

PUBLIC NOTICE

Alaska Department of Environmental Conservation (DEC) Wastewater Discharge Authorization Program/§401 Certification 555 Cordova Street, Anchorage AK9501-2617 Phone: 907-269-6285 | Email: <u>DEC-401Cert@alaska.gov</u>

Notice of Application for State Water Quality Certification

Public Notice (PN) Date: February 27, 2024 PN Expiration Date: March 19, 2024 PN Reference Number: POA-2001-00361 v1.0 Waterway: Putuligayuk River

Any applicant for a federal license or permit to conduct an activity that might result in a discharge into waters of the United States, in accordance with Section 401 of the Clean Water Act (CWA), must also apply for and obtain certification from the Alaska Department of Environmental Conservation that the discharge will comply with the CWA and the Alaska Water Quality Standards (18 AAC 70). The scope of certification is limited to the water quality-related impacts from the activity subject to the Federal license or permit (40 CFR 121.3, 18 AAC 15.180).

Notice is hereby given that a request for a CWA §401 Water Quality Certification of a Department of the Army Permit application, Corps of Engineers' PN Reference Number indicated above has been received¹ for the discharge of dredged and/or fill materials into waters of the United States (WOTUS), including wetlands, as described below, and shown on the project figures/drawings. The public notice and related project figures/drawings are accessible from the DEC website at https://dec.alaska.gov/water/wastewater/.

To comment on the project or request for a public hearing with respect to water quality, submit comments electronically via the DEC public notice site at <u>https://water.alaskadec.commentinput.com?id=Rx2dfEQtDb</u> on or before the public notice expiration date listed above.

Applicant: Hilcorp North Slope, LLC, Keri Iles, 3800 Centerpoint Drive #1400, Anchorage, AK 99503, (907) 777-8368; <u>keri.iles@hilcorp.com</u>

Project Name: Prudhoe Bay O Pad Development

Location: The proposed activity is located within Section 33, T. 12N, R. 11E, Umiat Meridian, in North Slope Borough, Alaska. Project Site (Latitude, Longitude): 70.352130, -149.36273.

Purpose: Hilcorp North Slope, LLC (Hilcorp) proposes to expand oil resource development within the Prudhoe Bay Unit (PBU) to access the Schrader Bluff reservoir, which is estimated to contain up to twenty billion barrels of oil reserves. A new drilling and production pad, Omega Pad, will provide access to approximately 3,500 acres of undeveloped oil reserves in the Schrader Bluff Reservoir.

Description of Proposed Work: Initial development plans for Omega Pad include the installation of approximately sixty new wells using directional drilling technology. The new wells will include both oil production wells and enhanced oil recovery (EOR) injection wells. Extended reach drilling, which is needed to access identified targets, requires the use of larger drill rigs. Larger drill rigs need extra pad space and drilling laydown areas. Therefore, the new gravel pad footprint must be large enough to accommodate simultaneous drilling and construction activities.

A total of 500,000 cubic yards of fill would be required to construct the new pad and associated support and access infrastructure, resulting in the filling of approximately 30 acres of wetlands.

¹ Reference submission number: HQ0-J2S7-KRRMK; Received: 2/9/2024 1:16:12 PM

Omega Pad: The new pad would be approximately 1,700 feet in length and 600 feet in width. Gravel will be placed with a minimum compacted depth of 5 feet and will utilize a 2:1 edge slope. Fill material would be compacted at the time of placement; however, because construction activities would occur during winter months, the pad would be reworked during the summer months to ensure adequate compaction.

L Pad to Omega Pad Access Road: To connect the new Omega Pad to existing L Pad, a new road is required that can accommodate a larger drill rig and construction traffic. The access road would be approximately 5,500 feet in length and 32 feet in width. Gravel would be placed with a minimum compacted depth of 5 feet and will utilize a 2:1 edge slope. The access road is designed to safely allow bypass around existing L Pad facilities for simultaneous project construction and L Pad operations.

Culverts: Culverts will be installed as necessary to avoid disrupting natural drainage and to allow adequate fish passage. Approximately 2 culverts would be installed in the new access road between Omega Pad and L Pad. Culverts would be sized accordingly and designed based on recommendations from consulting hydrologist and the Alaska Department of Fish and Game. Fish Habitat permits would be acquired for all locations impacting anadromous waterbodies.

Construction Quantities: The Omega Pad would fill 24 acres of wetlands with 349,500 cubic yards of fill; the access road would fill 5.5 acres of wetlands with 150,000 cubic yards of fill, and the pipe rack VSMs would fill 0.5 acre of wetlands with 500 cubic yards of fill material.

Ice Roads: A new 11-mile ice road would be constructed from the Milne Point Mine Site E to the Omega Pad location. The purpose of this ice road is to provide access for the gravel haul from the mine site to the project location. A second one (1) mile ice road would be required to install the Omega Pad flowline and gas lift line from L Pad to the new pad location. This ice road would be used to stage equipment and drive VSMs along the length of the pipe rack.

Schedule and Authorizations Anticipated: Ice-road construction and mining operations are anticipated to begin in January 2025, or as soon as conditions support ice road construction in the 2024/2025 winter season. Pad and access road construction would begin in February 2025 and be complete by April 2025. Pad infrastructure construction would begin following pad compaction. Flowline construction is anticipated to occur from December 2026 to May 2027. Omega Pad is anticipated to be fully operational in November 2027.

<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. <u>Avoidance</u>: For the Omega Pad project, Hilcorp avoided crossing as many lakes, ponds, and streams as possible. Additionally, anadromous water crossings were minimized to the maximum extent practicable. Hilcorp avoided additional impacts to wetlands by designing the new pad, flowlines, and access road to the minimum size necessary. The selected pad development location provides access to reservoir targets while avoiding important cultural and natural resources.
- b. <u>Minimization</u>: Hilcorp minimized the gravel footprint for additional development wells and associated infrastructure to the greatest extent practicable. Gravel placement is planned for the winter construction season to minimize impacts to migratory birds and tundra 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 ADF&G and Alaska Department of Environmental Conservation (ADEC). Hilcorp facilities are designed and operated to minimize sight and sound impacts in areas of high residential, recreational, and subsistence use and important wildlife habitat. Adjacent 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.

Hilcorp will consult with ADF&G and USFWS and conduct Forward Looking Infrared (FLIR) 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 polar 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.

During project execution, 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. Waste from operations will be reduced, reused, or recycled to the maximum extent practicable. Garbage will be disposed of at an approved site 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 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 and the North Slope Borough, has directed the lessee on the course of action to take for its preservation.

c. <u>Compensatory Mitigation</u>: Hilcorp has worked to limit the impact to wetlands, and believes that restoring, enhancing, or establishing wetlands for compensatory mitigation is not practicable due to limited availability of sites and technical limitations. Hilcorp believes that wetlands have been avoided and impacts minimized to the extent practicable by reducing the footprint of the project, locating the pad near existing facilities, using best management practices to reduce environmental impacts, therefore minimizing impacts would be the primary means of satisfying compliance with the Guidelines.

After reviewing the application, the Department will evaluate whether the activity will comply with applicable water quality requirements (any limitation, standard, or other requirement under sections 301, 302, 306, and 307 of the CWA, any Federal and state laws or regulations implementing those sections, and any other water quality-related requirement of state law). The Department may certify (or certify with conditions) with reasonable assurance the activity and any discharge that might result will comply with water quality requirements. The Department also may deny or waive certification.

The permit application and associated documents are available for review. For inquires or to request copies of the documents, contact <u>dec-401cert@alaska.gov</u>, or call 907-269-6285.

Disability Reasonable Accommodation Notice

The State of Alaska, Department of Environmental Conservation complies with Title II of the Americans with Disabilities Act (ADA) 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 ADA Coordinator Megan Kohler at 907-269-4198 or TDD Relay Service 1-800-770-8973/TTY or dial 711 prior to the expiration date of this public notice to ensure that any necessary accommodations can be provided.









