



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:	October 17, 2017
EXPIRATION DATE:	November 16, 2017
REFERENCE NUMBER:	POA-2017-504
WATERWAY:	Colville 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: Jessika Gonzalez, ConocoPhillips Alaska, Inc., Post Office Box 100360, Anchorage, Alaska 99510, (907) 265-6213

LOCATION: The project site is located within Section 2, T. 1 N., R. 4 E., Umiat Meridian; USGS Quad Map Harrison Bay B-2; Latitude 70.3381° N., Longitude 151.0486° W.; approximately 8 miles north of Nuiqsut, Alaska.

PURPOSE: The applicant's stated purpose is to expand the existing CD2 pad to support additional development and production of petroleum reserves from the Fiord West reserve within the Colville River Unit (CRU).

PROPOSED WORK: The applicant proposes the placement of 73,000 cubic yards of gravel fill material (from Mine Site C or the ASRS Mine Site) into (5.8 acres) of Palustrine emergent wetlands to expand the existing CD2 pad to the west, this will be called the CD2 expansion (CD2X). The following components would be added to the expansion site: up to 32 additional wells, VSMS, 60-foot pipe racks, 20-foot transitional pipe rack, 100-foot high mast light,

insulated conductors, and thermosyphons. All work would be performed in accordance with the enclosed plan (sheets 1-5), dated September 28, 2017.

ADDITIONAL INFORMATION: Development in the CRU began with the Alpine CD1 and CD2 drill sites and associated facilities. Oil production commenced from CD1 in November 2000 and from CD2 in November 2001.

The original CD2 pad design was based on the existing Alpine seismic data available at that time. Since then, additional development targets have been identified in the CD2 area. Additionally, technology has improved since the original CD2 scoping, resulting in more economically-feasible targets.

A site modification occurred in 2006 when the CD2 pad was expanded (Qannik Project) to accommodate the installation of 18 new wells and associated infrastructure. Production rates at CD2 could potentially increase by an additional 20 MBOPD as a result of the CD2X. Production increases will depend on project timing and selected reservoir targets.

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: Due to the abundance of wetlands on the North Slope and the project vicinity, avoiding all fill discharges into wetlands is not practicable.

b. Minimization: The existing CD2 pad infrastructure will be utilized to the extent possible to minimize the additional gravel footprint and associated support infrastructure. The facility design and equipment layout will be optimized.

Minimization measures include site design/selection, use of existing infrastructure, use and construction of ice roads, and winter construction.

Site design/selection, by utilizing investments in advanced drilling technology, the Fiord West resource will be accessible from the CD2 pad, eliminating the need for a new (11.8-acre) stand-alone gravel pad, new roads, and new cross-country pipelines to be constructed, which was not an option for projects prior to CD2X.

The project avoids discharge of fill to streams, rivers, lakes, and ponds. No defined stream channels or anadromous fish drainages will be crossed by the pad expansion.

CD2X will utilize various components of existing Alpine and commercial infrastructure, including:

- Existing Alpine and ACF infrastructure will be used for power generation, gas and water treatment, and production processing.

- Personnel will be housed in existing camps and/or hotels during construction and operations, thereby eliminating the need to design a larger CD2 pad to accommodate the footprint of permanent housing.

Gravel for the project will be purchased from Mine Site C or ASRC Mine Site, an existing commercial gravel source, eliminating the need to develop a new gravel source within the project vicinity.

The project will utilize the existing airstrips for transporting equipment and personnel to the area. No airstrip is proposed for this project.

Existing messenger cables will be utilized to provide power for the CD2X portion of the pad, and no overhead powerlines will be installed, minimizing the potential for bird strikes.

Use of construction of ice roads, the seasonal Alpine Resupply Ice Road will be used to transport the gravel from Mine Site C or ASRC Mine Site to CD2 pad utilizing typical Maxi-Haul end-dumps avoids permanent impacts to Waters of the U.S. (WOUS).

All CD2 pad expansion construction will occur during winter when soils are frozen. Access to the area for construction activities will be via the existing gravel pad. Gravel harvest and construction will be conducted in a single winter season to avoid the need for construction of a gravel stockpile pad.

A pad expansion will allow for safe and efficient access to develop the Fiord West resource without the addition of a new stand-alone gravel pad, roads, and cross-country pipelines, resulting in minimized environmental impact.

The proposed project will continue to follow the *Alpine Facilities Erosion Control Plan*. The *Alpine Facilities Erosion Control Plan* outlines procedures for operation, monitoring, and maintenance of various erosion control methods.

The side slopes of the western margin of the expanded CD2 pad will be armored to prevent erosion of the fill material by the following measures: Permanent armor (rip rap) along the pad slopes is intended to prevent catastrophic failure from wave action and water velocity current conditions associated with a return period of 200 years. The existing slope design meets the 200-year design specifications on the eastern pad edge and the proposed slope design exceeds the 200-year design specifications on the western edge. The 200-year water velocities are less than five feet per second (ft/s) along the edges of the CD2 pad. The rip rap along the expanded western pad edge will include larger stones exceeding 100 pounds that are capable of withstanding flood water velocities of up to ten ft/s. The individual rocks will be mechanically placed so that the rocks interlock and provide a continuous barrier to moving water.

The proposed project has been designed to reduce impacts from equipment by using machinery and techniques that are specifically designed to minimize wetland impacts.

Specifically, these include the following:

- the utilization of advanced drilling technology reduces the need to construct a new drill site, potential roads, and cross-country pipelines.
- Machines with specially designed wheels or tracks, and the use of mats under heavy equipment will be used to reduce wetland surface compaction and rutting.
- Specialized equipment will be used to construct and maintain ice roads so that construction can occur during the winter months to avoid associated impacts. Only approved tundra travel vehicles will be utilized.

c. **Compensatory Mitigation:** CPAI is working to identify aquatic resource sites suitable for permittee-responsible compensatory mitigation to offset wetlands impacts of the proposed project. Both restoration and preservation options are being explored with landowners in the vicinity of the CD2X project area and, if this effort is successful, CPAI will submit a mitigation plan to supplement this application.

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 cultural resources in the permit area or within the vicinity of the permit area. The permit area has been determined to be the complete project area. Consultation of the AHRS constitutes the extent of cultural resource investigations by the Corps of Engineers (Corps) at this time, and we are otherwise unaware of the presence of such resources. The Corps has made a No Potential to Cause Effects determination for the proposed project. Consultation with the State Historic Preservation Office (SHPO) is not required, however, 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*), Steller's eider (*Polysticta stelleri*), and spectacled eider (*Somateria fischeri*).

We have determined the described activity may affect the polar bear, Steller's and spectacled eider. 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 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
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-2017-504, Colville 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.