



US Army Corps  
of Engineers  
Alaska District

# Public Notice of Application for Permit

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

**PUBLIC NOTICE DATE:** February 15, 2013  
**EXPIRATION DATE:** March 18, 2013  
**REFERENCE NUMBER:** POA-2012-922  
**WATERWAY:** Miluveach 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 **Mary Romero** at (907) 753-2773, toll free from within Alaska at (800) 478-2712, by fax at (907) 753-5567, or by email at **mary.r.romero@usace.army.mil** if further information is desired concerning this notice.

**APPLICANT:** ConocoPhillips Alaska, Inc. (CPAI), PO Box 100360, Anchorage, Alaska, 99510-0360, Tom Manson, (907) 263-4627

**LOCATION:** The project site is located within Sections 1, 7, 8, 10-12, 14-18, 20, & 21, T. 10 N., R. 8 E.; and Section 13, T. 10 N., R. 7 E., Umiat Meridian; USGS Quad Map Harrison A-3; Latitude 70.219706° N., Longitude 150.153886° W.; in the southwest Kuparuk River Unit; 20 miles east of Nuiqsut, and 42 miles west of Prudhoe Bay, Alaska.

**PURPOSE:** The applicant's stated purpose is to construct a new drill site and access road for the continued development of the Kuparuk oil reserves to provide sales quality crude oil for shipment through the Trans-Alaska Pipeline.

**PROPOSED WORK:** CPAI proposes to place 296,054 cubic yards of gravel fill material into 20.5 acres of jurisdictional wetlands for the construction of a new drill site with 24 wells, a gravel access road, pipelines, fiber optic cable and other communications equipment and power line. All work would be performed in accordance with the enclosed plan (sheets 1-34), dated February 8, 2013.

**ADDITIONAL INFORMATION:** The DS-2S Project is located in the southwest area of the Kuparuk River Unit. Development of the KRU began in the early 1980's and the DS-2S Project will be a continuation of the field's development. In the late 1980's CPAI (then ARCO) drilled an exploratory well (KRU-21-10-8) in the project area and in

early 2012 an appraisal well was drilled by CPAI to confirm the DS-2S project assumptions. The well was logged and core samples were collected.

The location of the proposed DS-2S Project will allow the development to use much of the existing infrastructure of the Kuparuk oil field.

Prior to proposing the current DS-2S project, CPAI investigated the option of developing this area of the Kuparuk reservoir from existing drill sites in the project area. Drill sites DS-2L, DS-2M, and DS-2K were examined as possible locations for the additional wells. It was determined that the reach of the current drilling technology would not allow for wells from these locations to extend far enough to adequately develop this area of the reservoir. Additionally, there currently are no slots available on these drill sites for the new wells.

The project will require several ice roads to support construction of the drill site pad and access road during the first winter season (2013-2014) and for the construction of the pipelines, power lines, and snow fences during the second winter construction season (2014-2015). During the first winter two ice roads would be built to support construction, one to access the mine site the other to the project site. During the second winter season four ice roads would be constructed one each to the construction of the pipelines and power lines and two others with turnarounds for the construction of snow fences. The ice roads would be scraped clean after they are no longer needed and allowed to melt with the spring thaw.

APPLICANT PROPOSED MITIGATION: The applicant 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: The optimum location for accessing the oil reservoir placed the drill site pad approximately 1,000 feet south-southeast of the proposed location. In order to avoid having the access road cross a small unnamed stream between the pad and the Tarn Road, and the need to construct a stream crossing structure or bridge, the proposed drill site was moved approximately 1,000 feet closer to the Tarn Road. This change also avoided the additional 1,000 feet of gravel roadway.

b. Minimization: The DS-2s development project design minimized impacts to waters and wetlands limiting the gravel fill discharge by using a 30 foot well spacing and increasing the slide slope design along the edges of the drill site pad and roadway. The project components have been positioned to avoid stream crossings, incorporated direct (shortest) routes to the existing field infrastructure for the access road, pipeline, and power lines thereby reducing potential gravel placement and tundra wetland impacts. The size of the gravel drill site pad was selected by CPAI to be the minimum size necessary for safe operation through optimizing facility design and equipment layouts. The gravel pad will have a minimum thickness of five feet to maintain the integrity of the underlying permafrost.

The proposed development will use the existing Kuparuk infrastructure of the Tarn Road, Meltwater Pipeline, and Kuparuk field power supply minimizing the amount of new infrastructure to develop this area of the Kuparuk oil field.

Additionally a proposed on site gravel pit has been eliminated from the proposed action; the original plan involved the development of a gravel pit where Conoco would have mechanically land cleared another 16.2 acres of jurisdictional

wetlands for a mine site to source the materials needed for the project and utilizing an additional 29.4 acres of jurisdictional wetlands temporarily by setting up an ice pad for stockpiling organics and overburden. The elimination of the gravel pit minimized the jurisdictional wetland impacts by 45.6 acres.

c. Compensatory Mitigation: CPAI proposes in-lieu fees as a means of compensatory mitigation for the unavoidable impacts to waters of the U.S. resulting from this project

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 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.

ENDANGERED SPECIES: The project area is within the known or historic range of the Polar Bear (*Ursus maritimus*), Spectacled eider (*Somateria fischeri*), and Candidate for Listing species Yellow-billed loon (*Gavia adamsii*).

We have determined the described activity may affect the Polar Bear (*Ursus maritimus*), Spectacled eider (*Somateria fischeri*), and Candidate for Listing species Yellow-billed loon (*Gavia adamsii*). We have initiated 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 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 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.

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 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)(1) 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 authority:  
(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

Enclosures

# STATE OF ALASKA

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

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-2012-922, Miluveach 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.