



US Army Corps
of Engineers
Alaska District

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

Public Notice of Application for Permit

PUBLIC NOTICE DATE:	March 9, 2020
EXPIRATION DATE:	March 24, 2020
REFERENCE NUMBER:	POA-2001-00143-M8
WATERWAY:	Ugnuravik 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 (U.S.) as described below and shown on the enclosed project drawings.

All comments regarding this Public Notice (PN) should be sent to the address noted above. If you desire to submit your comments by email, you should send it to the Project Manager's email as listed below or to regpagemaster@usace.army.mil. All comments should include the PN reference number listed above.

All comments should reach this office no later than the expiration date of this PN 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: Hilcorp Alaska, LLC (Hilcorp), Ms. Anna Dugan, 3800 Centerpoint Drive, Suite 1400, Anchorage, Alaska 99503, (907) 777-8322, adugan@hilcorp.com

LOCATION: The project site is located within Section 12, T. 12 N., R. 10 E., Meridian; USGS Quad Map Beechey Point B-5; Latitude 70.4102° N., Longitude 149.4664° W.; approximately 27.5 miles northwest of Deadhorse, Alaska..

PURPOSE: The applicant's stated purpose is to provide space to drill new wells which will increase production from the Ugnu Reservoir in the Milne Point Unit.

PROPOSED WORK: The applicant is proposing to discharge 16,000 cubic yards of gravel fill into 2.04 acres (approximately a square shape of 328' x 319' with a cut out for an existing

rectangular pad 179' x 96' toe-to-toe) of Palustrine emergent wetlands to expand the existing S Pad in the Milne Point Unit (MPU) in order to construct ten new development wells to access the Ugnu Reservoir at MPU S Pad. Associated piping and tie-in will be installed on the pad to support the wells.

All work would be performed in accordance with the enclosed plan (sheets 1-3), dated March 6, 2020.

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

a. Avoidance: the applicant has stated the following factors were incorporated into the project:

- Avoided crossing as many lakes, ponds, and streams as possible
- Avoided Anadromous Waters
- Avoided impacts to undeveloped areas of wetlands by expanding existing pad.
- Avoided building an access road by locating the expansion adjacent to a road-accessible pad and by utilizing ice road to transport gravel from Ugnu Mine Site E to the construction site.
- Designed pad to minimum footprint consistent with safety and engineering constraints.
- Pad will be constructed to minimum size necessary to provide access for the drill rig, materials staging, and safe access around the rig during drilling.
- Designed pad near existing infrastructure while still providing access to target reservoirs. Other considered locations included a potential pad location further west which would have required an access road and would have been farther from existing oil and gas infrastructure.

b. Minimization: Hilcorp stated they have minimized the amount of gravel necessary by minimizing the footprint necessary for additional development wells and associated infrastructure including providing access to the existing well rows for drilling, completion and operation of existing wells. Hilcorp designs the footprint of well pads to minimize impacts while still drilling new development wells and working on existing wells. This minimizes the amount of gravel expansion required at this site.

- Although a much larger pad expansion was permitted at S Pad in 2008, Hilcorp has minimized the current expansion to include only the area required to position the rig on the wells and have safe emergency access around the rig. We lowered the impacts by approximately 9 acres from the originally permitted expansion.
- The gravel placement for this project is planned for winter construction to minimize impacts to migratory birds.
- Facilities are designed and operated to minimize sight and sound impacts in areas of high residential, recreational, and subsistence use and important wildlife habitat.
- Impacts to important wetlands will be minimized to the satisfaction of the Director of the Alaska Department of Natural Resources (Director), in consultation with Alaska

- Department of Fish and Games (ADF&G) and Alaska Department of Environmental Conservation (ADEC). The Director will consider whether facilities are sited in the least sensitive areas.
- Road and pipeline crossings will be aligned perpendicular or near perpendicular to watercourses.
- Pipelines will use existing transportation corridors where conditions permit. In areas with above ground placement, pipelines will be designed, sited, and constructed to allow for the free movement of wildlife and to avoid significant alteration of caribou and other large ungulate movement and migration patterns. At a minimum, above ground pipelines will be elevated seven feet, as measured from the ground to the bottom of the pipeline, except where the pipeline intersects a road, pad, or a ramp installed to facilitate wildlife passage. Hilcorp will consider snow depth in relation to pipe elevation to ensure adequate clearance for wildlife.
- Pipelines and gravel pads are designed to facilitate the containment and cleanup of spilled fluids.
- Any water intake structures in fish bearing or non-fish bearing waters will be designed, operated, and maintained to prevent fish entrapment, entrainment, or injury. All water withdrawal equipment will be equipped with and use fish screening devices approved by ADF&G.
- Removal of snow from fish-bearing rivers, streams, and natural lakes will be approved by ADF&G. Compaction of snow cover overlying fish-bearing waterbodies will be avoided except for at approved crossings. If ice thickness is not sufficient to facilitate a crossing, then ice or snow bridges may be used.
- Hilcorp will consult with ADF&G and U.S. Fish and Wild Life Service (USFWS) and conduct Forward Looking Infrared or other bear den detection surveys in areas of high likelihood of bear dens before commencing winter activities to identify the locations of known brown bear den and polar bear den sites that are occupied in the season of proposed activities.
- Exploration and production activities will not be conducted within one-half mile of occupied brown bear dens unless alternative mitigation measures are approved by ADF&G. Exploration and production activities will not be conducted within one mile of occupied polar bear dens unless alternative mitigation measures are approved by USFWS.
- Hilcorp has prepared and implemented a human-bear interaction plan designed to minimize conflicts between bears and humans.
- Permanent, staffed facilities will be sited to the extent practicable outside identified brant, white-fronted goose, snow goose, tundra swan, king eider, common eider, Steller's eider, spectacled eider, and yellow-billed loon nesting and brood rearing areas.
- Traditional and customary access to subsistence areas will be maintained unless reasonable alternative access is provided to subsistence users.
- Secondary containment will be provided for the storage of fuel or hazardous substances and sized as appropriate to container type and according to governing regulatory requirements in 18 AAC 75 and 40 CFR 112.

- During equipment storage or maintenance, the site will be protected from leaking or dripping fuel and hazardous substances by the placement of drip pans or other surface liners designed to catch and hold fluids under the equipment, or by creating an area for storage or maintenance using an impermeable liner or other suitable containment mechanism.
- During fuel or hazardous substance transfer, secondary containment or a surface liner will be placed under all container or vehicle fuel tank inlet and outlet points, hose connections, and hose ends. Appropriate spill response equipment, sufficient to respond to a spill of up to five gallons, will be on hand during any transfer or handling of fuel or hazardous substances.
- All independent fuel and hazardous substance containers will be marked with the contents and Hilcorp's or contractor's name using paint or a permanent label.
- Waste from operations will be reduced, reused, or recycled to the maximum extent practicable. Garbage is disposed of at an approved site (typically the NSB Oxbow Landfill) in accordance with 18 AAC 60.
- Drilling mud and cuttings will not be discharged into lakes, streams, rivers, or wetlands.
- Before the construction or placement of any structure, road, or facility supporting exploration, development, or production activities, Hilcorp will conduct an inventory of prehistoric, historic, and archeological sites within the area, including a detailed analysis of the effects that might result from that construction or placement.
- If a site, structure, or object of prehistoric, historic, or archaeological significance is discovered during lease operations, Hilcorp will report the discovery to the Director as soon as possible. Hilcorp will make all reasonable efforts to preserve and protect the discovered site, structure, or object from damage until the Director, after consultation with the State Historic Preservation Office (SHPO) and the NSB, has directed the lessee on the course of action to take for its preservation.

c. Compensatory Mitigation: The applicant doesn't believe compensatory mitigation is practicable due to the limited availability of sites. They also believe preservation is impracticable, but they are open to out-of-kind compensatory mitigation such as improvement of fish passage routes where existing roads and pads meet streams, creeks and rivers, and they will continue to explore options to remove gravel structures from the tundra if the structure is not in use.

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 ADEC.

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 cultural resources in the permit area or within the vicinity of the permit area. The permit area has been determined to be the area to be filled.

The SHPO concurred with the Corps of Engineers (Corps) determination on February 25, 2020 (3130-IR-COE-R 2020-00143).

ENDANGERED SPECIES: The project area is within the known or historic range of spectacled eider (*Somateria fischeri*), Steller's eider (*Polysticta stelleri*), and polar bear (*Ursus maritimus*).

We have determined the described activity may affect the spectacled eider (*Somateria fischeri*), Steller's eider (*Polysticta stelleri*), and polar bear (*Ursus maritimus*). We have initiated the appropriate consultation procedures under section 7 of the Endangered Species Act with the USFWS. The Corps has received a concurrence with our determination on February 24, 2020.

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 Nation Marine Fisheries Service 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 PN 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 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, 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

Wastewater Discharge Authorization Program (WDAP) / 401 Certification

DEPARTMENT OF ENVIRONMENTAL CONSERVATION
WDAP/401 CERTIFICATION
555 CORDOVA STREET
ANCHORAGE, ALASKA 99501-2617
PHONE: (907) 269-6285 | EMAIL: dec-401cert@alaska.gov

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.

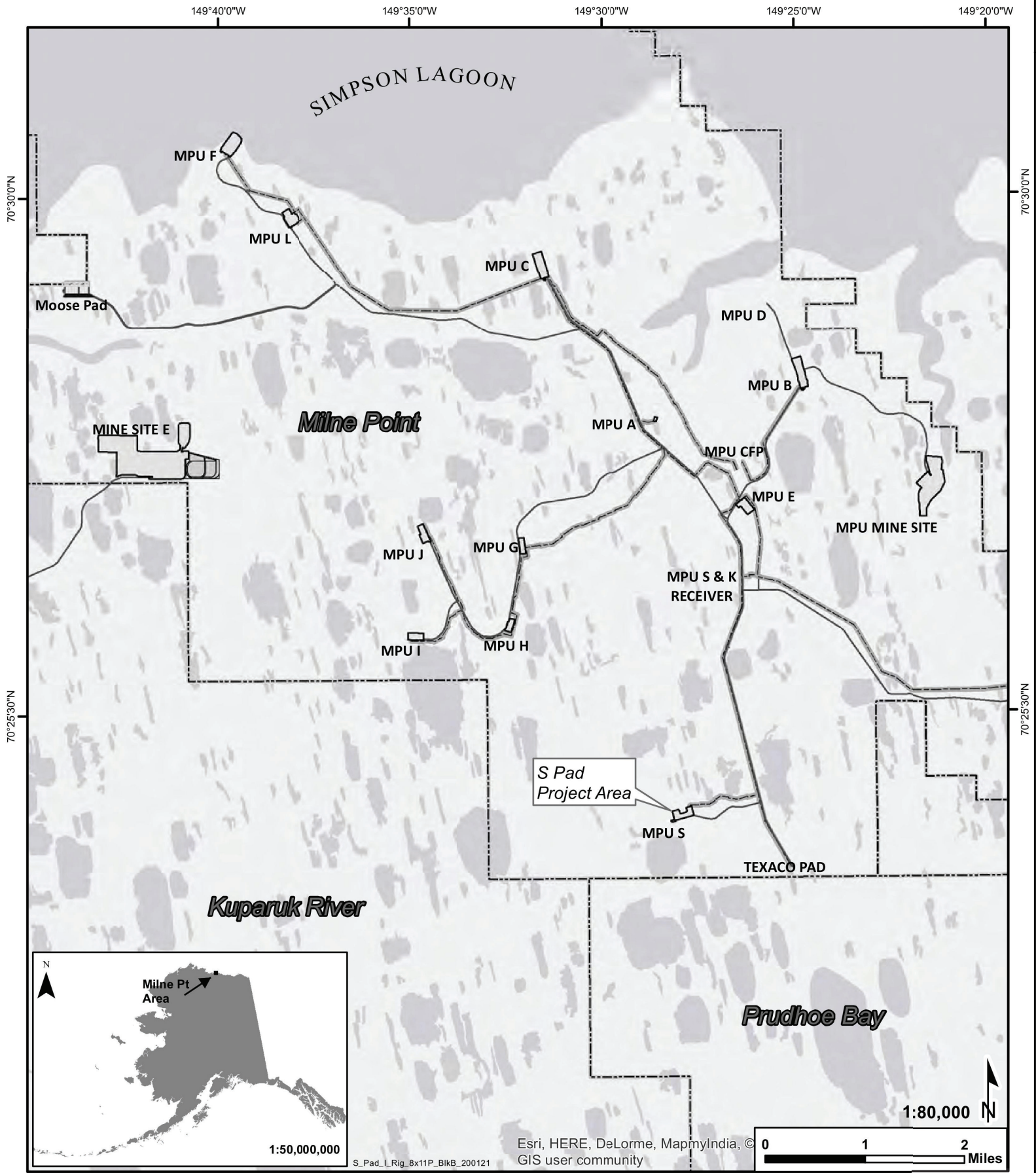
Notice is hereby given that the application for a Department of the Army Permit described in the Corps of Engineers' Public Notice (PN) Reference Number **POA-2001-00143, Ugnuravik River**, serves as application for State Water Quality Certification from the Department of Environmental Conservation.

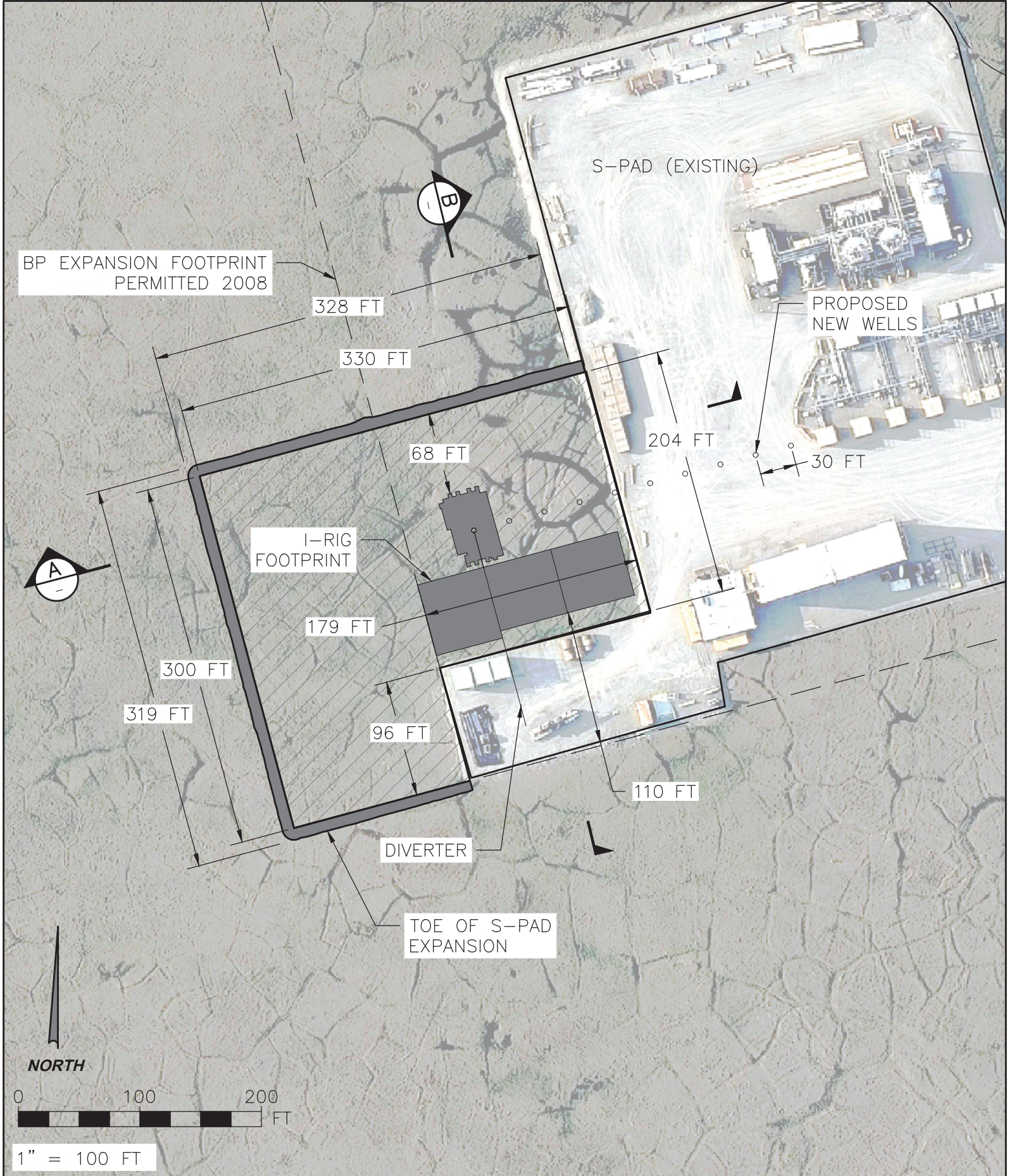
After reviewing the application, the Department may certify there is reasonable assurance the activity, and any discharge that might result, will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. The Department also may deny or waive certification.

Any person desiring to comment on the project with respect to Water Quality Certification, may submit written comments to the address above or via email to dec-401cert@alaska.gov by the expiration date of the Corps of Engineer's Public Notice. All comments should include the PN reference number listed above. Mailed comments must be postmarked on or before the expiration date of the public notice.

Disability Reasonable Accommodation Notice

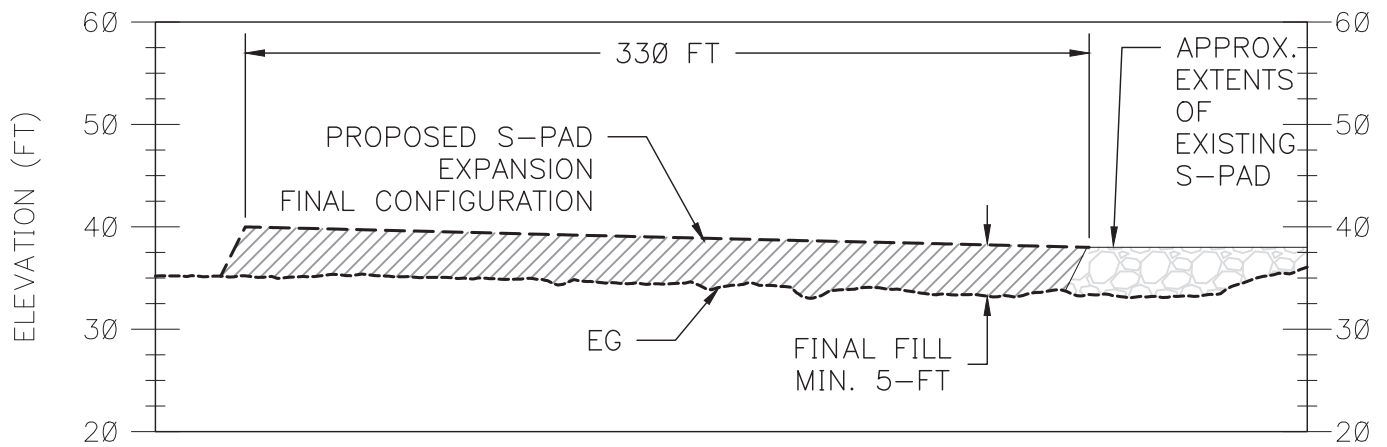
The State of Alaska, Department of Environmental Conservation complies with Title II of the Americans with Disabilities Act of 1990. If you are a person with a disability who may need special accommodation in order to participate in this public process, please contact Kate Orozco at 907-465-6171 or TDD Relay Service 1-800-770-8973/TTY or dial 711 within 5 days of the expiration date of this public notice to ensure that any necessary accommodations can be provided.



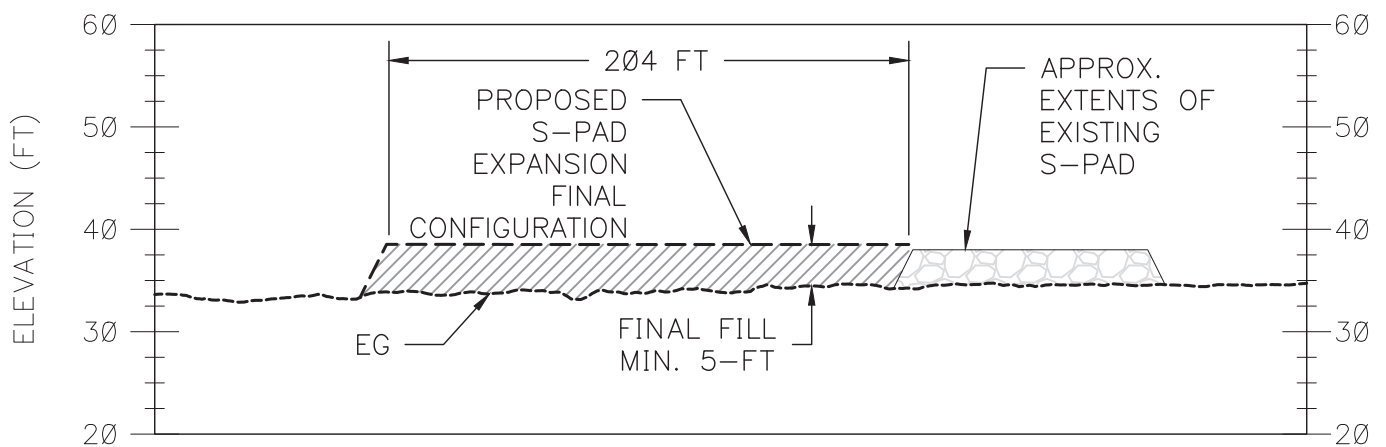


<p>01/23/2020 AMENDED: 03/06/2020</p> <p>ACAD FILE: S-PAD_I-RIG_200306.dwg</p>	<p>S-PAD EXPANSION PLAN VIEW</p>	<p>APPLICANT: HILCORP ALASKA, LLC</p> <p>POA-2001-00143-M8, Ugnuravik River Hilcorp Alaska, LLC</p> <p>Drawings dated March 6, 2020</p> <p>Sheet 2 of 3</p>
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8.5" x 11"



A S-PAD EXPANSION - WEST-EAST



B S-PAD EXPANSION - NORTH-SOUTH

NOTES:

1. APPROXIMATELY 16,000 CYDS OF FILL MATERIAL FOR FINAL CONFIGURATION OF S-PAD EXPANSION.
2. FOOTPRINT OF S-PAD EXPANSION TO BE 2.04 ACRES.
3. FIGURES AND VOLUMES ARE NOT FOR FINAL CONSTRUCTION.

0 50 100
FT

1" = 75 FT

**S-PAD EXPANSION
PROFILE**

APPLICANT: HILCORP ALASKA, LLC

POA-2001-00143-M8, Ugnuravik River
Hilcorp Alaska, LLC

Drawings dated March 6, 2020

Sheet 1 of 3

01/23/2020

ACAD FILE: S-PAD_I_RIG_200123.dwg

8.5" x 11"