

**DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND, AND WATER**

MINERAL ORDER NO. 1162

 X Closing Lands to Mineral Entry Opening Lands to Mineral Entry

I. Name: Alaska Stand Alone Pipeline (ASAP)

II. Reason for Mineral Order: This mineral order is based on the attached Commissioner's Administrative Finding and applicable statutes.

III. Authority: AS 38.05.185 and AS 38.05.300(a).

IV. Location and Legal Description: Lands to be closed under this order include all state land and state selected lands 100' either side of the Alaska Stand Alone Gas Pipeline Right-of-Way lease boundary (ADL 418997), as may be renewed and amended. This order affects approximately 26,905 acres.

This action also authorizes changes to MO 1162 to accommodate future related facilities that may be added to the ASAP Right-of-Way Lease as well as the closure of state selected lands when they are conveyed to the state without a formal amendment to this order.

V. This order rescinds Leasehold Location Order 32. This rescission will become effective 30 days after the adoption of the order.

VI. Mineral Closing: This mineral order is subject to valid existing rights and is issued under the authority granted by AS 38.05.185 and AS 38.05.300 to the Department of Natural Resources. In accordance with AS 38.05.185(a), I find that the best interests of the State of Alaska and its residents are served by closing the land described in this mineral closing order to entry under the mineral location and mining laws of the State of Alaska. The above-described lands are hereby closed to entry under the locatable mineral and mining laws of the State of Alaska.

Concur:

Brent Goodrum, Director
Division of Mining, Land & Water

Date

Approved:

Joe Balash, Commissioner
Department of Natural Resources

Date

**DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND, AND WATER**

ADMINISTRATIVE FINDING

**MINERAL ORDER NO. 1162
CLOSING TO MINERAL ENTRY
THE ALASKA STAND ALONE PIPELINE**

This proposed action involves the closure of State lands and lands selected by the State under its entitlement spanning the length of the proposed Alaska Stand Alone Pipeline (ASAP), including proposed pipeline and future related facilities, to mineral entry and development. The ASAP line, a gas pipeline, is proposed to be 727 miles long and to have a diameter of 36 inches. The closure extends from Prudhoe Bay to the Beluga distribution system near Big Lake and includes the Fairbanks Lateral Alignment. The Fairbanks lateral alignment is proposed to be a 30-mile-long, 12-inch-diameter lateral pipeline connecting the ASAP mainline to Fairbanks. The lands subject to the terms of this Mineral Order are located 100 feet either side of the ASAP Right-of-Way lease boundary (ADL 418997), as may be renewed and amended. The coverage area is depicted in the attached Maps (Attachment A and B). Boundaries reflected on the map are derived from EIS Revision 5 alignment information. The total amount of state land affected will be 26,905 acres.

This mineral closure is intended to allow for the inclusion of additional lands necessary for the operation of the ASAP line authorized under revisions and/or amendments to the ASAP Right-of-Way Lease or to any modifications of the pipeline alignment that may be approved in the final EIS (revision 6 and any later versions). In addition, this Mineral Order is intended to apply to state selected lands along the ASAP route, when those lands are conveyed to the state with no amendment to the Mineral Order.

The proposed Alaska Stand Alone Pipeline has the intent to deliver natural gas from Alaska's North Slope to Fairbanks and South-central, as a means of providing cost effective long term energy to as many Alaskan communities as practicable. Mining operations and activities would have the potential to adversely impact the final location, construction and operation of the gas pipeline. I therefore find that the standards for the closure to mineral entry and development under AS 38.05.185 and AS 38.05.300 have been met and that the area of the ASAP corridor should be precluded from mineral entry and development.

This proposed action calls for Leasehold Location Order No. 32 (LLO 32) to be rescinded concomitantly with the implementation of Mineral Order (Closing) 1162. LLO 32 restricts a larger project area than the ASAP pipeline corridor itself, affecting an area one-half mile on either side of the ASAP ROW centerline (ADL 418997), which includes the Fairbanks Lateral. A total of 345,777 acres of state land are affected. The larger coverage area of LLO 32 was implemented because of the uncertainty about the final alignment of the ASAP facility; it requires that prospective mining activity within this corridor to be reviewed so that conflicts between mining and the ASAP facility could be avoided. With the project application nearing a finalized alignment, the location and width of the project are more specifically known. For this reason, and to decrease the area of state land affected by the review requirements of the leasehold location, the use of a Leasehold Location Order is no longer deemed the appropriate method in which to protect the gas pipeline from mineral entry.

It is appropriate that the areas associated with the pipeline be closed to mineral entry. This includes the Fairbanks lateral and current and future amendments of related facilities, as defined within the ASAP lease, which may be added through the ASAP Right-of-Way amendment process. I also find it

appropriate to close state selected land along this corridor when those lands are conveyed to the state and to close those lands without formal amendment.

For these reasons, I find:

1. The closing of state land to mineral entry in the corridor of the ASAP facility is appropriate. Mineral entry and development are inappropriate uses within a statewide pipeline corridor.
2. The requirements for closure under AS 38.05.185 and AS 38.05.300 have been met for both the pipeline and its associated oil and gas facilities.
3. It is appropriate to rescind LLO 32, as the ASAP project is nearing finalized alignment and a Mineral Order closing would provide more cohesive closure and affect a smaller area of state land. The rescission of LLO 32 will become effective 30 days after the adoption of this mineral order.
4. That related facilities required for the operation of ASAP in the future and incorporated into the ASAP Right-of-Way Lease can be incorporated into the legal description of this order without a formal amendment of MO 1162.
5. State selected lands along the ASAP corridor as described in MO 1162, which are conveyed to the state in the future, can be incorporated into this order without a formal amendment of MO 1161.

The amount of land closed under this order is approximately 26,905 acres. The areas affected by this closing order are depicted generally in the attached maps. Under AS 38.05.300, the Commissioner of the Department of Natural Resources can approve a mineral closing order in excess of 640 acres if the closure is related to utility or transportation corridors or projects. The requirements of DO 138 are applicable to this decision.

Concur:

Brent Goodrum, Director
Division of Mining, Land & Water

Date

Approved:

Joe Balash, Commissioner
Department of Natural Resources

Date