

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

Public Notice of Application for Permit

PUBLIC NOTICE DATE: July 9, 2024

EXPIRATION DATE: August 8, 2024

REFERENCE NUMBER: POA-2012-00236

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.

All comments regarding this public notice 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 public notice reference number listed above.

All comments 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 Jonathan Hegna at 907-753-2708 or toll free from within Alaska at 800-478-2712, or by email at Jonathan.R.Hegna@usace.army.mil if further information is desired concerning this public notice.

APPLICANT: Mustang Holding LLC

301 Calista Court, Suite 103

Anchorage, AK 99518

AGENT: Fairweather LLC

301 Calista Court Anchorage, AK 99518 <u>LOCATION</u>: The project is located approximately 17 miles east of Nuiqsut within Section 2, Township 10 North, Range 7 East, at Latitude 70.248826° North, Longitude -150.274066° West, North Slope Borough, Alaska.

<u>PURPOSE</u>: The applicant's stated purpose is to expand the existing Mustang Pad to provide space for employee housing at the site in order to allow for the operation of the Mustang Pad to produce petroleum from the Kuparuk "C" sand reservoir.

PROPOSED WORK: The proposed project would involve discharging approximately 56,000 CY of gravel to expand the existing Mustang Pad by 5 acres to provide space for employee housing. The gravel pad expansion would match the existing pad elevation and be located on the southeast corner of the pad at the road approach. The gravel would be mined from the original mine site located adjacent to the pad. The proposed work would begin in September, 2024 and would take approximately 2 months to complete.

<u>ADDITIONAL INFORMATION</u>: The proposed project will require the following additional authorizations: Alaska Department of Natural Resources (ADNR) Land Use Permit (issued), ADNR Plan of Operations Authorization (issued), and an Alaska Department of Environmental Quality APDES Permit (issued).

Brooks Range Petroleum Corp, a former operator of the Mustang Pad, obtained a Section 404 permit authorization, POA-2012-00236, that was issued on January 13, 2013 to construct the Mustang road, pad, and gravel mine. The permit authorized approximately 99.2 acres of fill into tundra wetlands for the road, pad, and gravel mine.

<u>APPLICANT PROPOSED MITIGATION</u>: 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 area surrounding the Mustang Pad consists entirely of wetlands, making complete avoidance of wetland impacts not practicable. However, construction of additional drilling pads has been avoided by utilizing directional drilling techniques. This allows full reservoir development from a single pad, thus maximizing oil production and development while avoiding impacts to wetlands. In developing this proposed project the location of a high value wetland (Category II) habitat complex associated with a small lake to the northeast of the pad was identified and the pad expansion has been designed to purposely avoid this habitat.
- b. Minimization: Directional drilling techniques will be used, which will avoid the need for the development of additional separate pads, limiting impacts to the minimum space necessary to expand the existing pad. The project components have been positioned to avoid streams, rivers, large lakes, and high value wetlands to the greatest extent possible. Project features have also been designed to minimize the footprint of the project while allowing for the safe and practical development of the field. The location of the pad expansion was selected to reduce the quantity of gravel deposited, acreage of wetlands affected, and risk of potential oil spills. The proposed pad expansion is needed to further the project's ability to drill and produce oil from a singular pad and reduce the necessity for multiple drill pads. The proposed expansion

will use existing access roads to limit impacts. Fugitive dust generated from the gravel pad will be controlled by watering the surfaces when necessary. Spill prevention and response measures will be implemented to lessen possible impacts to wetlands and waters. Personnel will be trained in both prevention and response techniques. Prevention procedures occur during all stages of production, storage, transport, and operations. An Oil Discharge Prevention and Contingency Plan, SPCC Plan, Facility Response Plan and a Blowout Contingency Plan have been developed for the project.

c. Compensatory Mitigation: The applicant has proposed to purchase credits from the Conservation Fund's Alaska ILF program for unavoidable impacts to wetlands and waters of the U.S. caused by the project. The purchased credits would be used for preservation only.

<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 Corps has not made an effect determination at this time regarding potential impacts to historic properties. As applicable under Section 106 of the National Historic Preservation Act, this application will be coordinated with the State Historic Preservation Office (SHPO), Federally recognized Tribes, and other consulting parties. Any comments SHPO, Federally recognized Tribes, and other consulting parties 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.

<u>ENDANGERED SPECIES</u>: The project area is within the known or historic range of the spectacled eider (*Somateria fischeri*), Steller's eider (*Polysticta stelleri*), and the polar bear (*Ursus maritimus*). No critical habitat is present within the permit area.

We have determined that the described activity may affect the threatened or endangered species listed above that may occur within the project area. 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 (Magnuson-Stevens 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 project area is not within mapped EFH.

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

TRIBAL CONSULTATION: The Corps 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 Corps, 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 rights or resources. 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.

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.

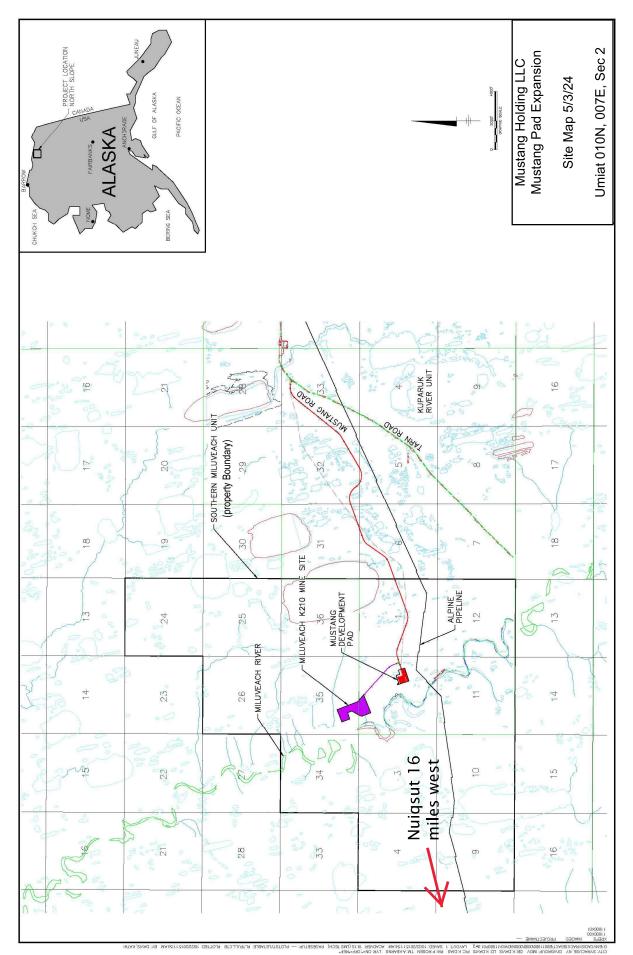
<u>AUTHORITY</u>: This permit will be issued or denied under the following authorities:

(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 are enclosed with this public notice.

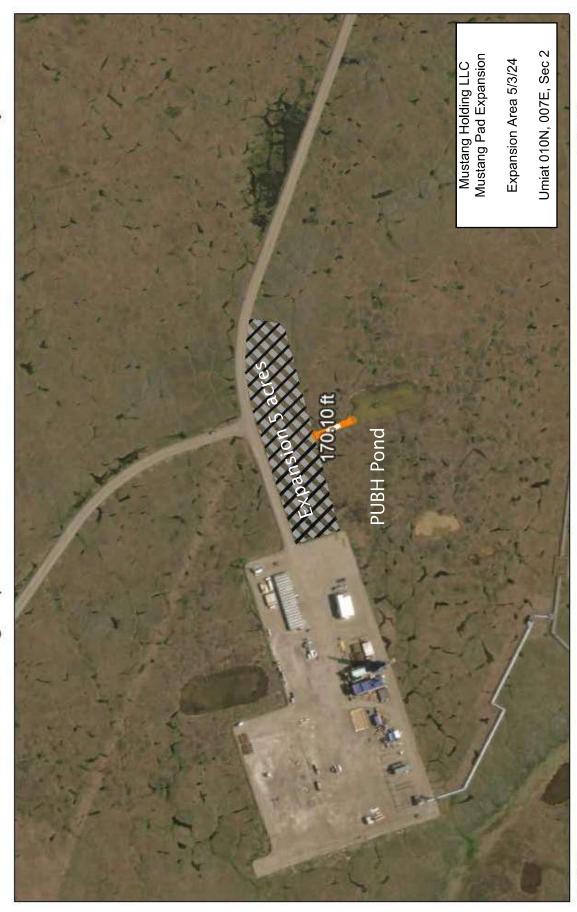
District Commander U.S. Army, Corps

Enclosures



Appendix A: Figure 1/6

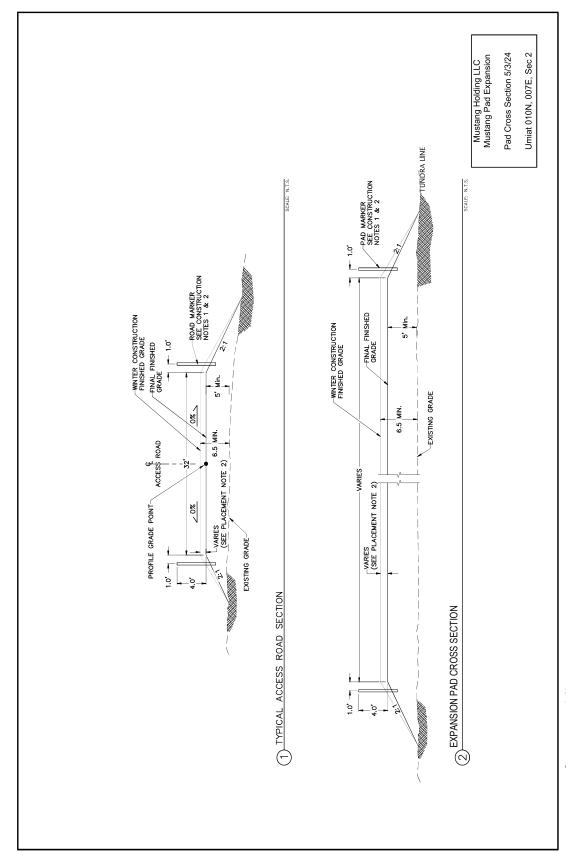
MHLLC - Mustang Expansion Area and Distance to Nearest Waterbody



5/3/2024 Umiat, 010N, 070E, Sec 2

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Appendix A: Figure 2/6



Appendix A: Figure 3/6