

# STATE OF ALASKA

FRANK H. MURKOWSKI, GOVERNOR

## DEPT. OF ENVIRONMENTAL CONSERVATION

### DIVISION OF SPILL PREVENTION AND RESPONSE INDUSTRY PREPAREDNESS PROGRAM

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June 30, 2003

File No.: 305.30(5080)

### OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN APPROVAL

Mr. Ronald J. Rundt, Manager  
International New Ventures & Alaska Operations  
Anadarko Petroleum Company  
P.O. Box 1330  
Houston, TX 77251-1330

Dear Mr. Rundt:

Subject: Extended Plan Approval Period for Anadarko Exploration Program; North Slope Exploration, Oil Discharge Prevention and Contingency Plan. ADEC Plan Number 014-CP-5080.

The Alaska Department of Environmental Conservation (Department) is extending the approval period of the Anadarko Petroleum Corporation's North Slope Exploration Program, Oil Discharge Prevention and Contingency Plan, dated July 2001. As noted below, the approval period has been extended by two years as required by the recently enacted Senate Bill 74 (An Act extending the renewal period for Oil Discharge Prevention and Contingency Plans).

Plan Title: **Anadarko Petroleum Corp., Oil Discharge Prevention and Contingency Plan, North Slope Exploration Program,; dated July 2001, as revised and updated through January 2003, consisting of one volume.**

Supporting Documents: **Alaska Clean Seas (ACS) Technical Manuals, Volumes 1 – 3, dated March 1999, revised September 2001, as amended and updated upon approval.**

Plan Holder: **Anardarko Petroleum Corp., Inc. Anchorage, Alaska**

Covered Facilities: **Exploration Well Sites known as Hot Ice # 1, 2, 3; Altamura North and South, Whiskey Gulch A & B.**

**PLAN APPROVAL:** Approval of the referenced plan is hereby granted, effective **June 30, 2003**. This approval supersedes the plan Approval and Certificate of Approval dated January 2, 2002. A certificate of approval stating that the contingency plan has been approved by the

Department is enclosed. **This plan approval is subject to the following terms and conditions:**

**TERMS AND CONDITIONS:**

Oil Storage Tanks

7 days prior to spudding a well, and 7 days prior to testing at any of the subject drill sites, Anadarko must provide a description of each oil storage container greater than 10,000 gallons used at each project location selected for drilling. The description must include an identifying number/designation, service, capacity, design, construction date, and the date and type of the last API 653 inspection. This information must also be included with the Drill Pad Layout As Built Drawings referenced in Condition Number 2 of this approval, so that location and identification of the tanks is clearly indicated in relation to the drill pad/exploration facilities.

*This condition is reasonable and necessary to ensure specific details of the tanks used at the facility are included in the plan and on the as-built drawings of the pad layout. This information is needed to guide responders in an emergency event or discharge of any size and that complete information about the oil storage tanks used at the facilities is contained in the plan in compliance with AS 46.04.030(e) and 18 AAC 75.425(e)(1) and 18 AAC 75.065 and 18 AAC 75.425(e)(2).*

1. **Drill Pad Layout.**

Prior to commencement of drilling operations on the prospects, Anadarko must provide as-built drawings of the pad layout(s). The as-built must include the relative positions of the drill rig, crew quarters, fuel storage tank(s), prover tanks, pad entrance, and potential spill trajectories.

*This condition is reasonable and necessary to ensure site specific details of the facility layout is available to guide responders in an emergency event or discharge of any size for compliance with AS 46.04.030(e) and 18 AAC 75.425(e)(1).*

2. **Notice of Changed Relationship with Response Contractor.**

Because the plan relies upon the use of response contractor(s) for its implementation, the plan holder must immediately notify the Department in writing of any change in the contractual relationship with the plan holder's response contractor(s), and of any event including but not limited to any breach by either party to the response contract that may excuse a response contractor from performing, that indicates a response contractor may fail or refuse to perform, or that may otherwise affect the response, prevention, or preparedness capabilities described in the approved plan.

*This condition is reasonable and necessary because there are certain risks associated with allowing a plan holder to rely in part or total upon a response contractor instead of obtaining its own response capability. The risks arise, in part, because the certainty of the contractor's response is dependent upon the continuation of the legal relationship between it and the plan holder. Given this risk, the Department must be promptly informed of any change of the contractual relationship between the plan holder and the response contractor, and of any other event that may arguably excuse the response contractor from performing or that would*

*otherwise affect the response, prevention, or preparedness capabilities described in the approved plan. The Department may seek appropriate modifications to the plan or take other steps to ensure that the plan holder has continuous access to sufficient resources to protect the environment and to contain, clean up, and mitigate potential oil spills. 18 AAC 75.445(i).*

**4. Relief Drilling Rig(s)**

**7 days prior to spudding at any of the subject drill sites, Anadarko shall provide a list of each relief-well drilling rig to be used to satisfy relief well requirements. Additionally, rig specific information must be submitted, including fuel transfer procedures, oil storage tanks, liquid level determination to address the requirements of 18 AAC 75.025, 18 AAC 75.045, 18 AAC 75.065 and 18 AAC 75.075, 18 AAC 75.430, 18 AAC 75.434, 18 AAC 75.425(e)(2)(A & B), 18 AAC 75.445(d)(2).**

*The Department has determined that this stipulation is necessary to provide compliance with 18 AAC 75, as described above.*

**EXPIRATION:** This approval **expires January 1, 2007**. After the approval expires, Alaska law prohibits operation of the facility until an approved plan is once again in effect.

**AMENDMENT:** Before any change to this plan may take affect, the plan holder must submit an Application for Amendment to the plan with any additional information needed to evaluate the proposed amendment. This is to ensure that changes to the plan do not diminish the plan holder's ability to respond to a discharge and to evaluate any additional environmental considerations that may need to be taken into account. (18 AAC 75.415).

**RENEWAL:** To renew this approval, the plan holder must submit a completed renewal application and plan to the Department no later than 180 days prior to the expiration of this approval. This is to ensure the submitted plan is approved before the current plan in effect expires. (18 AAC 75.420).

**REVOCATION, SUSPENSION, OR MODIFICATION:** This approval is effective only while the plan holder is in "compliance with the plan" and with all of the terms and conditions described above. The Department may, after notice and opportunity for a hearing, revoke, suspend, or require the modification of an approved plan if the plan holder is not in compliance with it, or for any other reason stated in AS 46.04.030(f). In addition, Alaska law provides that a vessel or facility that is not in "compliance with the plan" may not operate (AS 46.04.030). The Department may terminate approval prior to the expiration date if deficiencies are identified that would adversely affect spill prevention, response or preparedness capabilities.

**DUTY TO RESPOND:** Notwithstanding any other provisions or requirements of this contingency plan a person causing or permitting the discharge of oil is required by law to immediately contain and cleanup the discharge regardless of the adequacy or inadequacy of a contingency plan (AS 46.04.020).

**NOTIFICATION OF NON-READINESS:** Within twenty-four (24) hours after any significant response equipment specified in the plan becomes no operational or is removed from its designated storage location the plan holder must notify the Department in writing and provide a schedule for the equipment's substitution, repair, or return to service (18 AAC 75.475(b)).

**CIVIL AND CRIMINAL SANCTIONS:** Failure to comply with the plan may subject the plan holder to civil liability for damages and to civil and criminal penalties. Civil and criminal sanctions may also be imposed for any violation of AS 46.04, any regulation issued hereunder, or any violation of a lawful order of the Department.

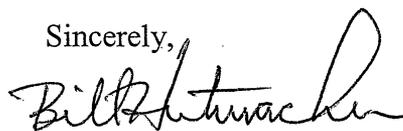
**INSPECTIONS, DRILLS, RIGHTS TO ACCESS AND VERIFICATION OF EQUIPMENT, SUPPLIES AND PERSONNEL:** The Department has the right to verify the ability of the plan holder to carry out the provisions of its contingency plan and access to inventories of equipment, supplies and personnel through such means as inspections and discharge exercises, without prior notice to the plan holder. The Department has the right to enter and inspect the covered vessel or facility in a safe manner at any reasonable time for these purposes and to otherwise ensure compliance with the plan and the terms and conditions (AS 46.04.030(e) and AS 46.04.060). The plan holder shall conduct exercises for the purpose of testing the adequacy of the contingency plan and its implementation (18 AAC 75.480 and 485).

**FAILURE TO PERFORM:** In granting approval of the plan, the Department has determined that the plan, as represented to it by the applicant in the plan and application for approval, satisfies the minimum planning standards and other requirements established by applicable statutes and regulations, taking as true all information provided by the applicant. The Department does not warrant to the applicant, the plan holder, or any other person or entity: (1) the accuracy or validity of the information or assurances relied upon; (2) that the plan is or will be implemented; or (3) that even full compliance and implementation with the plan will result in complete containment, control, or clean-up of any given oil spill, including a spill specifically described in the planning standards. The plan holder is encouraged to take any additional precautions and obtain any additional response capability it deems appropriate to further guard against the risk of oil spills and to enhance its ability to comply with its duty under AS 46.04.020(a) to immediately contain and clean up an oil discharge.

**COMPLIANCE WITH APPLICABLE LAWS:** If amendments to the approved plan are necessary to meet the requirements of any new laws or regulations, the plan holder must submit an application for amendment to the Department at the above address. The plan holder must adhere to all applicable state statutes and regulations as they may be amended from time to time. This approval does not relieve the plan holder of the responsibility for securing other federal, state or local approvals or permits, and that the plan holder is still required to comply with all other applicable laws.

**APPEAL:** This is a final decision. Aggrieved persons with standing may appeal this decision to the Alaska Superior Court within 30 days as provided by the Alaska Rules of Appellate Procedures.

If you have any questions, please contact Kirsten Ballard at (907) 269-7541 or Lydia Miner at (907) 269-7680.

Sincerely,  
  
Bill Hutmacher  
Program Manager

Enclosure: Certificate of Approval, Number: 03CER-4561  
Attachment to the Altamura Oil and Gas Exploration Program

cc: Glenn Gray, DGC, Juneau  
MAC MCLEAN, ADF&G  
Sam Means, ADNR  
Gordon Brower, North Slope Borough  
Ed Meggert, ADEC, PERP, Fairbanks  
Lydia Miner, ADEC, IPP, Anchorage  
Kirsten Ballard, ADEC, IPP, Anchorage  
Don Meares, BLM, Fairbanks  
Susan Flora, BLM Fairbanks  
Terry Carpenter, ACOE  
S. Teller, Lynx Enterprises  
Bob Elder, Anadarko Petroleum  
Tommy Thompson, Anadarko Petroleum

**Attachment to**  
**Altamura Oil and Gas Exploration Program**  
State ID No. AK 0109-03OG  
For the  
**Anadarko North Slope Exploration Program**  
Oil Discharge Prevention and Contingency Plan  
**Alaska Coastal Management Program Stipulations**  
(As required by Final Consistency Determination of December 21, 2001)

1. Anadarko shall work with the NPRA Federal Subsistence Board on matters dealing with local use of the affected area and following through with recommendations of that board to ensure reasonable subsistence use access to subsistence resources.

***Rationale:** This policy is necessary to meet North Slope Borough enforceable policy 2.4.3.(d) .*

2. Aircraft access to the Altamura exploration site shall not interfere with subsistence activities to the extent that it precludes reasonable subsistence user access to subsistence resources.

***Rationale:** This policy is necessary to meet North Slope Borough enforceable policy 2.4.3.(d) .*

3. To avoid adverse impacts to herds and other animals aircraft use to the Altamura site near areas where species that are sensitive to noise or movement are concentrated shall have a vertical buffer of 1500 feet and identify a flight route that is least impacting to subsistence users.

***Rationale:** This policy is necessary to meet North Slope Borough enforceable policy 2.4.4.(a) .*

4. The exploration operations must not preclude reasonable subsistence user access to subsistence resources including the hunting or trapping of caribou, foxes, wolves, and moose by the residents of Barrow and Nuiqsut these communities

***Rationale:** This policy is necessary to meet North Slope Borough enforceable policy 2.4.3.(d).*

5. Exploration operations shall avoid all subsistence traps. Caribou antlers or other similar animals attractants used for fur-bearing animal traps shall be avoided.

***Rationale:** This policy is necessary to meet North Slope Borough enforceable policy 2.4.3.(d) .  
The North Slope Borough has found that disturbance of trapping activities precludes reasonable access to subsistence resources.*

6. Exploration operations shall avoid all native burial sites and graves. Set-back allowed will be 200 ft. set-back distance for vehicle usage.

***Rationale:** This policy is necessary to meet North Slope Borough enforceable policy 2.4.3.(e) (f) and (g).*