

Hilcorp Alaska, LLC

Post Office Box 244027
Anchorage, AK 99524

3800 Centerpoint Dr
Suite 1400
Anchorage, AK 99503

September 19, 2025

Phone: 907/777-8300
Fax: 907/777-8560



Mr. Andrew Kastning
Regulatory Specialist, North Section Regulatory Division
U.S. Army Corps of Engineers
2204 3rd Street
Elmendorf AFB, Alaska 99506

**Section 404 Permit Request
Phase II Cell 6 Ugnu Mine Site E
Milne Point Unit**

Dear Mr. Andrew Kastning,

Hilcorp Alaska, LLC (Hilcorp) is requesting a Section 404 Permit from the U.S. Army Corps of Engineers (USACE) to develop Phase II of the Ugnu Mine Site E Cell 6 in the Milne Point Unit.

As described, the project scope is related directly or indirectly to oil and gas development, operations and production. Hilcorp is requesting the opportunity to have this energy related project application processed under EO 14156.

Phase II of Cell 6 is necessary to sustain gravel needs for upcoming Hilcorp projects, including Omega Pad (POA-2021099361 M1). Hilcorp has minimized the project footprint to the greatest extent practicable by requesting approval to continue development on an existing material site.

The Biological Opinion issued on August 3, 2021 by United States Fish and Wildlife Service included review of Phase II of mine site development, the entirety of Ugnu Mine Site E Cell 6 was included in Beaufort Sea Incidental Take Regulations 2021-2026.

The planned start date for overburden removal of Phase II of Cell 6 is November. Dewatering of the Phase I pit, which is adjacent to the planned Phase II development in Cell 6, and initial Phase II site work is expected to begin on November 15, 2025,

If you have questions or require additional information, please do not hesitate to contact me at any time at (907)-564-5382 or email at erin.bragg@hilcorp.com.

Sincerely,

A handwritten signature in cursive script, appearing to read "Erin Bragg".

Erin Bragg
Environmental Specialist- Land Use
HILCORP ALASKA, LLC

Attachments:

1. ENG FORM 4345
2. Project Description 2025 Phase II Cell 6
3. Additional Information for Box 23
4. Figures 1 to 5



**PROJECT DESCRIPTION
FOR THE
MILNE POINT UNIT
UGNU MINE SITE E PHASE II CELL 6**

SEPTEMBER 2025

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1.0 INTRODUCTION

Hilcorp Alaska, LLC (Hilcorp) proposes to develop Phase II of Ugnu Mine Site E Cell 6 within the Milne Point Unit (MPU). This phase of development is required to support immediate oil resource development projects and field maintenance projects across Hilcorp's North Slope operating areas.

2.0 PROJECT DESCRIPTION

Ugnu Mine Site E is located within the Milne Point Unit (MPU) approximately 5 miles southeast of Oliktok Point and 2 miles south of Simpson Lagoon on the North Slope of Alaska, USGS Quadrangle, Beechey Point (B-5). An overview of MPU is provided in Figure 1. The site is approximately 35 miles northwest of the Deadhorse Airport. The Ugnuravik River is situated approximately ½ mile to the east of the mine site. Phase II of Cell 6 will be approximately 24.2 acres total, 12 acres to be mined approximately 600 feet wide and 900 feet long and 12.2 acres for completing overburden storage, thermal barriers, and access road accommodation. Final site configuration will be dependent on gravel needs.

Mining activities as outlined in the 2019 Ugnu Mine Site E Mining and Rehabilitation Plan, have been reviewed by ADNRL DMLW and approved by USACE in August 2019 under POA-2019-00122.

The Mining and Rehabilitation Plan outlines the following:

- Removal of organic overburden material as necessary;
- Future use of organic overburden;
- Excavation specifications for gravel removal;
- Location and limitations related to stockpiling excavated gravel;
- Maximizing gravel recovery at this existing site while considering habitat in order to minimize the area disturbed;
- Salvage and re-use of organic overburden to create littoral benches during rehabilitation of the Mine Site; and
- Conserving stockpiled, segregated organic overburden for use in potential reclamation and restoration projects.

Hilcorp will also draft a Mine Site E Dewatering Best Management Practices Plan (BMP) for dewatering. Hilcorp will comply with the existing North Slope APDES permit to ensure that no water quality impacts occur during construction or operation of the proposed project.

Table 1 shows the Township, Range, Section, and Meridian where the project will occur.

Table 1. Location of Phase II Cell 6

Proposed Work	Meridian	Township	Range	Section
Phase II Cell 6	Umiat	13N	10E	19

2.1. General Operations during Construction

Existing facilities and infrastructure at Hilcorp's North Slope assets will be used for housing of construction crews and for mobilizing/transporting materials, supplies, and other equipment. Communications from the



site during construction operations would be by radio and/or cellular phone. No food waste or other material that could attract wildlife will be stored at the site. Any Construction and Demolition (C&D) or Municipal Solid Waste (MSW) generated on site will be disposed of based on current procedures.

Access to Phase II of Cell 6 from the Milne Point Road System will be on an ice road. There is no tundra travel expected for the development of Phase II Cell 6 in Mine Site E. If access to tundra is required for this project, Hilcorp will obtain agency approval prior to initiating activities.

3.0 FUEL STORAGE

No fuel will be stored on site at Cell 6 of Mine Site E. Heavy equipment will be fueled on site by fuel trucks, using Hilcorp's Oil Discharge Prevention and Contingency Plan

4.0 CONTINGENCY AND WILDLIFE PLANS

Activities within Milne Point Unit, including Phase II Ugnu Mine Site E Cell 6, are conducted in compliance with the following plans:

- Hilcorp's Oil Discharge Prevention and Contingency Plan for North Slope Facilities (Revised April 2024)
- Hilcorp's Spill Prevention, Control, and Countermeasure Plan for MPU (Reissued November 2020, Amended April 2024)
- Hilcorp's Storm Water Pollution Prevention Plan for North Slope Facilities (SWPPP) (December 2020)
- Hilcorp's Wildlife Interaction and Avoidance Plan (June 2021)
- Bear Interaction, Mitigation, and Monitoring Plan for Hilcorp Alaska, LLC. Areas of Operation North Slope, Alaska and Kenai and Cook Inlet Facilities (Revised June 2023)

Hilcorp will operate under its Letter of Authorization (LOA) for the incidental take of polar bears and Pacific walruses (LOA 25-INC-05) and LOA for the intentional take of polar bears (LOA 23-INT-11) as issued by United States Fish & Wildlife Service (USFWS) Marine Mammals Management (MMM) Office. To avoid nesting impacts to threatened Spectacled Eiders and other migratory birds, no excavation, clearing, or fill placement on tundra will occur between June 1 and July 31.

5.0 LOCAL HIRE

Hilcorp works with local organizations to encourage growth in the local service sector. While not all contracted services are awarded to local/in-state providers, Hilcorp strives to do business locally when possible.

6.0 ENVIRONMENTAL, HEALTH, AND SAFETY TRAINING

All employees and contractors receive Environmental, Health, and Safety (EH&S) training, provided by Hilcorp or their employer. Topics covered include, but are not limited to, the following:

- Job hazards
- Safe work practices
- Drug and alcohol policies
- Permits and regulations
- Wildlife interactions
- Spill prevention and reporting



- Waste management

In addition to the general EH&S orientation program, individuals are trained according to job-specific requirements, such as drilling operations and construction equipment operations.

7.0 REHABILITATION PLAN

Mining activities are outlined in the 2019 Ugnu Mine Site E Mining and Rehabilitation Plan.

8.0 PROJECT SCHEDULE

Hilcorp proposes to mine the remaining available gravel from Phase 1 and simultaneously open Phase II of Cell 6 in November 2025, or as soon as conditions allow. Phase II of Cell 6 will continue as gravel is needed within the permitted boundaries of the mine site.

9.0 PERMITS/APPROVALS

Hilcorp will construct and operate the opening and mining of Phase II Cell 6 of Ugnu Mine Site E under the following permits/approvals:

- Alaska Department of Natural Resources
 - o Division of Mining, Land and Water - Designated Material Site – Mine Site E Expansion, ADL #416074 (Approved)
 - o Division of Mining, Land and Water Material Sale Contract, ADL #422257 (Issued)
 - o Temporary Water Use Authorization, TWUA A2025-14 (Issued)
 - o Department of Oil and Gas, Land Use Permit for off road travel LAS #33902 (Issued)
- Department of Army Section 404 Permit (In Process)
- North Slope Borough Form 500 – Certificate of Traditional Land Use Inventory (TLUI) Clearance- NSB 19-075 (Approved)
- North Slope Borough (NSB) Development Permit- NSB 19-467 (Approved)
- Alaska Department of Environmental Conservation (ADEC)
 - o 401 Certification (In process)
 - o APDES General Permit AKG33 (Approved)



Additional Information Box 23. Description of Avoidance, Minimization, and Compensation Ugnu Mine Site E Expansion

The US Army Corps of Engineers manages natural resources to avoid, minimize, and compensate for impacts to wetlands. All Federal mitigation policies set a net benefit goal or, at a minimum, a no net loss goal for natural resources when allowed by existing statutory authority. Hilcorp Alaska, LLC (Hilcorp) proposes the following measures to avoid, minimize and compensate for impacts to waters of the United States from activities involving discharges of dredged or fill material:

1. Avoidance of impacts to waters of the U.S., including wetlands:

- The Ugnu Mine Site E expansion was designed in a phased approach, which avoided immediate impact to roughly half of Cell 6 from the time of its original development in 2019. Additional gravel is now needed to meet gravel demands for field maintenance and development projects. Therefore, Phase II of Cell 6 will be developed beginning in November 2025;
- Phase II of the Ugnu Mine Site E Cell 6 is designed with the minimum footprint practicable given safety and engineering constraints;
- Instead of developing a new gravel source, Hilcorp is expanding an existing cell on an active mine site. Wetlands in this area are already subject to indirect impacts from ongoing activities in the adjacent mine cells. Phase II of the expansion of the existing cell avoids the following impacts:
 - Avoided impacting as many lakes, ponds and streams as possible;
 - Avoided Anadromous Water crossings to the maximum extent possible;
 - Avoided impacting pristine wetlands to develop a new gravel source;
 - Will use existing material sites and local existing roads to the maximum extent possible.

2. Minimization of unavoidable impacts to waters of the U.S., including wetlands:

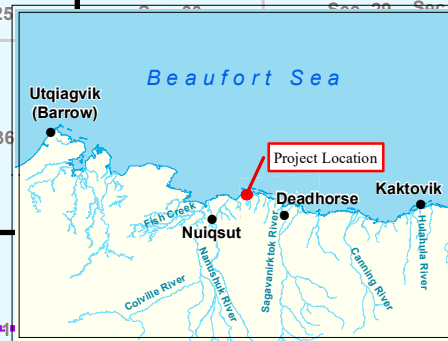
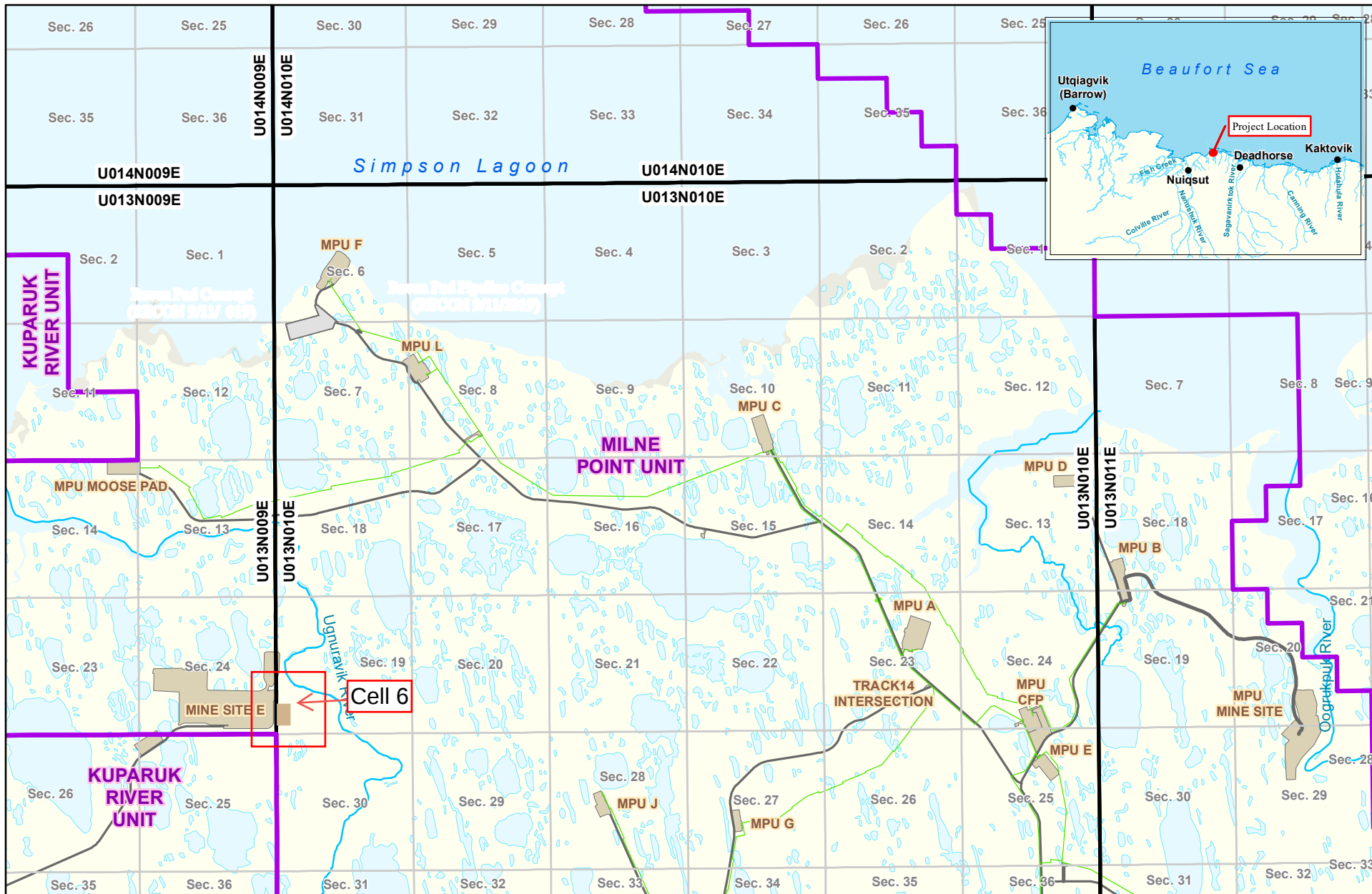
- The proposed Phase II expansion has been designed to minimize the area disturbed. The overburden for Phase II will be removed to maximize the conservation, segregation and stockpiling of the organic overburden for use in reclamation and restoration projects.
- Once mining is completed, overburden will be placed back into the pit to reduce and buttress side slopes and limit area required for storage.
- Hilcorp will construct berms around the exterior margin of Cell 6 to serve as a thermal barrier. This barrier will help to preserve the underlying permafrost and prevent the melting of ice wedges and thermokarsting. Without this insulation, exposed ice wedges may melt and erode back from the edge of the pit with the potential to drain adjacent wetlands. The slope stability gained by this practice will ensure that the cell can eventually provide valuable habitat for avian species. The berms will also prevent transmission of water between mining cells, which is

a major safety concern in an active mine site. The result of these berms is a net benefit for wetland preservation. A thermal barrier berm of native overburden was constructed around Phase I as it was opened. As the opening of Phase II begins the thermal barrier will be shifted to encompass the entirety of the excavated area in Cell 6. Typical dimensions of the thermal barrier will be 60 feet at the base and 10 feet thick.

- To remain consistent with Phase I, Phase II gravel removal for use in Hilcorp operated Units will only occur during winter via an ice road. This will eliminate the need for a new gravel road from Ugnu Mine Site E to Milne Point roads for gravel haul.

3. Compensation for unavoidable impacts to waters of the U.S., including wetlands:

- Through Avoidance and Minimization, Hilcorp has worked to limit the impact to wetlands.
- Hilcorp examined permittee responsible mitigation; including creation/restoration and preservation. Wetland creation/restoration on the North Slope is impracticable because wetlands are primarily developed through permafrost action (taking hundreds of years to develop) and the growing season is only 60 days. This prevents any reasonable success goals from being achieved that would show replacement of lost functions, as required by regulation. Also the perpetual protection instrument that would be required cannot be accomplished because of land ownership and constitutional protection restrictions.
- Hilcorp has avoided potential impacts by methods listed in Section 2 above, including expanding an existing mine site in a phased approach instead of opening a new mine; and minimized potential impacts by methods listed in Section 3 above including by constructing thermal barriers around the mine area. The proposed Avoidance and minimization measures minimize impacts to wetlands to the greatest extent practicable. Due to the temporary and minimal nature of the unavoidable impacts, and given the overall health of the watershed and prevalence of waters of the U.S., including wetlands, on the North Slope and within the project vicinity, we propose that the described avoidance and minimization measures satisfy the mitigation requirements under the Corps' various statutory authorities and therefore propose that no compensatory mitigation is appropriate or should be required.



Hilcorp Alaska, LLC

3800 Centerpoint Dr. Suite 1400
Anchorage, AK 99503

Map Date: 9/18/2025

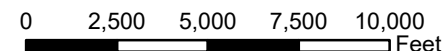
**Milne Point Unit
Phase II Cell 6
Ugnu Mine Site E
Project Area**

- Pipeline Corridors
- Facility and Pad Footprints
- Oil and Gas Unit Boundaries

Latitude (Decimal Degrees): 70.461513 , NAD 1983
Longitude (Decimal Degrees): -149.695938 , NAD 1983

1 in = 1 mile

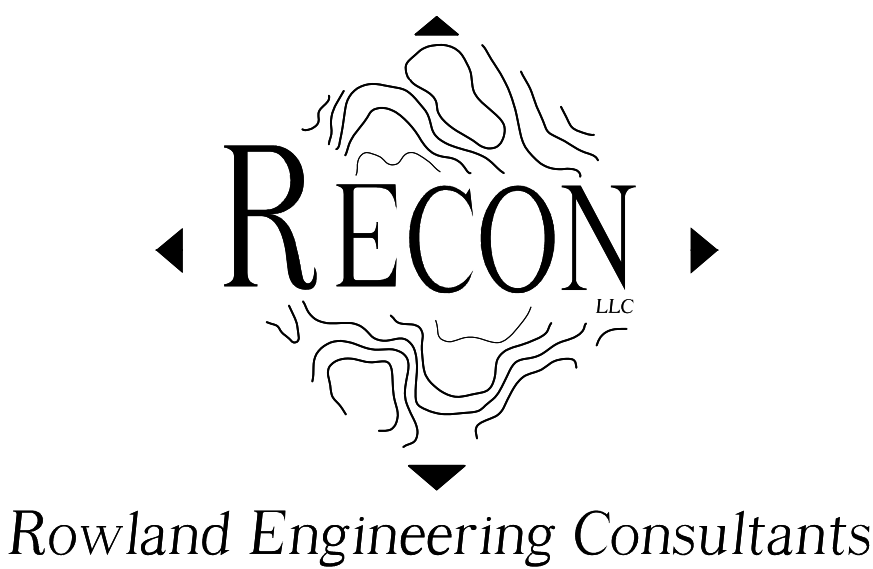
Alaska StatePlane Zone 4 NAD 1983 (Feet)



SHEET NO.



- NOTES:
1. PIT SIZE AND LOCATION ARE CONCEPTUAL. NOT FOR CONSTRUCTION.
 2. LOCATED WITHIN S19 T13N R10E UM AND S24 T13N R9E UM.
 3. CELL 5 CONSISTS OF 16.6 ACRES AND WOULD PRODUCE APPROX. 600,000 CYDS.
 4. CELL 6 CONSISTS OF 50.5 ACRES AND WOULD PRODUCE UP TO 2.0M CYDS.
 5. PHASE 1 OF CELL 6 WOULD PRODUCE ESTIMATED 450,000 TO 500,000 CYDS. OF BANK OVERBURDEN AND ESTIMATED 800,000 TO 1,000,000 CYDS. OF GRAVEL.
 6. PHASE 2 OF CELL 6 WOULD PRODUCE ESTIMATED 280,000 TO 384,000 CYDS. OF BANK OVERBURDEN AND ESTIMATED 700,000 TO 802,00 CYDS. OF GRAVEL.
 7. FINAL SITE CONFIGURATION TO BE DEPENDENT ON GEOTECHNICAL RESULTS AND GRAVEL NEEDS.
 8. ALL PIT SIDE SLOPES TO BE MINED AT 1.5:1 TO MAXIMIZE GRAVEL EXTRACTION AND MINIMIZE FOOTPRINT.
 9. ONCE INITIAL PHASES HAVE BEEN MINED, OVERBURDEN WILL BE PLACED BACK INTO PIT TO REDUCE AND BUTTRESS SIDE SLOPES AND LIMIT AREA REQUIRED FOR STORAGE.
 10. ALL SLOPES REDUCED TO 3:1 OR FLATTER AT CLOSURE.
 11. A THERMAL BARRIER BERM OF NATIVE OVERBURDEN WILL BE CONSTRUCTED AROUND EACH PHASE AS THEY ARE OPENED.TYPICAL DIMENSIONS; 60’ AT BASE AND 10’ THICK.



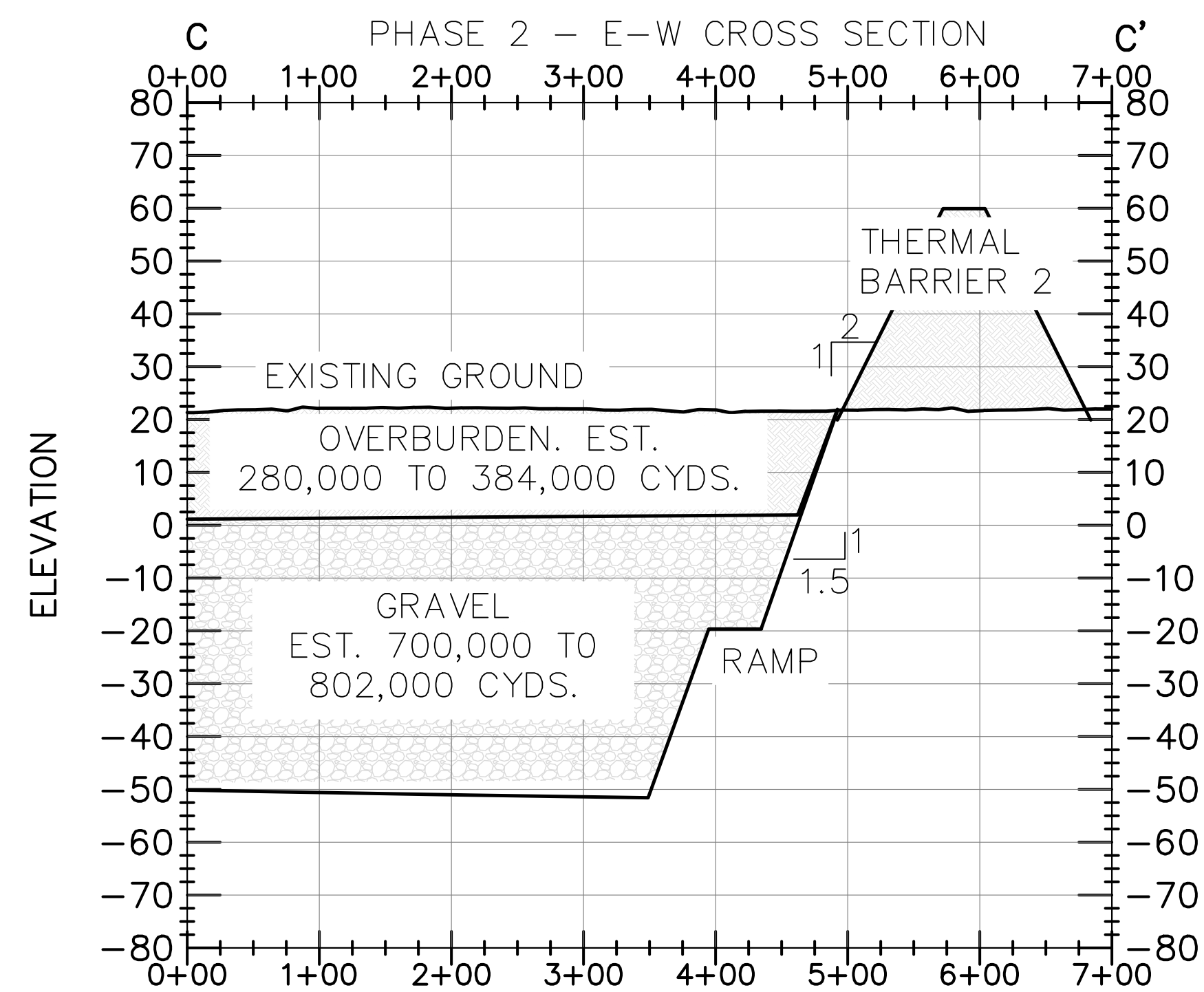
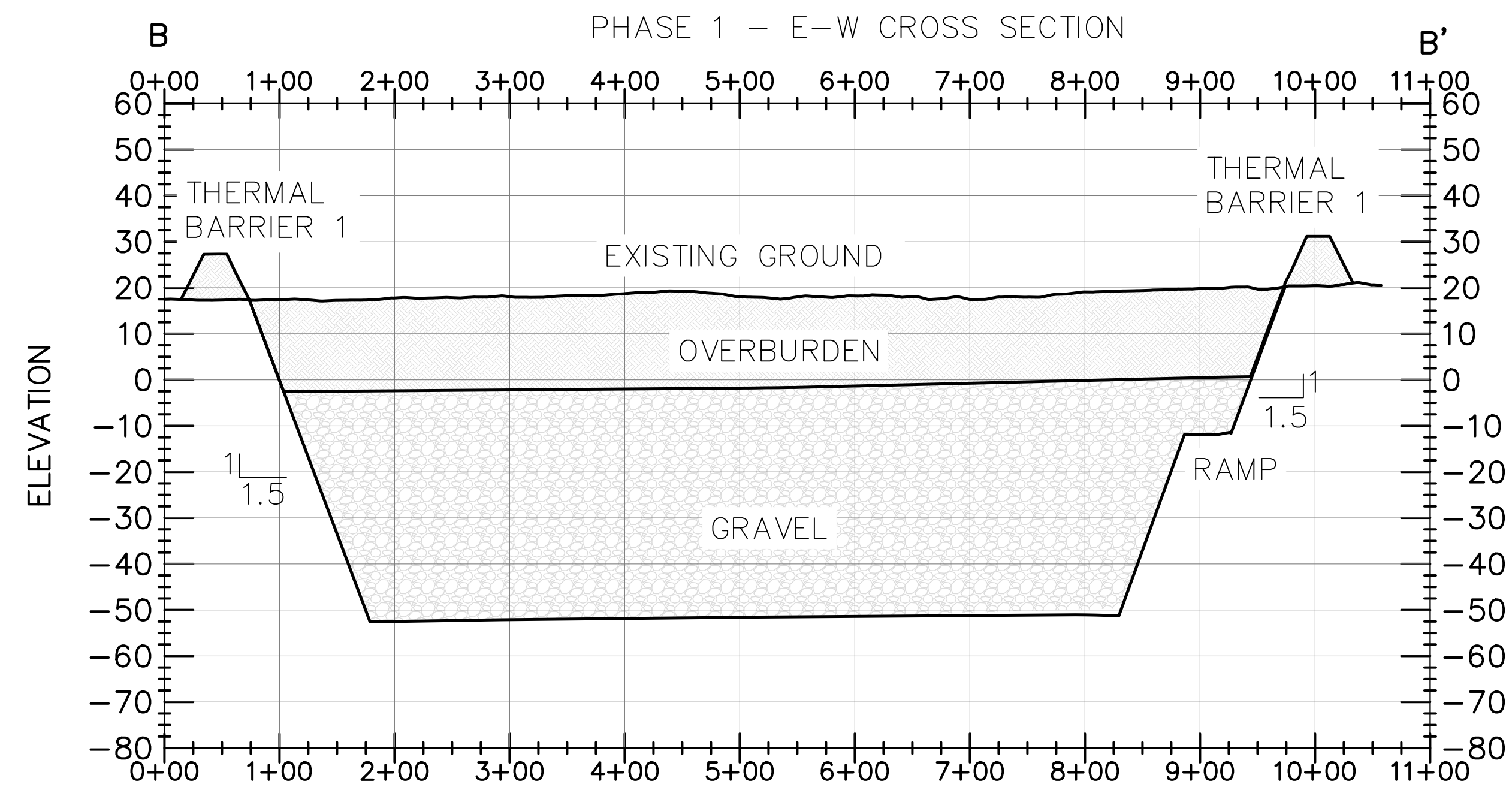
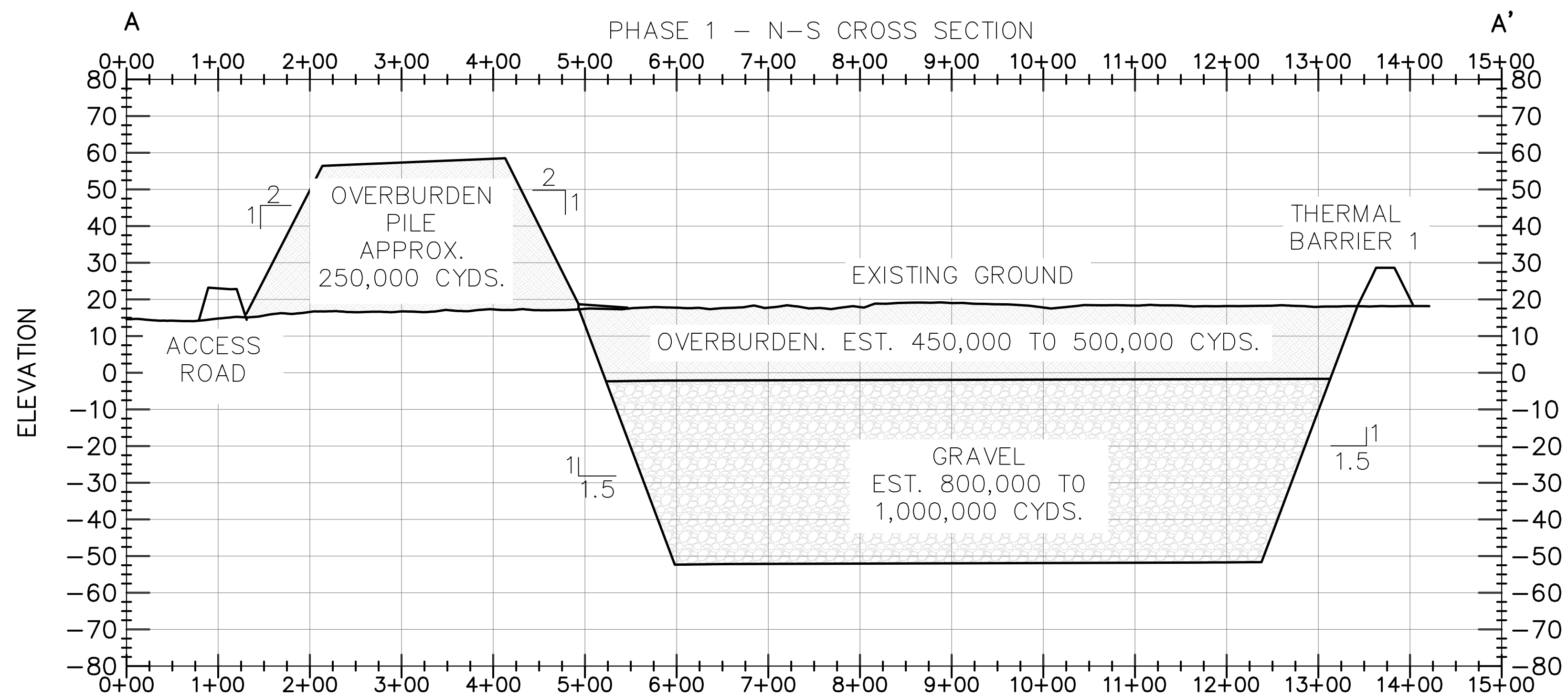
E-PIT EXPANSION PLAN

DRAFT - NOT FOR CONSTRUCTION

6/28/2017

24" x 36"

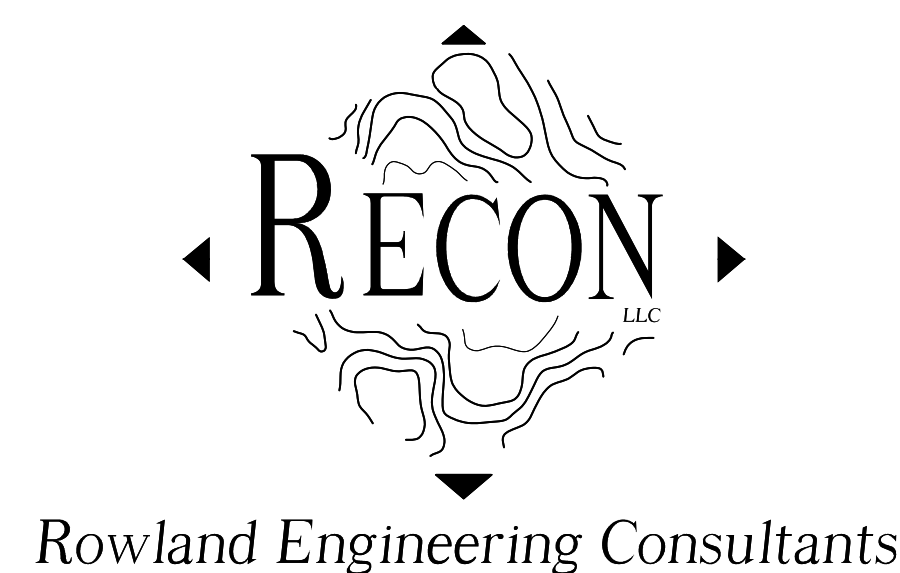
REVISIONS			
NO.	BY	DATE	DESCRIPTION
ADDRESS: RECON LLC, 481 W. RECON CIRCLE, PALMER AK 99645			SHEET NO. 2 OF 5
ENGINEER: ISAAC ROWLAND			
CONTACT: (907)322-5545, isaac@reconllc.net			
DRAWN BY: MARIA C. SANDERS			



H 1:100
V 1:4

NOTES:

1. FINAL SITE CONFIGURATION TO BE DEPENDENT ON GEOTECHNICAL RESULTS AND GRAVEL NEEDS.
2. PHASE 1 OF CELL 6 WOULD PRODUCE ESTIMATED 450,000 TO 500,000 CYDS. OF BANK OVERBURDEN AND ESTIMATED 800,000 TO 1,000,000 CYDS. OF GRAVEL.
3. PHASE 2 OF CELL 6 WOULD PRODUCE ESTIMATED 280,000 TO 384,000 CYDS. OF BANK OVERBURDEN AND ESTIMATED 700,000 TO 802,00 CYDS. OF GRAVEL.
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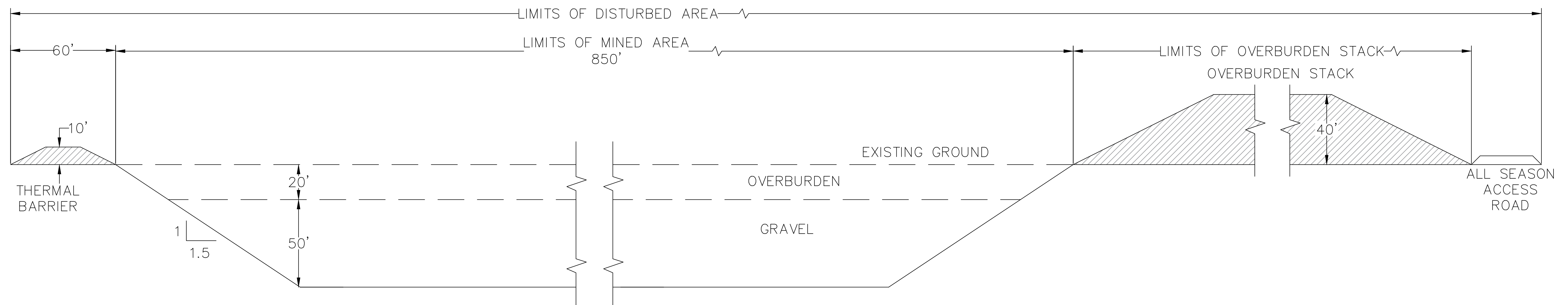
E-PIT - PROFILE
DRAFT - NOT FOR CONSTRUCTION

6/28/2017

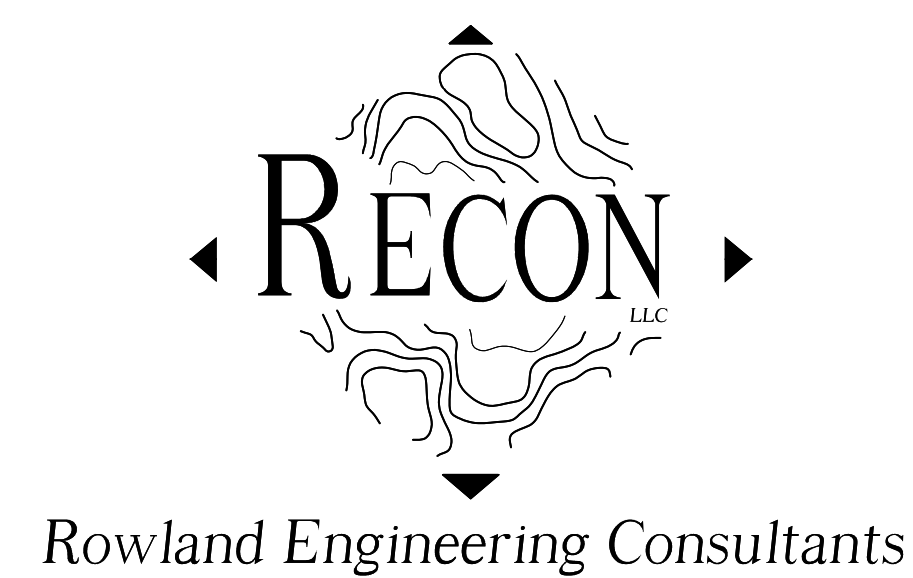
24" x 36"

REVISIONS

NO.	BY	DATE	DESCRIPTION
ADDRESS: RECON LLC, 481 W. RECON CIRCLE, PALMER AK 99645			SHEET NO. 3 OF 5
ENGINEER: ISAAC ROWLAND			
CONTACT: (907)322-5545, isaac@reconllc.net			
DRAWN BY: MARIA C. SANDERS			



(A) N-S MINE PLAN TYPICAL



E-PIT MINE PLAN TYPICAL
DRAFT - NOT FOR CONSTRUCTION

6/28/2017

24" x 36"

REVISIONS			
NO.	BY	DATE	DESCRIPTION
ADDRESS: RECON LLC, 481 W. RECON CIRCLE, PALMER AK 99645			SHEET NO. 4 OF 5
ENGINEER: ISAAC ROWLAND			
CONTACT: (907)322-5545, isaac@reconllc.net			
DRAWN BY: MARIA C. SANDERS			

