

United States Department of the Interior BUREAU OF OCEAN ENERGY MANAGEMENT Alaska OCS Region 380 l Centerpoint Drive, Suite 500 Anchorage, Alaska 99503-5823

FEB 0 3 2015

Kate Kaufman Liberty Development Permitting Lead Hilcorp Alaska, LLC 3800 Centerpoint Drive, Suite 100 Anchorage, AK 99503

Dear Ms. Kaufman,

The Bureau of Ocean Energy Management, Alaska Region (BOEM AKR), has reviewed the Hilcorp Alaska, LLC (Hilcorp) notice, dated December 4, 2014, to conduct 2015 ancillary activities in the Beaufort Sea. The geotechnical activities described in the notice support the development of the Liberty Project (OCS Leases Y-1650 and Y-1585), by investigating soil and permafrost conditions along the proposed pipeline route and proposed offshore island site.

BOEM has evaluated the notification under the process outlined in 30 CFR 55.209 and concludes that subject to the conditions listed below, the ancillary activities described in the notice comply with the performance standards under 30 CFR 550.202(a), (b), (d) and (e). The conditions are:

- Adhere to the Biological Opinion and Conference Opinion for Oil and Gas Activities in the Beaufort and Chukchi Sea Planning Areas (May 8, 2012) prepared by the U.S. Fish and Wildlife Service (USFWS);
- Adhere to the NMFS Endangered Species Act (ESA) Section 7(a)(2) Biological Opinion Oil and Gas Leasing and Exploration Activities in the U.S. Beaufort and Chukchi Seas, Alaska NMFS Consultation Number: F/AKR/2011/0647 (April 2, 2013);
- Ensure that there will be no discharge of cutting to the water column; all cutting from drilling geotechnical boreholes will be returned to the surface and transported to a shorebase facility for disposal;
- Consider conservation recommendations, if any, from NMFS through the EFH consultation process, which is currently ongoing; and
- Provide a Protected Species Observer (PSO) to assist in selecting appropriate travel routes (including a 150m buffer) and to identify and avoid any possible seal liars; and submit written confirmation by NMFS that no IHA is warranted, provided the above mitigation measures are implemented.

Please also:



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- Provide BOEM AKR and the Bureau of Safety and Environmental Enforcement, Environmental Enforcement Division (BSEE EED), with daily operations, safety, and environmental compliance reports;
- Provide to BOEM AKR for submission to the Alaska State Historic Preservation Office (AK SHPO) a report, completed by a marine archaeologist qualified by DOI, which analyzes the geotechnical boreholes to identify and document buried archaeological sites or historic properties, samples of any organic material should be dated using speciation or radiocarbon dating methods;
- Utilize ASTM D2487, Standard Practice for Classification of Soil for Engineering Purposes (Unified Soil Classification System) for the geotechnical investigation, and submit the resulting geotechnical reports to BOEM AKR and BSEE; and
- Submit to BOEM AKR a map of historical boring locations and new boring locations drilled for the pipeline route and island location; electronic submission of this data, via ArcGIS is preferred to a paper copy of this information.

Hilcorp is responsible for notifying and complying with the conditions required by all other agencies that have regulatory authority associated with the ancillary activities.

If you have questions, please contact Bill Ingersoll, BOEM AKR Chief of Plans Section, at 907-334-5224, or 907-306-4381 or via email at william.ingersoll@booem.gov.

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David Johnston, Regional Supervisor

Office of Leasing and Plans

CC: North Slope Borough Mayor

North Slope Borough, Office of Government Affairs

North Slope Borough Planning Department

North Slope Borough Department of Wildlife Management

City of Kaktovik

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Native Village of Kaktovik

Native Village of Nuiqsut

City of Nuiqsut

City of Barrow

Village of Barrow

Inupiat Community of the Arctic Slope

Alaska Department of Natural Resources, Office of Project Management

Alaska Department of Environmental Conservation

Bureau of Safety Environmental and Enforcement, Alaska Region, Regional Director

Bureau of Safety Environmental and Enforcement, Chief, Environmental Enforcement Division

U.S. Fish and Wildlife Service Region 7 Regional Director

U.S. Fish and Wildlife Service Region 7 Endangered Species

U.S. Environmental Protection Agency, Region 10 Oil & Gas Sector Management

U.S. Environmental Protection Agency, Region 10 Alaska Operations Office

U.S. Coast Guard, Alaska

Alaska Eskimo Whaling Commission

Alaska Ice Seal Committee

Alaska Beluga Whale Committee

Alaska Nanuuq Commission

US Army Corps of Engineers, Alaska District Regulatory Division