached Figures, 6 sheets, dated 6-27-2014, and one image sheet, undated, showing the project vicinity.

ADDITIONAL INFORMATION. Dewatering of Pothole Lake is expected to occur during the 2014–2015 winter season. An authorization to withdraw the ice/water has been issued by the Alaska Department of Natural Resources. The Alaska Department Fish & Game will not be requiring a Fish Habitat Permit for the Pothole Lake ice/water withdrawal.

This permit application is for proposed material extraction and mine site reclamation only. No discharges of fill material for specific construction fill projects will be considered or evaluated by USACE under this permit application. CPAI has stated additional gravel fill material will be needed in future years for projects in the Kuparuk field for drill sites, staging, and storage pads. Routine maintenance of existing roads and pads will also require approximately 250,000 cubic yards of gravel each year.

CPAI proposes to minimize environmental impacts associated with opening new gravel mine projects by expanding Mine Site C. The North Slope Borough (NSB) has advised them development of a few large gravel mines is preferred to opening numerous small material sources. On this basis, no alternatives to the proposed project are currently being considered by the applicant.

The limited volume of gravel remaining in the existing Mine Site C footprint has been allocated for construction and/or maintenance at Sharktooth, 1H North East West Sak, KIC, and Kuparuk Construction Services (KCS) pads. Gravel is expected to be exhausted from the existing Mine Site C area in 2015. With additional field development, facilities in the KRU are anticipated to continue production for another 30-40 years.

A new material sales agreement will be negotiated with the State of Alaska for the purchase and removal of gravel from the 125-acre mine site expansion area.

Also see the attached 3 documents for additional technical information regarding affected water/wetland characteristics, mine site rehabilitation, and revegetation.

POA-1980-307-M5 MSC ASA July 2014.pdf
POA-1980-307-M5 MSC Rehab Plan Dec 2014 rev 1.pdf
POA-1980-307-M5 MSC Reveg Plan Dec 2014 rev 1. pdf

APPLICANT PROPOSED MITIGATION. The applicant proposes the following mitigation measures to avoid, minimize, and compensate for impacts to waters of the US from activities involving discharges of dredged or fill material.

- a. Avoidance. No new drill sites, cross-country pipelines, or power lines are proposed as part of this project. There is no viable alternative that will avoid impacts to waters of the US, including wetlands.
- b. Minimization. The Mine Site C Expansion design was revised down from a surface area of 135 acres to 125 acres in order to minimize impacts to wetlands and maintain a buffer from the Ugnuravik River and a lake located immediately south of the expansion zone.
- c. Compensatory Mitigation. Incorporating appropriate and practical avoidance and minimization measures, the proposed Mine Site C Expansion will result in approximately 125 acres of unavoidable impacts to wetlands due to the expansion of the Mine Site and other activities in wetlands. CPAI proposes in-lieu fees as a means of compensatory mitigation for the unavoidable impacts to waters of the US resulting from this project. Should credits not be available for purchase through an in-lieu fee program, CPAI will consider permittee responsible compensatory mitigation as an alternative.

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.

CULTURAL RESOURCES. The applicant coordinated with the Alaska Department of Natural Resources, Division of Parks and Recreation, Office of History and Archaeology, State Historic Preservation Office (SHPO) for the Mine Site C Expansion Project by letter dated January 20, 2014. The subject letter referenced a Mine Site C on-site cultural resources assessment completed by Reanier & Associates, Inc. in August of 2013. The assessment disclosed no cultural resource sites were found and there are no Alaska Heritage Resources Survey (AHRS) or Traditional Land Use Inventory (North Slope Borough) sites in proximity to the proposed project area. The SHPO responded on February 2, 2014 with a stamped letter copy disclosing "No Historic Properties Affected", File Number 3130-3R-NSB. The 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 USACE at this time, and we are otherwise unaware of the presence of such resources. This public notice is being sent to the SHPO. Any further comments the SHPO may have concerning presently unknown archeological or historic data which may be lost or destroyed by work under the requested permit will be considered in our final assessment of the described work.

ENDANGERED SPECIES. The project area is within the known or historic range of the spectacled eider (*Somateria fischeri*), Steller's eider (*Polysticta stelleri*), and polar bear (*Ursus maritimus*). This proposed project is being coordinated with the US Fish and Wildlife Service (USFWS). We have determined the described activity may affect the above listed species and but would have no effect on any designated or proposed critical habitat, under the ESA of 1973 (87 Stat. 844). Therefore, consultation procedures will be conducted under Section 7 of the ESA with the USFWS. Any comments they may have concerning endangered or threatened wildlife or plants or their critical habitat will be considered in our final assessment of the described work.

ESSENTIAL FISH HABITAT. 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 National Marine Fisheries Service (NMFS) on all actions proposed, permitted, funded, or undertaken by federal agencies that may adversely affect Essential Fish Habitat (EFH). No EFH species are known to use the Mine Site C project area. The Ugnuravik River channel is approximately 250-feet from the western boundary of the proposed Mine Site C development. We have determined the described activity would not adversely affect EFH in the project area. Any comments or recommendations the NMFS may have concerning EFH will be considered in our final assessment of the described work.

TRIBAL CONSULTATION. The USACE 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 USACE 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 USACE during the public comment period.

PUBLIC HEARING. Any person may request, in writing and within the comment period specified in this Public Notice, a public hearing be held. 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. Among these factors 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 Clean Water Act Section 404 discharges of dredged and/or fill materials, 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)(1) Guidelines. Subject to these Guidelines and any other applicable federal rule (see 33 Code of Federal Regulations Sections 320.2 and 320.3), a permit will be granted unless the USACE determines it would be contrary to the public interest.

The USACE is soliciting comments from the public; federal, state, and local agencies and officials; federally recognized 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 USACE 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 other public interest factors. 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 application will be evaluated under the authority given below.

(X) Discharge dredged or fill material into waters of the US, Section 404 of the 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

Enclosures

STATE OF ALASKA

Department of Environmental Conservation
Division of Water
401 Certification Program
Non-Point Source Water Pollution Control Program

Anchorage
Alaska Department of Environmental Conservation
WQM/401 Certification
555 Cordova Street
Anchorage, Alaska 99501-2617
Telephone (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 which may result in a discharge of dredged or fill material into navigable waters of the US, in accordance with Section 401 of the Clean Water Act (CWA) of 1977 (PL95-217), also must apply for and obtain certification from the Alaska Department of Environmental Conservation (ADEC) to ensure the discharge will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. By agreement between the US Army Corps of Engineers (USACE) and the ADEC, application for a Department of the Army (DA) permit to discharge dredged or fill material into waters of the US under Section 404 of the CWA may also serve as an application for State Water Quality Certification.

Notice is hereby given that the application for a DA permit described in the USACE Public Notice Number **POA-1980-307-M5, Ugnuravik River**, serves as application for State Water Quality Certification from the ADEC.

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

Any person desiring to comment on the project, with respect to Water Quality Certification, may submit written comments to the ADEC at the address above by the expiration date of the USACE Public Notice.