



US Army Corps
of Engineers
Alaska District

Public Notice of Application for Permit

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

PUBLIC NOTICE DATE:	November 5, 2013
EXPIRATION DATE:	December 6, 2013
REFERENCE NUMBER:	POA-2005-1295-M11
WATERWAY:	Beaufort Sea

Interested parties are hereby notified a Department of the Army (DA) permit application has been received for proposed work in navigable waters (Beaufort Sea) of the United States (US) and waters of the US (other surface waters and wetlands) as described below and shown on the enclosed project figures.

Comments on this proposed project, with the reference number listed above (POA-1295-M11, Beaufort Sea), must be submitted to the US Army Corps of Engineers (USACE) no later than the expiration date of this Public Notice to become part of the administrative record and be considered in our permit decision. **Comments must be submitted to Harry A. Baij Jr. at the contact information given below.** Further detailed information may be obtained by contacting Mr. Baij or Ms. Julie Lina at the contact information given below. The applicant, Pioneer Natural Resources, Inc. (Pioneer) has provided several other documents in support of their proposal to modify previous USACE authorizations for their Oooguruk development. See the section below regarding ADDITIONAL INFORMATION. Copies of most of these documents may be obtained by contacting Mr. Baij or Ms. Lina.

USACE PROJECT MANAGER:
Harry A. Baij Jr.
Alaska District, Regulatory Division
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APPLICANT:

Pioneer Natural Resources Alaska, Inc. (Pioneer)
Julie Lina, Senior Regulatory Coordinator
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Anchorage, AK 99501
E-mail address: julie.lina@pxd.com
Office phone: 907-343-2106.

LOCATIONS: The proposed work would occur at multiple locations, with proposed fill locations being at discrete sites, and flowlines spanning over linear distances. The general project vicinity is within Alaska's Beaufort Sea and nearby coastal areas along the east side of the Colville River Delta and near Oliktok Point. Vicinity and smaller scale maps (Figures) are attached to this Public Notice. More specific location data is as follows:

1. The Oooguruk Tie-in Pad (OTP) Expansion: Adjacent to the northern edge of the ConocoPhillips Alaska, Inc. (CPAI) Kuparuk River Unit (KRU) Drill Site 3H (DS3H); in Sections 11 and 12, T. 12 N., R. 08 E., Umiat Meridian; within US Geological Survey Quadrangle Map Harrison Bay B-1; latitude 70.4132701388 and longitude -150.0153990833 NAD 83.
2. Proposed Oooguruk Seawater Flowline: Begins at the OTP (latitude 70.4132701388 and longitude -150.0153990833 NAD 83) and ends at the proposed Seawater Tie-in Pad (latitude 70.418428833 and longitude -149.806532277 NAD 83) to join with the CPAI seawater supply flowline at Pioneer's proposed Seawater Tie-in Pad (latitude 70.418428833, longitude -149.806532277 NAD 83); in Sections 01 and 12, T. 12 N., R. 08 E., and Sections 03, 04, 05, 06, and 07, T. 12 N., R. 09 E., Umiat Meridian; within US Geological Survey Quadrangle Map Harrison Bay B-1.
3. Proposed Seawater Tie-in Pad: Approximately 1.4 miles north of the CPAI KRU Central Processing Facility #3 (CPF#3); in Section 03, T. 12 N., R. 09 E., Umiat Meridian; within US Geological Survey Quadrangle Map Harrison Bay B-1; latitude 70.418428833, longitude -149.806532277 NAD 83.
4. Oooguruk Drill Site (ODS) Expansion: Within the Beaufort Sea approximately 2.5 miles north of the Colville River Delta; 4.5 miles southwest of Thetis Island; and 8.1 miles northwest of the KRU DS3H; in Section 11, T. 13 N., R. 07 E., Umiat Meridian; within US Geological Survey Quadrangle Map Harrison Bay B-1; latitude 70.4955330555 and longitude -150.2498274166 NAD 83.

PURPOSE: The nature of the activity is to expand the OTP, install a 12-inch 3-phase above-ground flowline from the OTP to DS3H, install a 12-inch seawater above-ground flowline from the OTP to a new seawater tie-in pad, and expand the offshore ODS.

1. The OTP expansion would provide additional power generation, production separations, waste heat recovery, and sea water injection pumping, to enhance OTP capacity and support the Nuna Drill Site (NDS). Expansion will include installation of a 12-inch, three-phase (oil, gas, and water) flowline from OTP to DS3H.
2. The new seawater flowline is proposed for installation from a new tie-in location near the KRU CPF#3 to the OTP to supply increased seawater reservoir injection reliability than is currently available via the existing seawater line.
3. The ODS expansion is proposed to provide additional working surface area for new wells and increased production. Expansion of the ODS will ease logistical challenges for drilling and well work by providing equipment storage area. ODS expansion also includes adding a helicopter sling load operations area on the northwest side of the ODS, at the existing gravel barge landing ramp, which requires a modest seaward expansion of the existing ramp footprint.

The work is proposed to accommodate expected increased production from Pioneer's Oooguruk and Nuna projects. The Nuna project has been previously authorized by USACE in 2013.

PROPOSED WORK: Discharge a total of 189,450 cubic yards of gravel fill material into navigable waters, inland surface waters, and wetlands as follows:

1. Oooguruk Tie-in Pad: Discharge 14,500 cubic yards of gravel fill material into 1.5 acres of wetlands (see Figures 1-9 of 27).
2. Seawater Tie-in Pad: Discharge 1,200 cubic yards of gravel fill material into 0.18 acre of wetlands (see Figures 12-13 of 27).
3. Flowlines: Discharge 750 cubic yards of sand slurry material into waters and wetlands for backfill and installation of the vertical support members for the above ground flowlines (see Figures 10-22 of 27).

4. Oooguruk Drill Site: Discharge 173,000 cubic yards of gravel fill material into 4.22 acres of Beaufort Sea navigable waters (see Figures 23-27 of 27).

ADDITIONAL INFORMATION: Fill material would come from the existing Kugaruk River Unit, Mine Site E, Cell 4A, latitude 70.465537105388 and longitude -149.71025453856 NAD 83. Mine Site E, Cell 4A, has been previously authorized for tundra wetland gravel mining operations by DA permit number POA-2005-1295.

Pioneer has provided the USACE supporting documentation to supplement their permit application. This documentation includes:

1. A Wetlands Functional Assessment for the onshore activities;
2. A Seawater Flowline Alternatives Analysis
3. An updated Transportation Plan
4. An updated Lighting Plan
5. An additional cultural resources evaluation report;
6. Biological Assessments for Endangered Species Act Section 7 consultation for the National Marine Fisheries Service and US Fish and Wildlife Service;
7. An addendum to the Bear & Pacific Walrus Avoidance & Human Interaction Plan
8. An addendum to the Wildlife Interaction Plan;
9. A Seawater Flowline 2013 Spring Breakup Hydrology Report; and
10. An updated Plan of Operations, North Slope, Alaska.

Construction activities would occur during the 2013-2014 and 2014-2015 winter seasons or later under North Slope approved tundra travel and ice road/pad construction period.

APPLICANT PROPOSED MITIGATION: Pioneer proposes the following mitigation measures to avoid, minimize, and compensate for impacts to waters of the United States from activities involving discharges of dredged or fill material.

a. Avoidance:

1. Consolidating onshore facilities at the OTP in order to share infrastructure and build upon existing facility concepts for new development. Existing infrastructure for power generation, gas and water treatment, personnel housing, and production processing will be used to avoid additional gravel pad acreage needed for duplicate facilities.
2. The expansion of the existing ODS will be minimized to accommodate new wells to access additional oil reserves and will ease logistical challenges for drilling and well work by providing increased equipment storage area.
3. Pad siting and flowline routes have been selected to avoid higher habitat-quality wetlands for protected species.

b. Minimization: Due to the absence of uplands in the area, some impacts to wetlands are unavoidable with the project. However, the project design minimizes impacts by limiting the fill amounts and by using site-specific ecological information for siting.

1. Support facilities for new development, including power generation, gas compression, water treatment and production processing, are consolidated at existing developed sites.
2. The ODS expansion is the minimum size to accommodate the number of wells, the space required for the drill rig to drill the wells, and the required increased equipment storage.
3. Flowline lengths are minimized to the extent practicable while avoiding higher value habitat for protected species.
4. Flowline installation will be from winter ice roads to minimize impacts. Only the vertical support members (VSMs) will result in fill in wetlands.
5. Project transportation needs for construction and operations will be primarily on surface roads, minimizing impacts to waters from marine and river shipments.

c. Compensatory Mitigation: Due to the limited options on the North Slope for restoration, establishment,

preservation, and enhancement, Pioneer is proposing an appropriate in-lieu fee as compensation for the wetlands impacts of the 2013 Oooguruk Project Modifications.

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: Pioneer submitted a cultural resources report in July 2013 to the USACE, the Alaska Department of Natural Resources Office of History and Archeology, and the North Slope Borough providing updated cultural resources reconnaissance documentation for the 2013 Oooguruk Project Modifications. The area of the proposed project has been well studied for cultural resources, beginning in the 1980s and as recently as 2011. Pioneer performed additional field reconnaissance along the seawater flowline and OTP expansion area in 2013. This application has been coordinated with the State Historic Preservation Officer (SHPO). On August 25, 2013, the SHPO concurred there would be no historic properties affected by the proposed undertaking, presuming the avoidance measures described in the July 2013 cultural resources report were implemented. Any further 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.

ENDANGERED/THREATENED SPECIES: Listed species in the project areas include the Steller's eider (*Polysticta stelleri*), Spectacled eider (*Somateria fischeri*), Polar bear (*Ursus maritimus*), Ringed seal (*Phoca hispida*), Bearded seal (*Erignathus barbatus*), and Bowhead whale (*Balaena mysticetus*). The Yellow-billed loon (*Gavia adamsii*) and Pacific walrus (*Odobenus rosemarus divergens*) are candidate species proposed for listing. These listed and candidate species have been evaluated by preparation of a Biological Assessment (BA) and Section 7 Consultation (report) under Section 7 of the Endangered Species Act of 1973 (87 Stat. 844)(ESA). These documents were provided to the US Fish and Wildlife Service (USFWS) and National Marine Fisheries Service (NMFS), respectfully, in August 2013.

On August 27, 2013, the USFWS, Fairbanks Field Office, provided a Biological Opinion (BO) which included Conference Reports on the Yellow-billed loon and Pacific walrus. A determination of "not likely to jeopardize the continued existence" of these 2 species was made. The USFWS BO also determined the effect to the Steller's eider, Spectacled eider, and Polar bear was "not likely to jeopardize the continued existence" of these species. The USFWS listed 2 Conservation Recommendations which are being fully considered by the USACE.

Based on the Section 7 Consultation (report) prepared for the threatened Ringed seal; threatened Bearded seal; and endangered Bowhead whale, we have determined the described activity would have no effect on these listed species and would have no effect on any designated or proposed critical habitat under the ESA. Therefore, no further consultation with the NMFS is required. However, any comments they may have concerning listed species or their critical habitat will be fully 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 NMFS on all actions, or proposed actions, permitted, funded, or undertaken by the agency, that may adversely affect Essential Fish Habitat (EFH).

NMFS currently recognizes all marine coastal waters of the Beaufort Sea as EFH for Arctic Cod (*Boreogadus saida*). Additionally, the Anadromous Waters Catalog (AWC), maintained by the Alaska Department of Fish and Game (ADF&G), identifies three other federally managed species of fish in freshwater streams adjacent to the Oooguruk Development: Chinook salmon (*Oncorhynchus tshawytscha*), Pink Salmon (*O. gorbuscha*), and Chum Salmon (*O. keta*). Salmon may migrate through nearshore waters of Harrison Bay in the vicinity of the ODS.

The Oooguruk Drill Site expansion will result in placement of fill within a total area of 4.22 acres of seabed. The portion of nearshore habitat displaced by the expansion is minimal in relation to Harrison Bay and is not expected to measurably diminish food resources or habitat availability for Arctic Cod or salmon potentially occurring in the area. Gravel placement for the Oooguruk Drill Site expansion will occur during winter when sea ice is grounded and fish are not present in the project area. These activities are expected to have a very negligible effect to EFH. We have determined the described activity would not adversely affect EFH in 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.

PUBLIC HEARING: 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 Clean Water Act Section 404 discharges (dredged and 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 the preceding sentence and any other applicable guidelines or criteria (see USACE regulations at 33 CFR Parts 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 USACE is soliciting comments from the public; Federal, State, and local agencies and officials; Alaska Native 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 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 authority:

(X) Perform work in or affecting navigable waters of the US – Section 10 of the Rivers and Harbors Act of 1899 (USC 403).

(X) Discharge dredged or fill material into waters of the United States – Section 404 Clean Water Act (33 USC 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 (Figures) and 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

DEPT. OF ENVIRONMENTAL CONSERVATION
DIVISION OF WATER
401 Certification Program
Non-Point Source Water Pollution Control Program

ANCHORAGE

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 (ADEC) 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 Clean Water Act also may serve as 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-2005-1295-M11, Beaufort Sea**, 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 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 USACE Public Notice.

FILE NUMBER: POA-2005-1295-M11

WATERWAY: Beaufort Sea

APPLICANT:

Pioneer Natural Resources Alaska, Inc.
700 G Street, Suite 600
Anchorage, AK 99501

ADJACENT PROPERTY OWNERS:

State of Alaska Department of Natural Resources
Division of Mining Land and Water
Attn: Melissa Head
3700 Airport Way
Fairbanks, AK 99709

U.S. Dept. of Interior
Bureau of Land Management
Attn: Bud C. Cribely
222 West 7th Avenue #13
Anchorage, AK 99513

GOVERNMENT OFFICIALS:

North Slope Borough: thomas.browerIII@north-slope.org
Native Village of Nuiqsut: native.village@astacalaska.net
Inupiat Community of the Arctic Slope: icas.executive@barrow.com
US Fish and Wildlife Service: Kaithryn_ott@fws.gov

North Slope Oil and Gas Agencies PN List

City of Nuiqsut
Attn: Mayor Thomas Napageak Jr.
Nuiqsut, AK 99789

NOAA, National Oceanic and Atmospheric Administration
Office of Coast, Survey, Marine Chart Division
Nautical Data Branch, ATTN: John Widdon
N/CS261 Room 7220
1315 East-West Highway
Silver Springs, MD 20910

POA-2005-1295-M11, Beaufort Sea

CONCUR
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29 Oct 2013/(1145)
PN