



US Army Corps
of Engineers
Alaska District

Public Notice of Application for Permit

Regulatory Division (1145)
CEPOA-RD
2175 University Avenue, Suite 201E
Fairbanks, Alaska 99709-4927

PUBLIC NOTICE DATE: November 2, 2018

EXPIRATION DATE: December 3, 2018

REFERENCE NUMBER: POA-2015-25

WATERWAY: Colville River

Project Information: On September 1, 2017, the Alaska District Corps of Engineers (Corps) published a Public Notice (PN) for Department of the Army (DA) permit number POA-2015-25, Colville River, for a DA permit application from Armstrong Energy, LLC to construct the Nanushuk Development Project. This PN for the permit ran concurrent with the Public Notice period for the Draft Environmental Impact Statement (DEIS). The DEIS is available at: <http://www.nanushukeis.com/documents.html>.

Effective May 3, 2018, Oil Search Alaska, LLC (OSA) became the applicant for Nanushuk Project. In response to comments received on the DEIS, the applicant has modified their proposed project to reflect Alternative 5 in the DEIS and added a Compensatory Mitigation Statement. OSA submitted a revised permit application to the Corps on October 6, 2018, which included the following changes: 1) change the Applicant's proposed project to reflect Alternative 5 and add a Compensatory Mitigation proposal; 2) change road side slopes from 3:1 to 2:1; 3) change road surface widths from 38 and 35 feet to 32 feet; 4) change fill volume from 2.8 to 2.9 million cubic yards; 5) relocate Drill Site 2 approximately 0.4 mile further east away from the Colville River; and 6) add tundra access ramps on the gravel roads and a gravel boat ramp.

Permit History: In June 15, 2015 the applicant originally proposed to impact 288 acres of waters of the United States (U.S.), including wetlands (WOUS). In July 2017, the applicant submitted a revised permit application modifying the width of the access road from 38 to 35 feet wide. This change resulted in a reduction of impacts to WOUS of 16.4 acres to 271.6 acres. This reduction was not analyzed in the DEIS due to the

timing of receipt of these changes, although this change was describe in the original Public Notice for the permit in September 2017.

In response to comments on the DEIS, the applicant (OSA) further modified their proposal as described above. These changes in Project description decreased the overall Project footprint by another 10.3 acres of WOUS to 261.3 acres. This is a 27 acre reduction in impacts to WOUS from the original application dated June 15, 2015. A difference in acreages from the Final Environmental Impact Statement (FEIS) and this PN is due to the method in which impacts were calculated. To determine total impacts to WOUS for the proposed project the applicant used more detailed methods than those necessary for the FEIS.

This is the second Public Notice period for the Nanushuk Development Project permit application. It includes the final project proposal and a new Compensatory Mitigation Plan.

This proposed project, including the changes described above, has been evaluated in a Final Environmental Impact Statement (FEIS) which can be found at <http://www.nanushukeis.com/documents.html>.

OSA proposes placement of 2.9 million cubic yards (cy) of clean fill material into 261.3 acres of waters of the U.S. including wetlands to construct the Project. The Project also includes discharges of dredged material over 5.8 acres of navigable waters of the U.S. (Harrison Bay of the Beaufort Sea), for screeding activities in front of the existing Oliktok Dock and trenching for power and fiber optic cables at pipeline-road crossings.

All work would be performed in accordance with the POA-2015-25 Permit Application pdf (43 pages), and POA-2015-25 Figure Set pdf (sheets 1-61), dated October 5, 2018. Also attached is POA-2015-25 Applicant Proposed Mitigation Statement pdf dated October 5, 2018 (pages 1-16). All documents are available at <http://www.poa.usace.army.mil/Missions/Regulatory/Public-Notices/>.

Applicant: Oil Search Alaska, LLC. Mr. Bruce Dingeman. 510 L Street, Suite 310, Anchorage, Alaska 99501.

Agent: Patrick Conway, Oil Search Alaska, LLC, 510 L St., Suite 310, Anchorage, Alaska 99501; Patrick.Conway@oilsearch.com, 907-375-6938.

Location: The Project would be located in the North Slope Borough (NSB) in the Pikka Unit between Kuparuk and the Colville River Unit development (Alpine), east of the Colville River, approximately 6.5 miles northwest of the Village of Nuiqsut.

Project Purpose: The applicant's stated purpose is to safely produce commercial quantities of liquid hydrocarbons in OSA's State of Alaska and Arctic Slope Regional

Corporation (ASRC) oil and gas leasehold by operating from a site east of the Colville River Delta; to process hydrocarbons on or near the drill sites; and to transport sales quality oil through a new export pipeline to the Kuparuk sales oil pipeline, and then to the Trans-Alaska Pipeline Service (TAPS). A secondary purpose of the Project is to further delineate geological features and hydrocarbon accumulations in OSA's leasehold utilizing the proposed infrastructure.

Permit Authority: The proposed project would involve work in navigable waters of the U.S., and the discharge of fill material in waters of the U.S., including wetlands. Therefore, the project is subject to Section 10 Rivers and Harbors Act 1899 (33 U.S.C. 403) and Section 404(b) of the Clean Water Act (40 CFR 230).

Mitigation: The applicant has proposed a variety of avoidance and minimization measures. OSA has also proposed compensatory mitigation. Their proposal can be found in the POA-2015-25 Applicant Proposed Mitigation Statement pdf dated October 5, 2018 (pages 1-16).

Other Environmental Review and Consultation Requirements: Other environmental review and consultation requirements include Executive Order 13175 Consultation and Coordination with Indian Tribal Governments, Executive Order 12898 Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, 106 of the National Historic Preservation Act of 1966, Endangered Species Act Section 7 consultation and Magnuson-Stevens Act Essential Fish Habitat.

- Endangered Species: The Corps has determined that the proposed project may affect, but is not likely to adversely affect polar bears (*Ursus maritimus*), polar bear critical habitat, and Steller's eiders (*Polysticta stelleri*). The project may adversely affect spectacled eiders (*Somateria fischeri*). Additionally, the project may affect, but is not likely to adversely affect bowhead whales (*Balaena mysticetus*) and bearded seal (*Erignathus barbatus nauticus*). The Corps has initiated section 7 consultation with the U.S. Fish and Wildlife Service and National Marine Fisheries Service.
- Essential Fish Habitat: The Corps has determined that the proposed project may affect marine essential fish habitat and has completed consultation with the National Marine Fisheries Service, under the Magnuson-Stevens Act (COE_Nanushuk Proj Colville River DEIS_EFH pdf emailed to Ellen Lyons from Mary Goode dated 11/13/2017).
- Historic Properties: The Corps has made a determination that historic properties exist within the permit area but the Project is not likely to adversely affect historic properties. The Corps has initiated consultation with the State Historic Preservation Office under 106 of the National Historic Preservation Act. Additionally, 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. Notification of invitation to participate in government-to-government consultation, additional opportunities to obtain project related information, request for participation in decision-making processes regarding the protected Tribal right or resources and opportunities to provide comments were provided by phone, email correspondence, and hardcopy to the Tribes within the area potentially affected by the proposed work. Additionally, consultation may be initiated by the affected Tribe upon written request to the District Commander during the public comment period. The Corps will be available to conduct government-to-government consultations with all affected federally recognized tribes.

Application Location for Download: This public notice with attachments can be found at <http://www.poa.usace.army.mil/Missions/Regulatory/Public-Notices/>. For a hard copy of the Permit Application, please contact the agent for the applicant, Mr. Patrick Conway; contact information listed above.

Final EIS Location for Download: A Final Environmental Impact Statement (Final EIS) has been prepared for this project and is available for review at <http://www.nanushukeis.com/documents.html>.

Comments: **Comments on the Public Notice for this permit can be submitted via the U.S. Postal Service to: U.S. Army Corps of Engineers, CEPOA-RD, Ms. Ellen Lyons, 2175 University Avenue, Suite 201E, Alaska 99709-4927 or also via email at: Ellen.H.Lyons@usace.army.mil.** We request that you include with your comments: (1) Your name, address, and affiliation (if any); (2) Be as specific as possible when stating your concern or comment; (3) Provide any background documents to support your comments, as necessary.

The Corps 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 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, water quality, conservation, economics, aesthetics, wetlands, cultural values, navigation, fish and wildlife values, water supply, and any other factors judged important to the needs and welfare of the people. The decision to issue a DA permit or not will be based on an evaluation of the potential impacts, including direct, indirect, and/or cumulative impacts of the proposed project on the public interest. That decision will reflect the national concern for both the protection and utilization of important resources. The benefit which reasonably can be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. For the discharge of fill into special aquatic sites, evaluation of the impact of the activity on the public interest will include application of the 404(b)(1) guidelines promulgated by the Administrator of the Environmental Protection Agency (40 CFR Part 230). Subject to the preceding sentence and any other applicable guidelines or criteria (see 40 CFR Part

320.2 and 320.3), a permit will be granted unless the District Commander determines that it would be contrary to the public interest.

Public Hearing: Any person may request, in writing, within the designated comment period specified in this notice, that a public hearing be held to consider the application. Requests for public hearings shall state, with particularity, the reasons for public hearing and shall be submitted to the Corps, using the contact information referenced above.

- THE DEADLINE FOR PROVIDING COMMENTS IS DECEMBER 3, 2018 -

District Engineer
U.S. Army, Corps of Engineers