

# STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES

## DIVISION OF MINING, LAND AND WATER

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☐ Southeast Region  
400 Willoughby, #400  
P.O. Box 111020  
Juneau, AK 99811-1021  
(907) 465-3400

### APPLICATION FOR PURCHASE OR LEASE OF STATE LAND

10/31/2018

Date \_\_\_\_\_ ADL # (assigned by DNR) \_\_\_\_\_  
Applicant's Name Afognak Leasing, LLC Doing business as: Afognak Leasing, LLC  
Mailing Address 3909 Arctic Blvd., Suite 500 Anchorage, AK 99503  
City/State/Zip Anchorage/AK/99504 E-Mail jarlington@afognak.com  
Message Phone (907) 343-2727 Work Phone (907) 222-9532 Date of Birth \_\_\_\_\_

Is applicant a corporation qualified to do business in Alaska? ☒ yes ☐ no. Is the corporation in good standing with the State of Alaska, Dept. of Commerce and Economic Development? ☒ yes ☐ no.

Is applicant 18 years or older? ☒ yes ☐ no. Are you applying for a ☒ lease or ☐ sale?

What kind of lease or sale are you applying for? ☐ Tideland; ☐ Public/Charitable Use; ☐ Grazing; ☐ Millsite;  
☐ Negotiated; ☒ Competitive; ☐ Non-Competitive; ☐ Preference Right.

If a lease, how many years are you applying for? 55 years. (55 years Max.)

Legal Description: Lot(s) \_\_\_\_\_ Block/Tract # \_\_\_\_\_ Survey/Subdivision \_\_\_\_\_

Other: \_\_\_\_\_

Meridian Umiat Township 11N, 10N Range 8E Section(s) 33, 4, 32 Acres 21.88

Municipality North Slope Borough LORAN Reading (optional) \_\_\_\_\_

Geographic Location: \_\_\_\_\_

What is the proposed use of and activity on the state land? The proposed Cama'i Gravel Pad will provide storage space for materials and equipment. See Development Plan.

Are there any improvements on the land now? ☐ yes ☒ no. If yes, who owns the improvements, and what is the estimated value? \_\_\_\_\_

If yes, describe any existing improvements on the land. \_\_\_\_\_

Are there any improvements or construction planned? ☒ yes ☐ no. If yes, describe them and their estimated value.  
A 20-acre gravel pad and driveways are proposed.

State the proposed construction date: 1/1/2019; estimated completion date\*: 12/31/2023

Name and address of adjacent land owners and, if you are applying for tidelands, the name and address of the adjacent upland owners: State of Alaska

Are you currently in default on, or in violation of, any purchase contract, lease, permit or other authorization issued by the department under 11 AAC? ☐ yes ☒ no. Within the past three years, has the department foreclosed or terminated any purchase contract, lease, permit or other authorization issued to you? ☐ yes ☒ no.

Non-refundable application fee: See current Director's Order for applicable fees.  
(Fee may be waived under 11 AAC 05.020.)

Date Stamp:

Is the land applied for subject to any existing leases or permits? ☐ yes ☒ no. If yes, ☐ lease or ☐ permit?

Name lease/permit is issued under: \_\_\_\_\_ ADL # \_\_\_\_\_

Do you think you qualify for a non-competitive lease or sale? ☐ yes ☒ no. If yes, under what provision of AS 38.05?

- ☐ AS 38.05.035(b)(2) (to correct an error or omission);
- ☐ AS 38.05.035(b)(3) (owner of bona fide improvements);
- ☐ AS 38.05.035(b)(5) (occupied, or are the heir of someone who occupied the land before statehood);
- ☐ AS 38.05.035(b)(7) (adjacent owner of remnant of state land, not adjoining other state land);
- ☐ AS 38.05.068 and .087 (U.S. Forest Service Permittee);
- ☐ AS 38.05.075(c) (upland owner or lessee);
- ☐ AS 38.05.035(f) (previous federal and state authorization, erected a building and used the land for business purposes);
- ☐ AS 38.05.102 (current long-term lessee or current shore fishery lessee);
- ☐ AS 38.05.255 (millsite lease for mine-related facilities);
- ☐ AS 38.05.810(a)\* (government agency; tax-exempt, non-profit organization organized to operate a cemetery, solid waste facility, or other public facility; or a subdivision's nonprofit, tax-exempt homeowners' association);
- ☐ AS 38.05.810(b)-(d) (non-profit corporation, association, club, or society operated for charitable, religious, scientific, or educational purposes, or for the promotion of social welfare, or a youth encampment);
- ☐ AS 38.05.810(e) (licensed public utility or licensed common carrier);
- ☐ AS 38.05.810(f) (non-profit cooperative organized under AS 10.25, or licensed public utility);
- ☐ AS 38.05.810(h) (Alaska Aerospace Development Corporation);
- ☐ AS 38.05.810(i) (port authority);
- ☐ AS 38.05.825 (municipality applying for eligible tidelands, or tidelands required for private development);
- ☐ other (please explain): \_\_\_\_\_

If you have checked one of the above statutes, attach a statement detailing your qualifications under each requirement of that statute.

Do you think you qualify to lease the land for less than fair market value? ☐ yes ☒ no. If yes, under what provision of AS 38.05?

- ☐ AS 38.05.097 (youth encampment or similar recreational purpose);
- ☐ AS 38.05.098 (senior citizen discount for a residential lease);
- ☐ other (please explain).

Signature

Date

If applying on behalf of an agency, municipality, or organization, state which one

Title

#### NOTICE TO APPLICANT:

- \* For applications filed by a municipality under AS 38.05.810, if there is a remaining entitlement of the municipality under AS 29.65, land transferred under AS 38.05.810 shall be credited toward fulfillment of the entitlement.
- \* Construction may not commence until approval is granted by lessor.
- \* This application will not be considered unless it is accompanied by the appropriate filing fee and completed in full. THE FILING FEE WILL NOT BE REFUNDED NOR IS IT TRANSFERABLE. All checks are to be made payable to the Department of Natural Resources.
- \* Include a 1:63,360 USGS map showing location of proposed activities in relation to survey monumentation or fixed geographical features which fully illustrates your intended use, including the location of buildings and improvements and access points, labeled with all dimensions, and a development plan providing a complete list of proposed activities.
- \* The applicant may be required to deposit a sum of money sufficient to cover the estimated cost of survey, appraisal, and advertising. If the land is sold or leased to another party, the deposit will be returned to the applicant.
- \* The filing of this application and payment of the filing fee vests the applicant with no right or priority in the lands applied for. It is merely an expression of the desire to purchase or lease a parcel of land when and if it becomes available. Filing an application serves the purpose of notifying the state that an individual is interested in purchasing or leasing land. It is not a claim, nor does it in any way obligate the state to sell or lease land.
- \* If the application is for use in conjunction with a guide/outfitter operation, include proof of a guide/outfitter certification for the use area.
- \* If the application is for a commercial fish camp, include a copy of your limited entry permit or an interim-use salmon set net permit.
- \* If applying for a senior citizen discount, include form 102-1042.

\* AS 38.05.035(a) authorizes the director to decide what information is needed to process an application for the sale or use of state land and resources. This information is made a part of the state public land records and becomes public information under AS 40.25.110 and 40.25.120 (unless the information qualifies for confidentiality under AS 38.05.035(a)(8) and confidentiality is requested, AS 43.05.230, or AS 45.48). Public information is open to inspection by you or any member of the public. A person who is the subject of the information may challenge its accuracy or completeness under AS 44.99.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit are punishable under AS 11.56.210. In submitting this form, the applicant agrees with the Department to use "electronic" means to conduct "transactions" (as those terms are used in the Uniform Electronic Transactions Act, AS 09.80.010 – AS 09.80.195) that relate to this form and that the Department need not retain the original paper form of this record: the department may retain this record as an electronic record and destroy the original.



# Development Plan Cama'i Pad

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October 2019

## **Introduction**

Afognak Leasing, LLC (Afognak) proposes constructing a 20-acre gravel pad (Cama'i Pad) in three phases capable of supporting operational and logistical needs of various North Slope oil and gas operators. The proposed footprint is located entirely within the Resource Development District of the North Slope Borough. The aerial extent of operators and support contractors potentially using the Cama'i Pad reaches from Prudhoe Bay to within the National Petroleum Reserve-Alaska (NPR-A). Several operators/support contractors have expressed interest in leasing the Cama'i Pad from Afognak upon completion of construction.

Facilities and equipment that will be stored on pad may include, but are not limited to, drilling rigs, camps (not occupied), pipes, and parked vehicles. The Cama'i pad will not store fuel, nor will it provide utilities such as electricity.

## **Purpose and Need**

The objective of the Cama'i Pad is to accommodate continued development of North Slope oil and gas operations by providing storage for materials and equipment. The location of the pad will minimize the distance companies operating in the western North Slope area must travel for access to staged materials and equipment. This will result in significant time and cost savings for North Slope operators using the Cama'i Pad.

The proposed pad will be constructed in three phases based on need. Afognak has received immediate interest in the 10 acres of pad storage space planned for Phase I. Subsequent phases (II and III) will be constructed in 5 acre increments for a total of 20 acres of pad space to accommodate additional demand as needed only.

### **Legal Description**

The proposed Cama'i Pad footprint is located along the Spine Road within the Resource Development District of the North Slope Borough (Figure 1):

- Umiat Meridian Sections 32 and 33; Township 11 N, Range 8 E and Sections 4 and 5; Township 10 N, Range 8 E
- Latitude/Longitude: 70.254758°/-150.142500° (WGS84)
- Approximately 16 miles from Kuparuk Operations Center (KOC), 50 miles from Deadhorse, 42 miles from Alpine Central Facility (ACF), and 42 miles from the boundary of NPR-A

Infrastructure proposed for the site includes approximately: a 30,000 square foot (sf) area for a laydown yard, snow storage, and equipment; space; 160,000 sf of rig storage space; 90,000 sf of camp storage; and 3,600 sf of parking.

### **Project Schedule**

Afognak proposes to complete construction of the 20-acre pad in the following three phases, as shown in Figure 2:

- Phase I: construction of a 10-acre pad offset a minimum of 30 feet from Spine Road (planned for January-Summer 2019). Two 35 foot driveways with 24 inch steel culverts for drainage will be installed equidistant from the center of the pad.
- Phase II: construction of a 5-acre expansion to the southwest of the original footprint, also offset a minimum of 30 feet from Spine Road, and contiguous with the original 10-acre pad (planned for Summer 2021). One additional 35 foot driveway with a 24 inch steel culvert for drainage will be installed equidistant to the others.
- Phase III: construction of the remaining 5-acres to the northwest of and contiguous with the original 5-acre expansion (planned for summer 2023). No additional driveways will be constructed during this phase.

The first tenants are expected to occupy pad space by September 2019.

### **Project Description**

The proposed development consists of construction of a gravel pad adjacent to the Spine Road, offset by a minimum distance of 30 feet per ConocoPhillips' request. Construction will proceed in three phases, as described in Section 2.0, Project Schedule. Side slopes of the pad will be constructed at a 3:1 ratio. The total impacted acreage including the 20-acre pad, and side slopes is included in Table 1.

**Table 1. Total Impacted Acreage**

Phase(s)	Pad Surface Area (acres)	Total Impacted Area (acres)
I	10	11.2
I & II	15	16.62
I, II, & III	20	21.88

A discharge of approximately 180,000 cubic yards of gravel fill material will occur over the 21.27-acre area. The depth of the fill will vary over the site due to topography, but will average four to five feet (ft.). The pad will be graded to match the existing grade of the Spine Road.



Construction crews will consist of the following:

- Two (2) personnel to install a silt fence and geotextile barrier,
- Two (2) personnel to stockpile and load gravel,
- Three (3) operators to place and compact the gravel, and
- Ten (10) drivers.

Site preparation will be conducted prior to the onset of construction during each phase and will include staking and flagging the site and laying geo-textile fabric under a thin layer of gravel as soon as practicable to deter nesting of migratory birds. The remainder of gravel fill placement during each phase will commence after the end of the migratory bird nesting window, per consultation with U.S. Fish and Wildlife Service. Gravel fill will be manually compacted to expedite the settling process.

### **Terrain/Ground Cover**

The proposed pad footprint is situated on State of Alaska owned lands. Similar to the geography of much of the North Slope, the proposed pad will be developed on a flat portion of open tundra wetlands. Vegetation at the proposed site includes sedges, forbs, grasses, and dwarf shrubs. High quality waterways, such as lakes, ponds, or rivers, will not be disturbed.

The site is zoned for industrial development and is directly accessible from the existing road system. Development of this site includes construction of a 20-acre gravel pad, which will be gravel fill and run parallel to Spine Road. The pad will be graded to match the existing grade of Spine Road. Typical cross section and plan view are included in Figures 3 and 4, respectively.

Afognak anticipates using gravel from ConocoPhillips-operated Mine Site C and will have all necessary agreements for use of this gravel in place prior to construction.

### **Access**

The site will be accessed from the existing road system, specifically Spine Road. No off-rad (tundra) travel will take place during construction of the proposed gravel pad.

Construction will begin immediately adjacent to the Spine Road on the driveways and progress outward from the road to mitigate disturbance of the tundra outside of the project footprint. Equipment will be stored at Mine Site C and at the project site. No river crossings outside of the existing road system will be necessary for the project.

Construction crews will stay in camps at Kuparuk Industrial Center (KIC)/Kuparuk Operations Center (KOC)/Kuparuk Construction Camp (KCC) and commute to the work site via passenger trucks daily. No ice roads or pads will be constructed or used for this project. Equipment will be mobilized from Deadhorse, stored onsite and at Mine Site C, and demobilized back to Deadhorse upon project completion.

Afognak anticipates use of equipment listed in Table 2 during construction of the gravel pad and side slopes. All proposed equipment is owned by Nanuq/AFC.

**Table 2. List of Equipment**

Equipment	Number
Max Haul Units	12
CAT Loader	2
D-10 Dozer	1
Motor Grader	1
CAT Vibratory Roller	2
CAT D-9 Dozer	1
CAT D-5 Dozer	1
CAT 345 Excavator	1
T-800 Tractor	1
Low Boy Trailer	1
Mechanic Truck	1
Fuel Truck	1
Tire Truck	1
Crew Bus	1
Pickup	5
Envirovac	2
Light Plant	4
<i>*Equipment is planned and subject to change*</i>	

#### **Buildings and other structures**

No building or structures will be erected onsite.

#### **Power Source**

Utilities will not be provided. The pad will be used for storage purposes only.

#### **Waste types, waste sources, and disposal methods**

Waste will be kept to a minimum, and all waste streams will be disposed of at an approved site in accordance with local, state and federal regulations.

Spill response supplies (oil absorbents, spill kits), Fuel, engine oil, hydraulic fluid, antifreeze, and waste water from construction. The waste source will be from trucks and drill rigs at the site or stopping at the site to refuel. Fuel, engine oil, hydraulic fluid, and antifreeze will be within mobile secondary containment berms. Drip pans will be placed under all vehicles and heavy equipment when parked. All waste will be put in containers and clearly labeled with its contents. This will only be during construction of the pad, which will be limited to the summer months.

#### **Hazardous substances**

Spill response supplies, such as oil absorbents and spill kits, will be properly labeled and accessible at all times at the Cama'i pad construction site. All containers will be clearly labeled as to their contents. Standard spill prevention measures will be implemented, such as the storage of fuel, engine oil, hydraulic fluids, and antifreeze within mobile secondary containment berms and use of secondary containment berms under connection points during refueling events. Volumes of hazardous substances are expected to be minimal and associated with regular maintenance of equipment only.

Refueling will occur in Deadhorse or via a fuel truck and will take place at least 100 feet from the closest water body. Drip pans will be placed under all vehicles and heavy equipment when parked. If a spill of any size occurs, standard spill reporting and mitigation procedures will be followed.

Garbage, trash and other wastes will be stored in covered containers and disposed at an approved site in accordance with local, state, and federal regulations.

### **Water supply**

Potable water in volumes appropriate only for personal consumption by the construction crew will be transported from SA-10 to the project site via an evirovac during construction. Production of waste water from potable water is not anticipated.

Water for construction purposes will be withdrawn from K214 as needed. A sharing agreement with the other users will be in place at the time of construction. A stormwater pollution prevention plan will be developed for construction activities.

### **Parking areas and storage areas**

Construction equipment will be staged at the new Afognak Leasing gravel pad in Deadhorse, at Mine Site C, or on the Cama'i Pad as construction progresses.

Upon completion of the pad, storage areas will comprise approximately 280,000 sf of space and include: a laydown yard, snow storage, equipment space, rig storage, and camp storage. Parking will be 3,600 sf of space. Additional space will provide for safe movement of vehicles, equipment, and pedestrians around the facilities and parking areas located on the pad. Drip pans will be placed under all vehicles and heavy equipment when parked.

### **Number of people using the site**

During construction of the pad, an estimated 17 crew will be using the site. Personnel will be mobilized from KOC/KIC/KCC lodging daily via passenger trucks. Post-construction, the number of people on the site at one time will be dependent on work being performed and the time of year.

### **Maintenance and operations**

Maintenance of the site will include grading and plowing the pad as necessary. Operations are expected to consist of periodic drop off and retrieval of stored equipment, including piping, rigs, camps, heavy equipment, etc. No regular operations are anticipated.

### **Closure/reclamation plan**

A revegetation plan will be developed in consultation with the United States Army Corps of Engineers upon termination of the lease. At a minimum, the revegetation plan will address removal and treatment of the gravel, types of vegetation to be used, performance standards, and monitoring. Afognak will be liable for revegetation or reclamation efforts until all performance standards have been met.

### **Project Authorizations**

Afognak will obtain all required local, state, and federal authorizations before project initiation. A list of permits/authorizations is included in Table 3. All appropriate agreements with neighboring lessees (i.e. ConocoPhillips) will also be in place prior to the onset of construction.

**Table 3. List of Required Permits and Authorizations for Proposed Cama'i Pad Construction.**

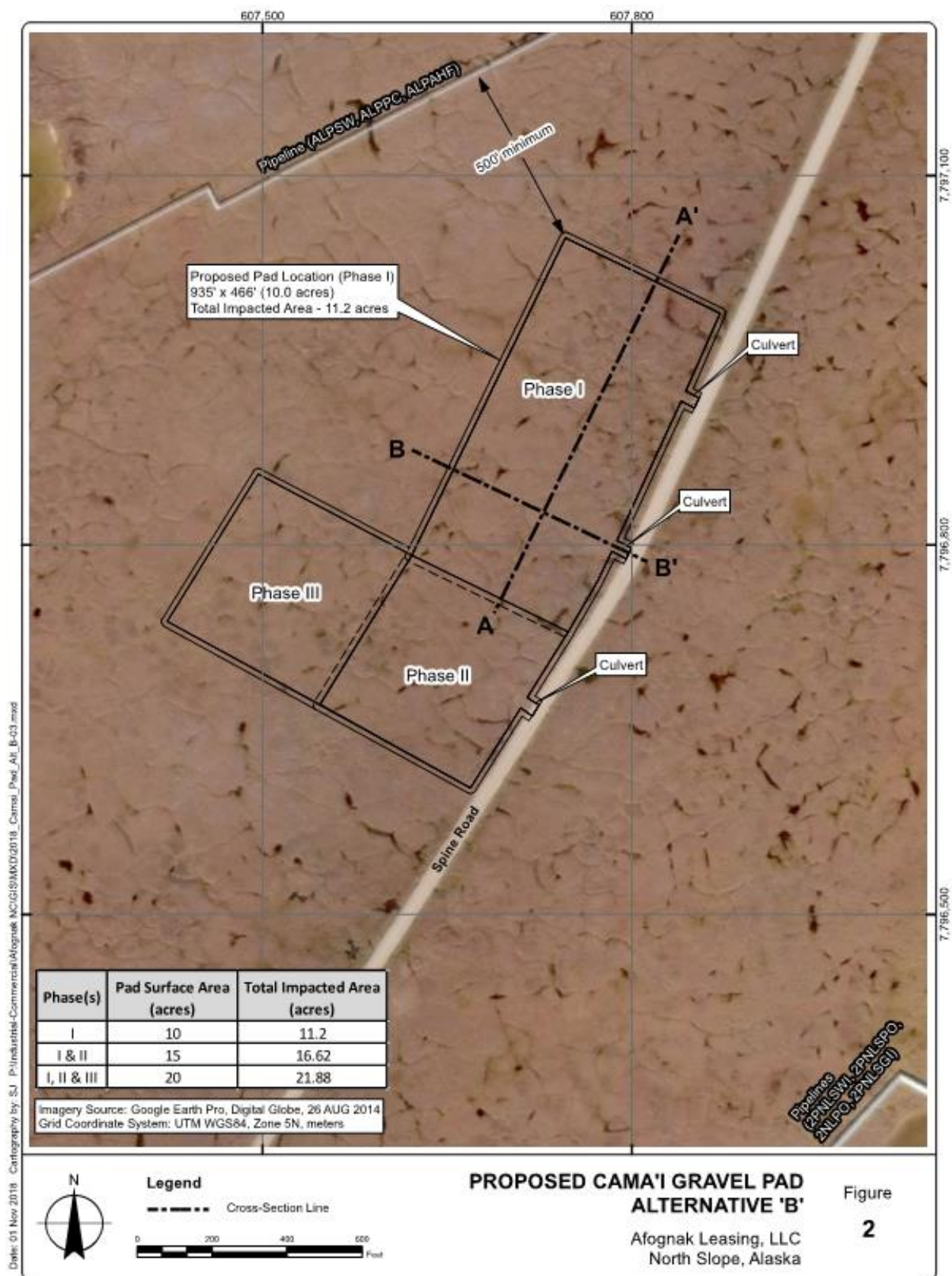
<b>Agency</b>	<b>Permit/Authorization</b>
North Slope Borough	Development Permit TLUI Clearance (Form 500)
Alaska Department of Environmental Conservation	401 Certification
Alaska Department of Natural Resources, Division of Mining, Land, and Water	Land Use Permit/Surface Lease
Alaska Department of Natural Resources, Division of Mining, Land, and Water	Temporary Water Use Authorization
U.S. Army Corps of Engineers	404 Individual Permit



# Figures

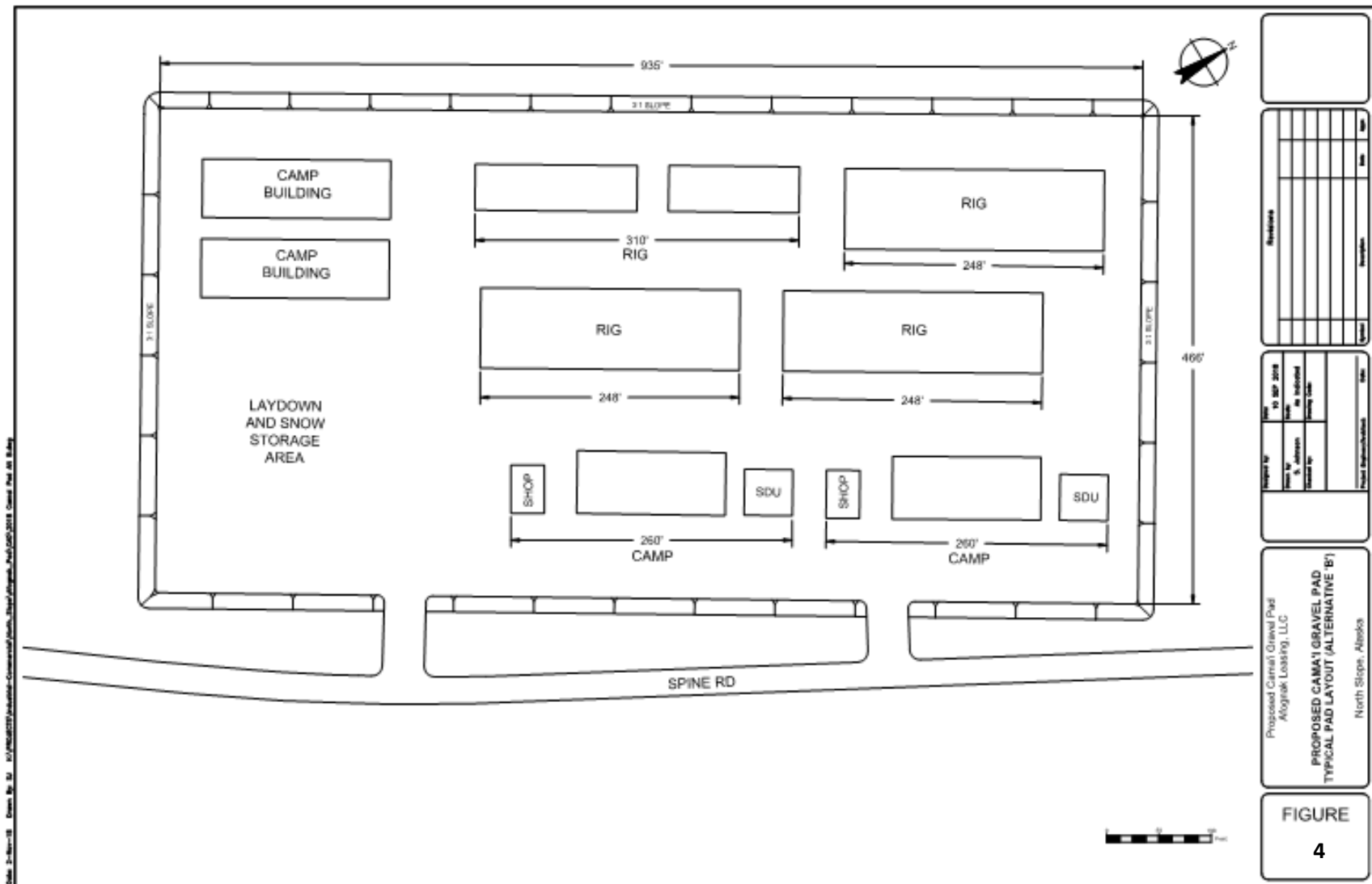
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**APPLICANT ENVIRONMENTAL RISK QUESTIONNAIRE**

The purpose of this questionnaire is to help clarify the types of activities you propose to undertake. The questions are meant to help identify the level of environmental risk that may be associated with the proposed activity. The Division of Mining, Land and Water's evaluation of environmental risk for the proposed activity does not imply that the parcel or the proposed activity is an environmental risk from the presence or use of hazardous substances.

Through this analysis, you may become aware of environmental risks that you did not know about. If so, you may want to consult with an environmental engineer or an attorney.

Afognak Leasing, LLC

Afognak Leasing, LLC

Applicant's Name

Doing Business As

3909 Arctic Blvd, Suite 500

Anchorage, AK 99503

Address

City

State

Zip

(907) 343-2727 (907) 222-9532 jarlington@afognak.com Jim Arlington

Message Phone  
(Contractor)

Work Phone

E-Mail

Contact Person

Describe the proposed activity:

Development of a 20 acre gravel pad to provide storage space for materials  
and equipment. Construction would be done in 3 phases (10 acres, 5 acres,  
5 acres) according to demand.

In the course of your proposed activity will you generate, use, store, transport, dispose of, or otherwise come in contact with toxic and/or hazardous materials, and/or hydrocarbons? Yes ☒ No ☐

If yes, please list the substances and the associated quantities. Use a separate sheet of paper, if necessary.

Minimal amounts of fuel, engine oil, hydraulic fluid, and antifreeze.

Fuel, engine oil, hydraulic fluid, and antifreeze will be

within mobile secondary containment berms. Drip pans will be placed under  
all vehicle and heavy equipment when parked. All waste will be put in

containers and clearly labeled with its contents for proper disposal

in Deadhorse. Waste generation will only be during construction of the pad.



If the proposed activities involve any storage tanks, either above or below ground, address the following questions for each tank. Please use a separate sheet of paper, if necessary, and, where appropriate, include maps or plats:

a. Where will the tank be located? No storage tanks are anticipated to be stored on site.

b. What will be stored in the tank? N/A

c. What will be the tank's size in gallons? N/A

d. What will the tank be used for? (Commercial or residential purposes?) N/A

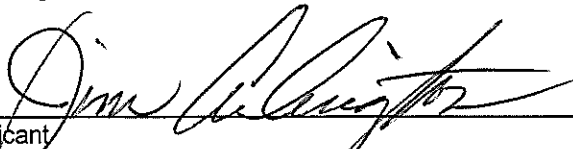
e. Will the tank be tested for leaks? N/A

f. Will the tank be equipped with leak detection devices? Yes ☐ No ☐. If yes, describe: N/A

Do you know or have any reason to suspect that the site may have been previously contaminated? Yes ☐ No ☒.

If yes, please explain: \_\_\_\_\_

I certify that due diligence has been exercised and proper inquiries made in completing this questionnaire, and that the foregoing is true and correct to the best of my knowledge.

  
Applicant

11/9/18  
Date

AS 38.05.035(a) authorizes the director to decide what information is needed to process an application for the sale or use of state land and resources. This information is made a part of the state public land records and becomes public information under AS 40.25.110 and 40.25.120 (unless the information qualifies for confidentiality under AS 38.05.035(a)(9) and confidentiality is requested). Public information is open to inspection by you or any member of the public. A person who is the subject of the information may challenge its accuracy or completeness under AS 44.99.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit are punishable under AS 11.56.210.