

US Army Corps of Engineers Alaska District

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

Public Notice of Application for Permit

PUBLIC NOTICE DATE:	October 9, 2019
EXPIRATION DATE:	November 8, 2019
REFERENCE NUMBER:	POA-2019-00571
WATERWAY:	Simpson Lagoon

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 Jason Brewer at (907) 753-2823, toll free from within Alaska at (800) 478-2712, by fax at (907) 753-5567, or by email at Jason.D.Brewer@usace.army.mil if further information is desired concerning this notice.

APPLICANT: Hilcorp Alaska, LLC (Hilcorp), Anna Dugan

<u>LOCATION</u>: The project site is located within Section 6 and 7, T. 13 N., R. 10 E., Umiat Meridian; USGS Quad Map Beechey Point C-5; near Latitude 70.50173° N., Longitude 149.66902° W.; approximately 35 miles northwest of Deadhorse Airport and 5 miles west of Milne Point, Alaska.

<u>PURPOSE</u>: The applicant's stated purpose is to expand oil resource development infrastructure within the Milne Point Oil Field Unit to allow access to undeveloped oil reserves in the Schrader Bluff and Kuparuk reservoirs.

<u>PROPOSED WORK</u>: Discharge up to 262,200 cubic yards of gravel into 28.61-acres of waters of the U.S., including wetlands to construct a new well pad, widen an existing road, install vertical support members for a pipeline. The proposed gravel pad would be approximately 1,700 feet long by 615 feet wide and abut an existing road. The pad would support new wells, a processing facility, pipeline and utility connections to existing infrastructure, and other facilities to support oil production and transport. A short section of the existing road along the proposed pad would be widened by 6 feet to provide sufficient turning radius to safely maneuver the large drill rigs. Gravel material would be hauled to the construction site in winter over a 4.2-mile long ice road from Ugnu Mine Site E.

Construction of the ice road from the mine site is anticipated to begin in December 2019 and be completed in February 2020. Pad and road construction would begin after the ice road is complete and require approximately three months to complete. In July 2020, once the ground is thawed, the pad and road surface would be turned and re-compacted. Flowline construction would occur during the following ice road season. Pad utilities and infrastructure would be installed following pad compaction.

All work would be performed in accordance with enclosed plans (sheets 1-5), October 8, 2019.

ADDITIONAL INFORMATION

• •	Spill Prevention, Control, Countermeasure Plan
AK Department of Natural Resources	Unit/Lease Operations Approval
AK Division of Oil and Gas	Plan of Development
AK Division of Mining, Land, and Water	Material Sales Contract/Mining Rehabilitation
AK Division of Mining, Land, and Water	AK Pollutant Discharge Elimination System
AK Division of Mining, Land, and Water	Temporary Water Use Permit/Water Rights
AK Division of Mining, Land, and Water	Tundra Travel/Ice Rd Construction Gen. Permit
AK Department of Fish and Game	Title 16 Fish Habitat Permit
North Slope Borough	Development Permit
North Slope Borough	Ice Road Construction Permit
North Slope Borough	Certificate of Traditional Land Use Inventory

<u>APPLICANT PROPOSED MITIGATION</u>: 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:

-Pad siting would avoid lakes, ponds, and streams, including anadromous waters
-Pad siting eliminated the need for an access road, avoiding impacts to wetlands
-Construction of on ice road avoided need for permanent impacts of a new gravel haul road
-Pad siting on land would avoid impacts to waters associated with a subsea island design
-Compaction of snow on fish-bearing waters would be avoided except at approved crossings

b. Minimization:

-Pad designed to minimum footprint consistent with safety and engineering constraints

-Facilities would be designed and operated to minimize sight and sound impacts

-Road/pipeline crossings would be perpendicular or near perpendicular to watercourses

-Pipelines would follow existing transportation corridors where conditions permit

-Pipelines above would be elevated seven feet to allow wildlife movement

-Pipelines/gravel pads would be designed to facilitate containment and cleanup of spills

-Water withdrawal equipment would have fish screening devices approved by ADF&G

-Removal of snow from fish-bearing waters would occur only after approval by ADF&G

-Bear den detection surveys be coordinated with ADF&G and U.S. Fish and Wildlife Service

-Hilcorp would follow a human-bear interaction plan to minimize bear-human conflicts -Access to subsistence area would be maintained

-Secondary containment would be provided for storage of fuel or hazardous substances -Drip pans or other impermeable surface liners would be used to minimize impacts from spills -Spill response equipment would be on-site

c. Compensatory Mitigation:

Hilcorp states that wetlands have been avoided and minimized to the extent practicable by reducing the footprint of the project, using co-location of facilities by locating the pad near an existing road and pad, and using best management practices. Based on the temporary and minimal nature of the unavoidable impacts, and given the overall health of the watershed and prevalence of undisturbed waters of the U.S., including wetlands, on the North Slope and within the project vicinity, Hilcorp proposes that the described avoidance and minimization measures satisfy the mitigation requirements under the Corps of Engineers (Corps) various statutory authorities and therefore propose that no compensatory mitigation is appropriate or should be required.

<u>WATER QUALITY CERTIFICATION</u>: 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.

<u>CULTURAL RESOURCES</u>: 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, but there are cultural resources in the vicinity of the permit area. The permit area has been determined to be footprint of the proposed discharge of gravel. Consultation of the AHRS constitutes the extent of cultural resource investigations by the Corps at this time. The Corps has made a No Historic Properties Affected (No Effect) determination for the proposed project. 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. The Corps is requesting the SHPO's concurrence with this determination. <u>ENDANGERED SPECIES</u>: The project area is within the known or historic range of the polar bear (*Ursus maritimus*), Steller's eider (*Polysticta stelleri*), and spectacled eider (*Somateria fischeri*). No threatened or endangered species are known to use the project area.

We have determined the described activity may affect the polar bear, Steller's eider, and spectacled eider, and Critical Habitat for polar bear. We will initiate 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.

<u>ESSENTIAL FISH HABITAT</u>: 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).

The proposed route of the ice road crosses the Ugnuravik River, which is within the known range of the Arctic cod (*Boreogadus saida*) and Arctic snow crab (*Chionoecetes opilio*). No other portion of the proposed project is near EFH. The ice road would be constructed and utilized only during the winter.

We have determined the described activity would not adversely affect EFH in the project area.

<u>TRIBAL CONSULTATION</u>: 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.

<u>PUBLIC HEARING</u>: 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.

<u>EVALUATION</u>: 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)(I) 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.

<u>AUTHORITY</u>: 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 Notice of Application for State Water Quality Certification Project Drawings Dated October 8, 2019

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: <u>dec-401cert@alaska.gov</u>

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-2019-00571**, **Simpson Lagoon**, 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 <u>dec-401cert@alaska.gov</u> 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 Theresa Zimmerman 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.









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