



STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
Northern Regional Land Office

Regional Manager's Decision

ADL 422759
Quintillion Networks, LLC
Easement Application
AS 38.05.850

REQUESTED ACTION

On December 23, 2025, the Department of Natural Resources (DNR), Division of Mining, Land, and Water (DMLW), received an application for a public utility easement from Quintillion Networks, LLC (Quintillion) to install fiber optic cable (FOC) from the west bank of the Colville River to Santos' Nanushuk Operations Pad (NOP) with a branch to ConocoPhillips' Drill Site 2P.

The proposed public easement is approximately 45 miles long by 30 feet wide. Terrestrial installation will be ground lay. Waterway crossing installation will be via overhead lines or horizontal directional drilling bores. Installation will be done in the winter to reduce ground disturbance. The proposed project installation, on state land, is scheduled to occur in winter 2026-2027. The requested term is 30 years.

RECOMMENDED ACTION

NRO recommends issuing a public utility easement approximately 45 miles long and 30 feet wide for the installation of FOC on DMLW managed lands for a 30-year term.

SCOPE OF DECISION

The scope of this decision is to determine if it is in the State's interest to create an easement for the proposed use. The scope of administrative review for this authorization is limited to (1) reasonably foreseeable, significant effects of the uses to be authorized; (2) applicable statutes and regulations; (3) facts pertaining to the land or resources; and (4) issues that are material to the determination that issuing the authorization is in the interest of the State of Alaska. All other aspects of the applicant's project are outside the scope of this decision.

STATUTORY AUTHORITY

This easement application is being adjudicated pursuant to AS 38.05.850 and AS 38.05.127.

ADMINISTRATIVE RECORD

The administrative record for the proposed action consists of the Constitution of the State of Alaska, the Alaska Land Act as amended, applicable statutes and regulations referenced here-in, the 2021 North Slope Area Plan and other classification references described herein, and the casefile for the application serialized by DNR as ADL 422759.

LOCATION INFORMATION

Geographic Location

The proposed easement will be located on the North Slope, south and east of Nuiqsut, between the west bank of the Colville River, near Ocean Point, and Santos' Nanushuk Operations Pad.

Township Range

The applicant has applied to use state-owned, DMLW-managed lands within the following sections.

Umiat Meridian, Township 8 North, Range 3 East, Sections 4, 9, 10, 15, 16, 22, 23, and 24

Umiat Meridian, Township 8 North, Range 4 East, Sections 19, 25, 26, 27, 28, 29, and 30

Umiat Meridian, Township 8 North, Range 5 East, Sections 23, 24, 26, 27, 28, 29, and 30

Umiat Meridian, Township 8 North, Range 6 East, Sections 2, 10, 11, 13, 14, 15, 16, 17, 18, and 19

Umiat Meridian, Township 8 North, Range 7 East, Sections 17 and 18

Umiat Meridian, Township 9 North, Range 6 East, Sections 12, 13, 23, 24, 26, 34, and 35

Umiat Meridian, Township 9 North, Range 7 East, Sections 6 and 7

Umiat Meridian, Township 10 North, Range 7 East, Sections 6, 7, 18, 19, 30, and 31

Umiat Meridian, Township 11 North, Range 7 East, Sections 19, 30, and 31

Other Land Information

Municipalities: North Slope Borough

Regional Corporations: Arctic Slope Regional Corporation

North Slope Special Use Area (ADL 50666)

TITLE

The State of Alaska Holds title to the lands in the bed of the Colville River within Umiat Meridian, Township 8 North, Range 3 East, Sections 4, 10, and 15, and Umiat Meridian, Township 8 North, Range 4 East Section 18 under Patent Number 50-2016-0013 issued on November 10, 2015, which is serialized by DNR as GS 1606.

The State of Alaska holds title to the lands within Umiat Meridian, Township 8 North, Range 3 East, Sections 4, 9, 10, 15, 16, 22, 23, and 24 under Patent Number 50-96-0151 issued on January 16, 1996, which is serialized by DNR as GS 1606. Standard reservations apply.

The State of Alaska holds title to the lands within Umiat Meridian, Township 8 North, Range 4 East, Sections 19, 25, 26, 27, 28, 29, and 30 under Patent Number 50-96-0151 issued on January 16, 1996, which is serialized by DNR as GS 1606. Standard reservations apply.

The State of Alaska Holds title to the lands in the bed of the Itkillik River within Umiat Meridian, Township 8 North, Range 5 East, Sections 23, 26, 27, and 28 under Patent Number 50-2019-0048 issued on January 25, 2019, which is serialized by DNR as GS 1606. Standard reservations apply. The State of Alaska holds title to the lands within Umiat Meridian, Township 8 North, Range 5 East, Sections 23, 24, 26, 27, 28, 29, and 30 under Patent Number 50-2007-0438 issued on May 2, 2007, which is serialized by DNR as GS 1606. Standard reservations apply.

The State of Alaska holds title to the lands within Umiat Meridian, Township 8 North, Range 6 East, Sections 2, 10, 11, 13, 14, 15, 16, 17, 18, and 19 under Patent Number 50-74-0086 issued on March 27, 1974, which is serialized by DNR as GS 1607. Standard reservations apply.

The State of Alaska holds title to the lands within Umiat Meridian, Township 8 North, Range 7 East, Sections 17 and 18 under Patent Number 50-74-0086 issued on March 27, 1974, which is serialized by DNR as GS 1607. Standard reservations apply.

The State of Alaska holds title to the lands within Umiat Meridian, Township 9 North, Range 6 East, Sections 12, 13, 23, 24, 26, 34, and 35 under Patent Number 50-74-0100 issued on March 27, 1974, which is serialized by DNR as GS 1292. Standard reservations apply.

The State of Alaska holds title to the lands within Umiat Meridian, Township 9 North, Range 7 East, Sections 6 and 7 under Patent Number 50-74-0100 issued on March 27, 1974, which is serialized by DNR as GS 1296. Standard reservations apply.

The State of Alaska holds title to the lands within Umiat Meridian, Township 10 North, Range 7 East, Sections 6, 7, 18, 19, 30, and 31 under Patent Number 50-74-0100 issued on March 27, 1974, which is serialized by DNR as GS 1295. Standard reservations apply.

The State of Alaska holds title to the lands within Umiat Meridian, Township 11 North, Range 7 East, Sections 19, 30, and 31 under Patent Number 50-74-0093 issued on March 27, 1974, which is serialized by DNR as GS 1294. Standard reservations apply.

Any state-owned, DMLW-managed lands, or state-selected lands that may be managed by DMLW in the future that are crossed by the authorization considered herein at the time of this decision, which are omitted from this list, and are subsequently identified, are included in this decision. Navigable and public water determinations are subject to change pursuant to future findings.

THIRD-PARTY INTERESTS

The applicant has requested an easement that crosses the following interests:

- ADL 421218, Private Easement, Interim Authorization, Oil Search (Alaska), LLC
- ADLs 415701 and 415932, Pipeline Right-of-Way Leases, Issued, ConocoPhillips Co. – Alpine Diesel and Oil Pipelines
- ADL 422134, Pipeline Right-of-Way Lease, Issued, ConocoPhillips Alaska, Inc. (CPAI)
- ADLs 415857 and 422151, Private Easements, Issued, ConocoPhillips Alaska, Inc.
- Twenty-nine ADLs, Oil and Gas Leases, Issued, Oil Search (Alaska), LLC
- Three ADLs, Oil and Gas Leases, Issued, ConocoPhillips Alaska, Inc.

As of the writing of this decision Quintillion was in receipt of a letter of non-objection from Santos, Oil Search's parent company, and working with CPAI to come to an agreement.

PLANNING & CLASSIFICATION

The proposed easement passes through areas classified under the North Slope Area Plan (NSAP) and passes through the following units:

Unit C-01 – The Middle Colville River unit is designated Habitat and Public Recreation – Dispersed. The unit is to be managed for habitat values, subsistence and recreation opportunities, and preservation of water quality.

Unit C-02 – The Western Range unit is designated Resource Management. The unit is to be managed for multiple uses to continue to provide opportunities for subsistence, hunting, fishing, material sales, among other beneficial public uses.

Unit C-17 – The South Nuiqsut Potential Selection unit is designated Resource Management. The unit is to be managed for multiple uses to continue to provide opportunities for subsistence, hunting, fishing, material sales, among other beneficial public uses.

Unit C-03 – The Ikillik River unit is designated Habitat and Public Recreation – Dispersed. The unit is to be managed for habitat values, subsistence and recreation opportunities, and preservation of water quality.

Unit C-07 – The Upper Miluveach River unit is designated Habitat and Oil and Gas. The unit is to be managed to maintain habitat values and oil and gas maintenance and development activities.

Unit A-03 – The Miluveach River unit is designated Habitat and Oil and Gas. The unit is to be managed for its habitat and oil and gas resource values. All development must also consider potential impacts on the habitat and harvest values and include general mitigation measures that will avoid, minimize, or mitigate negative impacts.

Unit A-02 – The Nanushuk unit is designated Habitat and Oil and Gas. The unit is to be managed for its habitat and oil and gas resource values. All development must also consider potential impacts on the habitat and harvest values and include general mitigation measures that will avoid, minimize, or mitigate negative impacts.

Lands designated Habitat, Public Recreation- Dispersed, Resource Management, and Oil and Gas may all accommodate “[I]inear...communication infrastructure...that serves a public purpose” (NSAP pp. 3-5 to 3-7).

Per Table 4-2 of NSAP, the applicable classifications that apply to the units where this easement is being considered are: Wildlife Habitat, Public Recreation, Resource Management, and Oil and Gas.

The installation, operation, and maintenance of the FOC and issuance of an easement for that purpose is compatible with the applicable designations and classifications noted above, the values identified in each affected unit, and the management intent of the North Slope Area Plan.

ACCESS

Functional access to the state lands discussed herein exists via the existing North Slope gravel road system and is accessed from the Spine Road with connects to the Dalton Highway in Deadhorse, Alaska. The Spine Road is authorized under lease operations approvals (LO/NS) to Hilcorp North Slope (HNS) related to their subsurface leases.

General access into the oil field is controlled at a security check point located in the Prudhoe Bay Unit (PBU) in Deadhorse. HNS is the operator of the PBU and the security check point, therefore Quintillion will need to coordinate with HNS for access into PBU. Access into the Kuparuk River Unit (KRU) is controlled by ConocoPhillips Alaska, Inc. (CPAI), therefore Quintillion will need to coordinate with CPAI for access into KRU. Finally, access into the Pikka Unit is controlled by Oil Search (Alaska) LLC (Oil Search), a subsidiary of Santos, therefore Quintillion will need to coordinate with Oil Search for access into Pikka.

Construction of the improvements described herein is contingent on the placement of related infrastructure on adjacent land owned and/or managed by agencies and entities other than the state. The applicant will work with adjacent landowners to obtain the necessary authorization.

The Public Access and Defense section has determined that there are public waters within the project area. The authorization proposed herein will not impair public access; therefore, an easement pursuant to AS 38.05.127 is not necessary to ensure free access to and along any public waters.

BACKGROUND

Quintillion submitted an application for a public utility easement on state lands to install fiber optic cable (FOC) from the west bank of the Colville River to the Santos NOP with a branch to ConocoPhillips' Drill site 2P. The installation is for the Overland Fiber – Utqiagvik to Santos NOP project. The majority of the project is on BLM managed lands. The purpose of the FOC project is to enhance broadband capacity in rural and strategically significant regions of Alaska.

The project is supported by funding from the U.S. Department of Defense, Office of Local Defense Community Cooperation, Defense Community Infrastructure Program (DCIP). The North Slope Borough is the DCIP applicant. Quintillion is the subrecipient of the funding and will install and operate the FOC.

PUBLIC NOTICE & AGENCY REVIEW

Public Notice Summary

Public Notice of the application was conducted from December 26, 2025, to January 26, 2026. The notice was posted to the State of Alaska Online Public Notice System. The notice was also sent via email to the following recipients: Arctic Slope Regional Corporation, ConocoPhillips Alaska (CPAI), and Santos.

Public Notice Comment & Response

Arctic SOLNS Comment: The Arctic SOLNS comment mainly spoke to the portion of the project that is in NPR-A which is managed by BLM. They also spoke to the DCIP grant being awarded to the NSB and that the NSB should have applied for the easement. They spoke to the Community Winter Access Trail (CWAT) being a snow trail rather than an ice road.

DMLW Response: This decision only addresses the portion of the project that is managed by DMLW. Quintillion is installing and operating the FOC on behalf of the NSB and is the

subrecipient of the grant funding. Quintillion is working with the NSB on this project and will coordinate use of the CWAT.

CPAI Comment: CPAI has concerns with the proposal to lay the FOC on the tundra and would like to engage with Quintillion to discuss these concerns. CPAI also has concerns regarding their pipelines, the Alpine Ice Road, and the CWAT. CPAI would like to negotiate and execute a letter of non-objection with Quintillion.

DMLW Response: DMLW is coordinating with Quintillion, the Division of Oil & Gas, and the State Pipeline Coordinator's Section to ensure that Quintillion has an agreement with CPAI that is in line with the respective authorizations.

Agency Review Summary

Agency Review of the application was conducted from December 26, 2025, to January 26, 2026. The notice was sent to the following recipients:

- DNR Office of History and Archaeology
- DNR Division of Oil and Gas Permitting
- Alaska Department of Transportation & Public Facilities
- Alaska Department of Fish and Game (ADF&G)
- U.S. Fish and Wildlife Service (USFWS)
- U.S. Army Corps of Engineers
- North Slope Borough
- U.S. Bureau of Land Management

Agency Review Comment & Response

ADF&G Comment: ADF&G shared the Fish Habitat Permits already in place for the project. They noted that they will work with Quintillion to finalize a route for review.

DMLW Response: Reached out to ADF&G to confirm that they will work with Quintillion to permit the final route.

USFWS Comment: USFWS shared their Best Management Practices for broadband projects. They also provide best management practices for yellow-billed loons, a species of conservation concern.

DMLW Response: Confirmed with USFWS that their comments can be passed to the applicant and passed the comments to the applicant.

ENVIRONMENTAL CONSIDERATIONS

This decision considers environmental factors directly related to the authorization for use of state lands, specifically whether the approval of the authorization is in the State's interest. The purpose of this consideration is to identify any associated mitigation measures or other requirements necessary to protect the public interest, while informing the overall decision of whether or not to approve the authorization.

Environmental contamination risk associated with this proposed easement is minimal. Fuel, lubricants, and other hazardous materials will be restricted to those necessary and will be contained within vehicles when such equipment is necessary for maintenance. No fuel or other hazardous materials will be stored on site. There may be impacts from off-road travel. There may be water quality impacts from installation and off-road travel. The stipulations will mitigate these impacts. The applicant is ultimately responsible for determination of site suitability.

ECONOMIC BENEFIT & DEVELOPMENT OF STATE RESOURCES

In accordance with AS 38.05.850, DMLW considers if the requested authorization will provide the greatest economic benefit to the State and development of its natural resources. Specifically, staff assess both direct and indirect economic benefits and whether the proposed authorization encourages the development of the State's resources.

The authorization considered herein will provide a direct economic benefit to the State in the form of land use fees. Additionally, the proposed easement facilitates the expansion of the public utility system and specifically broadband access, which will promote conditions for economic development, thus providing an indirect benefit to the State.

In consideration of these factors, and because there are no competing requests for authorization, approval of this easement will provide the greatest economic benefit to the State.

DISCUSSION

The Overland Fiber – Utqiagvik to Santos NOP Project was prompted by loss of services in June 2023 and again in January 2025 when a subsea FOC was severed in the Beaufort Sea. This terrestrial project will connect to existing Quintillion infrastructure and provide redundancy and increase accessibility.

Installation will take place during the winter using off-road travel. Cable will be ground laid when possible. The cable will be installed via horizontal directional drilling or aerial on poles at major water crossings. Quintillion's original application included four crossing points of the Colville River, and all four crossing points were sent out for consideration during public notice. Only one option will ultimately be used; the attached site diagram depicts two crossing points that remain under consideration. To account for off-road travel during installation and maintenance, off-road travel stipulations will be added to the Entry Authorization and Easement. Construction, on state land, is planned to begin in winter 2026-2027.

Following termination, whether by abandonment, revocation, or any other means, the applicant shall rehabilitate the site to a condition that is acceptable to DMLW.

PERFORMANCE GUARANTY

A performance guaranty is intended to incentivize performance of the conditions of the entry authorization and easement and provide a mechanism for the State to ensure that the applicant shares in the financial burden in the event of noncompliance (including fee payment, survey, appraisal, etc.), restoration (interim and final), and any associated costs after termination or expiration of the easement. A performance guaranty in the amount of \$100,000 will be required to

ensure completion of entry authorization requirements. These funds will also serve as a survey deposit (per AS 38.05.860) and may be reduced one time during the term of the entry authorization by an amount equal to payments made by the applicant to a licensed surveyor under contract for completion of an as-built survey in accordance with survey instructions issued by the DMLW Survey Section, as described herein. This performance guaranty shall remain in place during the term of the entry authorization and will be subject to release upon the acceptance of a DMLW-approved as-built survey and the fulfillment of all conditions and stipulations of this decision and the entry authorization.

The guaranty may also be adjusted to reflect updates and changes in the associated project, and the applicant may be required to provide an additional performance guaranty if DMLW determines there is additional risk to the State. The guaranty may be utilized by DMLW to cover actual costs incurred by the State to pay for necessary corrective actions in the event the applicant does not comply with site utilization and restoration requirements and other stipulations contained in the entry authorization. An additional performance guaranty may be required for an extension of the entry authorization beyond the initial term proposed under this decision.

INSURANCE

The applicant will be required to submit proof of insurance in an amount the insurance company determines necessary to protect both the State and the applicant from risks associated with the planned activities under the Entry Authorization (EA) for ADL 422759. The applicant will be responsible for maintaining the necessary insurance during the term of the EA. The insurance may be adjusted to reflect updates and changes in the associated project, and the applicant may be required to furnish additional insurance if DMLW determines there is additional risk to the State. A certificate of insurance listing the State of Alaska, Department of Natural Resources as an additional insured on the policy, or other insurance acceptable to the State, must be submitted to DMLW prior to entry on State land and must be maintained throughout the term of the EA.

SURVEY

A DMLW-approved as-built survey is required to determine the proper location and acreage of installed improvements and the associated easement on state-owned, DMLW-managed lands. The applicant will be required to request survey instructions prior to issuance of the Entry Authorization. The survey must be produced in accordance with survey instructions provided by the DMLW Survey Section and stamped by a Professional Land Surveyor registered in the State of Alaska. A final easement will not be issued until the as-built survey has been approved by DMLW. The applicant is required to submit a preliminary draft as-built survey a minimum of one year prior to the expiration of the Entry Authorization to allow adequate time for DMLW's review and approval of a final as-built survey.

FEES

The following fee(s) are applicable to this request:

During the EA: Per 11 AAC 05.070(d)(2)(I) and DMLW Director's Fee Order No. 3 the annual fee for the term of the EA is \$120.00 per acre rounded up to the nearest acre. The requested easement is approximately 45 miles long and 30 feet wide for an estimated 164 acres.

Fee: \$19,680/year

Relevant Fee Regulation(s): 11 AAC 05.070(d)(2)(I) and Director's Fee Order Number 3

Fee for conversion to Easement: Per 11 AAC 05.070(d)(2)(C) and Director's Fee Order Number 3, the one-time use fee for a public easement for utilities is \$0.56 per linear foot rounded up to the nearest foot. The total charge for this fee will be determined following DMLW's approval of an as-built survey document.

Fee: To be determined following DMLW's approval of an as-built survey document.

Relevant Fee Regulation(s): 11 AAC 05.070(d)(2)(C) and Director's Fee Order Number 3

Additionally, the applicant shall pay applicable document recording fees prior to DMLW's execution and recordation of the easement document.

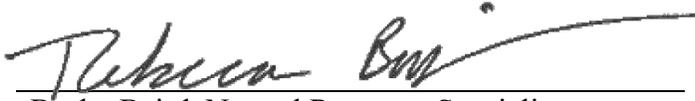
ENTRY AUTHORIZATION

Entry authorization is an interim authorization issued when a survey is necessary prior to easement issuance. It is recommended that an entry authorization be issued for a term of five years for the purpose of installing, surveying, operating, and maintaining the infrastructure considered herein prior to DMLW's issuance of a public utility easement. An extension of the entry authorization may be granted at the written request of the applicant if granting the extension is deemed appropriate by DMLW and may be subject to applicable fees. If an extension is required, the applicant must contact DMLW no later than 30 days prior to the expiration of the entry authorization and certify there have been no changes to the approved development plan. DMLW will grant the entry authorization after receipt of the following deliverables:

- Interim land use fee of \$19,680/year, as described above.
- Evidence of having made request for survey instructions to the DMLW Survey Section, as recommended above.
- Insurance, as recommended above.
- Performance guaranty, as recommended above.
- Agreement with CPAI and/or concurrence with the Division of Oil and Gas

RECOMMENDATION

Based upon the information provided by the applicant, as well as review of relevant planning documents, statutes, and regulations related to this application, it is the recommendation of staff to issue an easement as described above, on the condition that all stipulations are followed as described in the attached authorization.



Becky Baird, Natural Resource Specialist
DMLW Northern Regional Land Office

March 3, 2026

Date

REGIONAL MANAGER'S DECISION

When adjudicating an easement authorization pursuant to AS 38.05.850, DMLW seeks to responsibly develop Alaska's resources by making them available for maximum use and benefit consistent with public interest. In consideration of all events and criteria listed above, I hereby determine that the authorizations to be granted by this decision are consistent with DMLW's mission, that this project is consistent with the overall classification and management intent for this land, and that issuance of an authorization as described above is in the interest of the State of Alaska. The Department assumes no responsibility for maintenance or liability for injury or damages attributable to this authorization.

This decision may be rescinded by written notification if, after 60 days from the effective date of this decision, the applicant has not completed all requirements outlined in this decision for issuance of the authorization. Additional time may be allotted to complete these requirements; however, this will not extend the total term of the authorization issued under this decision. If no appeal is filed by the appeal deadline, this decision goes into effect and becomes a final administrative order and decision of the department on the first business day after the twentieth calendar day after signature.



for Dianna Leinberger, Regional Manager
DMLW Northern Regional Land Office

March 3, 2026

Date

ATTACHMENTS

- Attachment A - Diagram of easement
- Entry authorization
- Draft easement document

APPEAL

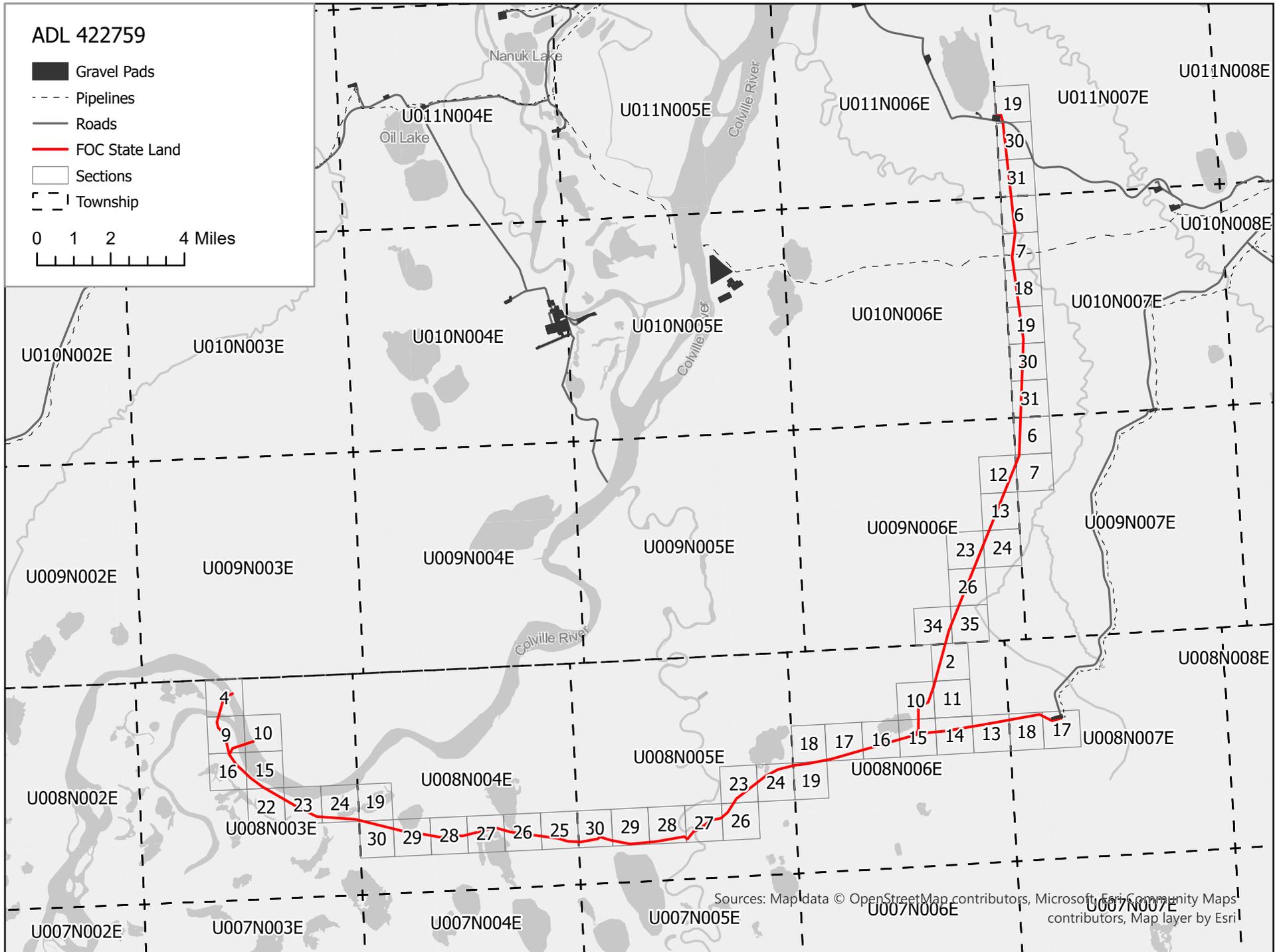
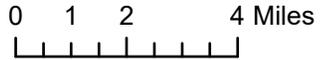
An eligible person affected by this decision may appeal to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any appeal must be received within twenty (20) calendar days after issuance of this decision under 11 AAC 02.040. An eligible person must first appeal a decision to the Commissioner before seeking relief in superior court. The Alaska Court System establishes its own rules for timely appealing final administrative orders and decisions of the department.

Appeals may be mailed or hand-delivered to the DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907)-269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. Appeals must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a)-(b). A copy of 11 AAC 02 is available on the department's website at <https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf>.

Attachment A

ADL 422759

- Gravel Pads
- Pipelines
- Roads
- FOC State Land
- Sections
- Township



Sources: Mapdata © OpenStreetMap contributors, Microsoft, Esri, Community Maps contributors, Map layer by Esri

Entry Authorization



Entry Authorization

ADL 422759

Quintillion Networks, LLC, herein known as the Grantee, is issued this Entry Authorization authorizing the use of state land within:

Legal Description:

The easement is approximately 45 miles in length and 30 feet in width located within the following sections:

Umiat Meridian, Township 8 North, Range 3 East, Sections 4, 9, 10, 15, 16, 22, 23, and 24

Umiat Meridian, Township 8 North, Range 4 East, Sections 19, 25, 26, 27, 28, 29, and 30

Umiat Meridian, Township 8 North, Range 5 East, Sections 23, 24, 26, 27, 28, 29, and 30

Umiat Meridian, Township 8 North, Range 6 East, Sections 2, 10, 11, 13, 14, 15, 16, 17, 18, and 19

Umiat Meridian, Township 8 North, Range 7 East, Sections 17 and 18

Umiat Meridian, Township 9 North, Range 6 East, Sections 12, 13, 23, 24, 26, 34, and 35

Umiat Meridian, Township 9 North, Range 7 East, Sections 6 and 7

Umiat Meridian, Township 10 North, Range 7 East, Sections 6, 7, 18, 19, 30, and 31

Umiat Meridian, Township 11 North, Range 7 East, Sections 19, 30, and 31

As shown on Attachment A

This Entry Authorization is issued for the purpose of authorizing the following:

Installation, operation, maintenance, and survey of a public utility easement for a fiber optic cable.

This authorization is effective beginning _____ and ending _____ unless sooner terminated.

This Entry Authorization is issued subject to the following:

- Payment of the first interim annual fee of \$19,680
- Evidence of having made a request for survey instructions to the DMLW Survey Section

- Maintenance of a performance guaranty in the amount of \$100,000 as required described in the stipulations below.
- Proof of insurance as described in stipulations below.

Grantee has the right to convert this Entry Authorization into a final easement authorization, provided the terms and conditions outlined below are met before the expiration of this authorization and any extensions granted by the AO. The final project must be constructed in conformity with the approved development plan or any approved amendments. Prior to conversion to an easement, a DMLW-approved as-built survey and payment of the one-time use fee Per 11 AAC 05.070(d)(2)(C) and Director's Fee Order Number 3, the one-time use fee for a public easement for utilities is \$0.56 per linear foot rounded up to the nearest foot. The total charge for this fee will be determined and due following DMLW's approval of an as-built survey document.

Stipulations:

1. **Authorized Officer:** The Authorized Officer (AO) for the State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), is the Regional Manager or designee.
2. **Change of Contact Information:** The Grantee shall maintain current contact information with the AO. Any change of contact information must be submitted in writing to the AO.
3. **Proper Location:** This authorization is for activities on state lands or interests managed by DMLW. It does not authorize any activities on private, federal, native, and municipal lands, or lands which are owned or solely managed by other offices and agencies of the State. The Grantee is responsible for proper location within the authorized area.
4. **Development Plan:** Development shall be limited to the authorized area, improvements, and maintenance activities specified in the approved development plan or subsequent modifications approved by the AO. The Grantee is responsible for accurately siting development and operations within the authorized area. Any proposed revisions to the development plan must be approved in writing by the AO before the change in use or development occurs.
5. **Directives:** Directives may be issued for corrective actions that are required to correct a deviation from design criteria, project specifications, stipulations, State statutes or regulations. Work at the area subject to the Directive may continue while implementing the corrective action. Corrective action may include halting or avoiding specific conduct, implementing alternative measures, repairing any damage to state resources that may have resulted from the conduct, or other action as determined by DNR.
6. **Violations:** This authorization may be revoked upon violation of any of its terms, conditions, stipulations, nonpayment of fees, or upon failure to comply with any other applicable laws, statutes and regulations. A revocation may not become effective until 60 days after the Grantee has been notified in writing of the violation during which time the Grantee has an opportunity to cure any such violation.

No public access easement may be terminated without the prior written approval of DMLW.

- 7. Public Access:** The construction, operation, use, and maintenance of the authorized area shall not interfere with public use of roads, trails, waters, landing areas, and public access easements. The ability to use or access state land or public waters may not be restricted in any manner. However, if a specific activity poses a safety concern, the AO may allow the restriction of public access for a specific period of time. The Grantee is required to contact the AO in advance for approval. No restriction is allowed unless specifically authorized in writing by the AO.
- 8. Public Trust Doctrine:** The Public Trust Doctrine guarantees public access to, and the public right to use, navigable and public waters and the land beneath them for navigation, commerce, fishing, and other purposes. This authorization is subject to the principles of the Public Trust Doctrine regarding navigable or public waters. The AO reserves the right to grant other interests consistent with the Public Trust Doctrine.
- 9. Valid Existing Rights:** This authorization is subject to all valid existing rights and reservations in and to the authorized area. The State makes no representations or warranties, whatsoever, either expressed or implied, as to the existence, number, or nature of such valid existing rights.
- 10. Site Maintenance:** The authorized area shall be maintained in a neat, clean, and safe condition, free of any solid waste, debris, or litter, except as specifically authorized herein. Nothing may be stored that would be an attractive nuisance to wildlife or create a potentially hazardous situation.
- 11. Maintenance of Improvements:** The Grantor is not responsible for maintenance of authorized improvements or liable for injuries or damages related to those improvements. No action or inaction of the Grantor is to be construed as assumption of responsibility.
- 12. Removal of Improvements and Site Restoration:** Upon termination of this authorization, whether by abandonment, revocation or any other means, the Grantee shall within 30 days remove all improvements from the area herein granted, except those owned by the State, and the site shall be restored to a condition acceptable to the AO. Should the Grantee fail or refuse to remove said structures or improvements within the time allotted, they shall revert to and become the property of the State; however, the Grantee shall not be relieved of the cost of the removal of the structures, improvements and/or the cost of restoring the area
- 13. Amendment or Modification:** The Grantee may request an amendment or modification of this authorization; the Grantee's request must be in writing. Any amendment or modification must be approved by the AO in advance and may require additional fees and changes to the terms of this authorization.
- 14. Extensions:** The AO may approve a written request to extend this authorization if additional time is necessary to meet its requirements. The written request must certify that there have been no changes to the approved development plan and be received at least 30 days before the expiration date of this authorization. Additional fees may be required.
- 15. Concurrent Use:** The DMLW reserves the right to grant additional authorizations to third parties for compatible uses on or adjacent to the land under this authorization. Authorized concurrent users of State land, their agents, employees, contractors, subcontractors, and licensees shall not interfere with the operation or maintenance activities of each user.

The DMLW may require authorized concurrent users of State land to enter into an equitable agreement regarding concurrent use.

- 16. Assignment:** This authorization may not be transferred or assigned without the prior written consent of the AO. The grantor reserves the right to modify and/or add stipulations for the authorization prior to approving the assignment.

Assignment: In the event the grantee desires to transfer their interest in this authorization to another party the grantee shall submit in writing to the AO a request for assignment. The grantor reserves the right to modify and/or add stipulations for the authorization prior to approving the assignment. The grantor reserves the right to require an assignment between the grantee and another party in the event of a change in corporate ownership, LLC/LLP membership or name change. Notwithstanding other requirements described in this authorization, assignments shall be restricted to those entities that are also eligible to obtain an authorization under the same statutory authority in which this authorization was issued.

- 17. Request for Information:** The AO, at any time, may require the Grantee to provide any information directly or indirectly related to this authorization, in a manner prescribed by the AO.

- 18. Inspections:** The AO shall have reasonable access to the authorized area for inspection, which may be conducted without prior notice. If the Grantee is found to be in noncompliance the authorized area may be subject to reinspection. The Grantee may be charged for actual expenses of any inspection.

- 19. Waste Disposal:** On-site refuse disposal is prohibited, unless specifically authorized. All waste generated during operation, maintenance, and termination activities under this authorization shall be removed and disposed of at an off-site DEC approved disposal facility. Waste, in this paragraph, means all discarded matter, including but not limited to human waste, trash, garbage, refuse, oil drums, petroleum products, ashes and discarded equipment.

- 20. Batteries:** Batteries which contain hazardous liquids should be completely sealed valve regulated, spill proof, leak proof and mounted in steel containers. Batteries lacking the preceding properties must have a metal drip pan designed to hold 110% of the total liquids held by the battery/batteries. Batteries, new or used, may not be stored or warehoused. Any battery/batteries that are not in use must be removed and disposed of in accordance with existing laws, regulations and ordinances.

21. Site Disturbance:

- a. Site disturbance shall be kept to a minimum to protect local habitats. All activities at the site shall be conducted in a manner that will minimize the disturbance of soil and vegetation and changes in the character of natural drainage systems.
- b. Brush clearing is allowed, but shall be kept to the minimum necessary to conduct or complete the authorized activity. Removal or destruction of the vegetative mat outside of the authorized area is not allowed.
- c. Establishment of, or improvements to, tidal, submerged, shoreland or riparian landing areas (e.g.: leveling the ground, bank cutting or removing or modifying a substantial amount of vegetation) is prohibited without the prior written consent of the AO.

- d. The Grantee shall conduct all operations in a manner which will prevent unwarranted pollution, erosion, and siltation. Any pollution, erosion, or siltation shall be repaired/remediated in a manner and time frame satisfactory to the AO at the Grantee's expense.

22. Ground Disturbance and Repair: Grantee will refill holes, trenches and surface depressions resulting from development or maintenance activities with sand, gravel, native materials, or a substitute approved by the AO. Surface areas will be recontoured to the satisfaction of the AO so that they do not pose a threat to human safety or wildlife transit.

23. Destruction of Markers: The Grantee shall protect all survey monuments, witness corners, reference monuments, mining claim posts, bearing trees, and unsurveyed corner posts against damage, destruction, or obliteration. The Grantee shall notify the AO of any damaged, destroyed, or obliterated markers and shall reestablish the markers at the Grantee's expense in accordance with accepted survey practices of the DMLW.

24. Fuel and Hazardous Substances:

- a. No fuel or hazardous substances are to be stored on state land. Prior written approval from the AO is required for a change in this restriction and may include additional stipulations and/or a change in the amount required for the performance guaranty.
- b. During equipment maintenance operations, the site shall be protected from leaking or dripping hazardous substances or fuel. The Grantee shall place drip pans or other surface liners designed to catch and hold fluids under the equipment or develop a maintenance area by using an impermeable liner or other suitable containment mechanism. a) "Surface liner" means any safe, non-permeable container (e.g., drips pans, fold-a-tanks, etc.) designed to catch and hold fluids for the purpose of preventing spills. Surface liners should be of adequate size and volume based on worst-case spill risk.

25. Fees During the EA: Per 11 AAC 05.070(d)(2)(I) and DMLW Director's Fee Order No. 3 the annual fee for the term of the EA is \$120.00 per acre rounded up to the nearest acre. The requested easement is approximately 45 miles long and 30 feet wide for an estimated 164 acres therefore the annual fee is **\$19,680. The first annual fee has been paid; subsequent annual fees are due on the anniversary of the date this authorization was executed by the Authorized Officer.**

26. Fees For Conversion to Easement: The Grantee shall pay a one-time land use fee of \$0.56 per linear foot rounded up to the nearest foot for a public easement for a utility per 11 AAC 05.070(d)(2)(C) and DMLW Director's Fee Order No. 3. The total charge for this fee will be determined and due following DMLW's approval of an as-built survey document.

Additionally, the applicant shall pay applicable document recording fees prior to DMLW's execution and recordation of the easement document.

27. Returned Check Penalty: A returned check penalty of \$50.00 will be charged for any check on which the bank refuses payment. Late payment penalties shall continue to accrue.

28. Late Payment Penalty Charges: The Grantee shall pay a fee for any late payment. The amount is the greater of either \$50.00 or interest accrued daily at the rate of 10.5% per annum and will be assessed on each past-due payment until paid in full.

29. Performance Guaranty: The Grantee shall provide a surety bond or other form of security acceptable to the AO in the amount of \$100,000.00 payable solely to the State of Alaska, DNR. Such performance guaranty shall remain in effect for the term of this authorization and any subsequent authorizations under ADL 422759 to secure performance of the Grantee's obligations hereunder. The amount of the performance guaranty may be adjusted by the AO upon approval of amendments to this authorization, changes in the development plan or changes in the activities conducted on the premises.

These funds would also serve as a survey deposit (per AS 38.05.860) and may be reduced one time during the term of the entry authorization by an amount up to the contracted amount to a licensed surveyor for completion of an as-built survey. This performance guaranty would remain in place during the term of the entry authorization and would be subject to release upon the acceptance of a DMLW-approved as-built survey and the fulfillment of all terms, conditions and stipulations of this decision and the entry authorization.

The guaranty may be utilized by the Division of Mining, Land and Water, at the discretion of the AO, to cover costs incurred by the State of Alaska to pay for any necessary corrective actions in the event the Grantee does not comply with site utilization and restoration guidelines. The provisions of this authorization shall not prejudice the State's right to obtain remedy under any law or regulation. The performance guaranty may only be released in writing by the AO.

30. Insurance: Consistent with 11 AAC 96.065 the Grantee shall secure or purchase at its own expense, and maintain in force at all times during the term of this authorization, liability coverage and limits consistent with what is professionally recommended as adequate to protect the Grantee (the insured) and Grantor (the State, its officers, agents and employees) from the liability exposures of ALL the insured's operations on state land. Certificates of Insurance must be furnished to the AO prior to the issuance of this authorization and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. The Grantee must provide for a 60-day prior notice to the State before they cancel, not renew or make material changes to conditions to the policy. Failure to furnish satisfactory evidence of insurance, or lapse of the policy, are material breaches of this authorization and shall be grounds, at the option of the State, for termination of the authorization. All insurance policies shall comply with, and be issued by, insurers licensed to transact the business of insurance under Alaska Statute, Title 21. The policy shall be written on an "occurrence" form and shall not be written as a "claims-made" form unless specifically reviewed and agreed to by the Division of Risk Management, Department of Administration. The State must be named as an additional named insured on the policy with respect to the operations of the Grantee on or in conjunction with the authorized premises, referred to as ADL 422759.

31. Incurred Expenses: The Grantor shall in no way be held liable for expenses incurred by the Grantee connected with the activities directly or indirectly related to this authorization.

32. Indemnification: Unless specified herein, Grantee assumes all responsibility, risk and liability for all activities of Grantee, its employees, agents, invitees, contractors, subcontractors, or licensees directly or indirectly conducted in connection with this authorization, including environmental and hazardous substance risks and liabilities, whether accruing during or after the term of this authorization as stated herein. Grantee shall defend, indemnify and hold harmless the State of Alaska, its employees and agents, from and against

any and all suits, claims, actions, losses, costs, penalties and damages of whatever kind or nature, including all attorney's fees and litigation costs, arising out of, in connection with, or incident to any act or omission by Grantee, its employees, agents, invitees, contractors, subcontractors, or licensees, unless the sole proximate cause of the injury or damage is the negligence or willful misconduct of the State or anyone acting on the State's behalf. Within 15 days Grantee shall accept any such cause or action or proceeding upon tender by the State. This indemnification shall survive the termination of the authorization.

- 33. Preference Right:** No preference right for subsequent authorizations is granted or implied by this authorization.
- 34. Alaska Historic Preservation Act:** The Alaska Historic Preservation Act, AS 41.35.200, prohibits the appropriation, excavation, removal, injury, or destruction of any state owned historic, prehistoric, archaeological or paleontological site without written approval from the DNR Commissioner. Should any sites be discovered, the Grantee shall cease any activities that may cause damage and immediately contact the AO and the Office of History and Archaeology in the Division of Parks and Recreation.
- 35. Compliance with Government Requirements:** The Grantee shall, at its expense, comply with all federal, state, and local laws, regulations, and ordinances directly or indirectly related to this authorization. The Grantee shall ensure compliance by its employees, agents, contractors, subcontractors, licensees, or invitees.
- 36. Waiver of Forbearance:** Any failure on the part of the AO to enforce the terms of this authorization, or the waiver of any right under this authorization by the Grantee, unless in writing, shall not discharge or invalidate the authorization of such terms. No forbearance or written waiver affects the right of the AO to enforce any terms in the event of any subsequent violations of terms of this authorization.
- 37. Severability Clause:** If any clause or provision of this authorization is, in a final judicial proceeding, determined illegal, invalid, or unenforceable under present or future laws, then the Grantor and the Grantee agree that the remainder of this authorization will not be affected, and in lieu of each clause or provision of this authorization that is illegal, invalid, or unenforceable, there will be added as a part of this authorization a clause or provision as similar in terms to the illegal, invalid, or unenforceable clause or provision as may be possible, legal, valid, and enforceable.
- 38. Fire Prevention, Protection and Liability:** The Grantee shall take all reasonable precautions to prevent and suppress forest, structure, brush and grass fires, and shall assume full liability for any damage to state land and structures resulting from the negligent use of fire. The State is not liable for damage to the Grantee's personal property and is not responsible for forest fire protection of the Grantee's activity. To report a wildfire, call 911 or 1-800-237-3633.
- 39. Survey:** The Grantee shall submit a record of survey format as-built acceptable to the standards of the Survey Section prior to the expiration of this Entry Authorization. The Grantee is required to submit a preliminary draft as-built survey one year prior to the expiration of this authorization to allow adequate time for the State's review and approval of a final as-built survey. The final easement will not be issued until the survey has been approved by the DMLW.

40. Notification of Discharge: The Grantee shall immediately notify the Department of Environmental Conservation (DEC) and AO of any unauthorized discharge of any amount of oil to water, a discharge of any amount of a hazardous substances (other than oil), and any discharge of oil greater than 55 gallons on land. All fires and explosions must also be reported immediately.

If a discharge, including a cumulative discharge, of oil is greater than 10 gallons but less than 55 gallons, or a discharge of oil greater than 55 gallons is made to an impermeable secondary containment area, the Grantee shall report the discharge within 48 hours. Any discharge of oil greater than one gallon up to 10 gallons, including a cumulative discharge, solely to land, must be reported in writing on a monthly basis.

Notification of discharge must be made to DEC online at ReportSpills.alaska.gov or by phone at 1-800-478-9300.

Notification of discharge must be made to the appropriate DNR Office, preferably by e-mail: Anchorage email dnr.scro.spill@alaska.gov, (907) 269-8528; Fairbanks email dnr.nro.spill@alaska.gov, (907) 451-2739; Juneau email dnr.sero.spill@alaska.gov, (907) 465-3513. The Grantee shall supply the AO with all incident reports submitted to DEC.

41. Off-Road Travel Approval of Individual Routes of Travel: Individual routes of travel must have prior written authorization from the AO. The AO will determine the information needed to evaluate and approve the request including, but not limited to the following:

- a. A map showing the location and anticipated schedule of operations;
- b. A list of vehicles/equipment used for travel;
- c. The approximate number of trips anticipated at each location;
- d. The duration of use for the travel route;
- e. The approximate route distance; and
- f. The name and contact information of a person familiar with the daily location of the authorized activity.

42. Tundra Damage Reports: Incidents of damage to the tundra and follow-up corrective actions that have occurred while operating under this authorization shall be reported to the AO within 72 hours of occurrence. Any disturbance to state land that occurs under the terms of this authorization, must be remediated to the satisfaction of the AO.

43. Use of Existing Roads and Trails: Existing roads and trails shall be used wherever possible. Trail width shall be kept to the minimum necessary. Trail surfaces may be cleared of timber, brush, stumps, and snags.

44. Equipment Operation: Equipment, other than vessels, must not enter the open water areas of a watercourse during winter. Filling of low spots and smoothing by the use of snow and ice is allowed. Ice or snow bridges and approach ramps constructed at stream, river, or slough crossings shall not contain extraneous material (e.g., soil, rock, brush, or vegetation).

- 45. Summer Off-Road Travel:** Summer travel by heavy equipment and all off-road travel on state land within the Umiat Meridian shall require specific approval from the AO and shall be limited to vehicle types, time periods, and locations approved by the AO.
- 46. Winter Off-Road Travel:** The AO will determine winter off-road travel opening and closure within the Umiat Meridian. All winter off-road travel must be completed within 72 hours of notification of tundra closure, via the listserv, from the AO. The winter operation of ground contact vehicles for off-road travel must be limited to areas with adequate soil temperatures and snow cover as determined by the AO.
- 47. Opening and Closing of Tundra:** DNR will determine winter off-road travel opening and closure based on snow cover, soil temperature, and forecasted weather conditions. DNR will provide general areawide off-road travel status notifications via listserv or the DNR off-road travel website. All winter off-road travel must be completed within 72 hours of notification of travel closure from DNR, unless otherwise specified by the AO. Exceptions to the winter off-road travel opening or closure dates may be granted on a case-by-case basis with prior written authorization from the AO. The winter operation of ground contact vehicles for off-road travel must be limited to areas with adequate soil temperatures and snow cover and approved by the AO.

Any correspondence on this authorization may be directed to the Department of Natural Resources, Division of Mining, Land and Water, Northern Regional Lands Office, 3700 Airport Way, Fairbanks, Alaska, 99709, (907) 451-2740.

I have read and understand all of the foregoing and attached stipulations. By signing this authorization, I agree to conduct the authorized activity in accordance with the terms and conditions of this authorization.

Signature of Grantee or Authorized Representative	Title	Date
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Grantee's Address	City	State	Zip
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Contact Person	Home Phone	Work Phone
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Signature of Authorized State Representative	Title	Date
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Draft Easement

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER

ADL 422759
Public Utility Easement
Quintillion Networks, LLC

This easement is granted this _____ day of _____, _____, by the State of Alaska, acting by and through the Department of Natural Resources, Division of Mining, Land and Water, whose address is 3700 Airport Way, Fairbanks, Alaska 99709, hereinafter referred to as the Grantor. This easement is granted to Quintillion Networks, LLC, whose address is 3601 C Street, Suite 1000B, Anchorage, Alaska 99503, hereinafter referred to as the Grantee.

In accordance with the provisions of AS 38.05.850, and the rules and regulations promulgated thereunder, a public utility easement is hereby granted for a 30-year term for maintenance and use of a fiber optic cable. This easement is located on the north slope on state uplands and submerged lands between the west bank of the Colville River and the Santos Nanushuk Operations Pad with a branch to the ConocoPhillips Drill Site 2P. Over and across the following described state lands:

Umiat Meridian, Township 8 North, Range 3 East, Sections 4, 9, 10, 15, 16, 22, 23, and 24
Umiat Meridian, Township 8 North, Range 4 East, Sections 19, 25, 26, 27, 28, 29, and 30
Umiat Meridian, Township 8 North, Range 5 East, Sections 23, 24, 26, 27, 28, 29, and 30
Umiat Meridian, Township 8 North, Range 6 East, Sections 2, 10, 11, 13, 14, 15, 16, 17, 18, and 19
Umiat Meridian, Township 8 North, Range 7 East, Sections 17 and 18
Umiat Meridian, Township 9 North, Range 6 East, Sections 12, 13, 23, 24, 26, 34, and 35
Umiat Meridian, Township 9 North, Range 7 East, Sections 6 and 7
Umiat Meridian, Township 10 North, Range 7 East, Sections 6, 7, 18, 19, 30, and 31
Umiat Meridian, Township 11 North, Range 7 East, Sections 19, 30, and 31

The easement is 45 miles in length and 30 feet in width more or less. The easement is depicted on As-Built Survey EPF _____, recorded concurrently as:

Plat # _____, Document # _____ Barrow Recording District.

This easement is subject to the terms and conditions contained herein.

In the event that this easement shall in any manner conflict with or overlap a previously granted easement or right-of-way, the Grantee shall use this easement in a manner that will not interfere with the peaceful use and enjoyment of the previously issued easement or right-of-way. The Grantor reserves the right to set or modify stipulations governing the use of the conflicting or overlapping area.

Any lands included in this easement that are conveyed from state ownership shall be subject to this easement.

This easement shall terminate at the end of the stated term, if any, when the Grantor determines that the easement is no longer in use for the purpose(s) authorized, or the easement is revoked as a result of violation of the terms and conditions contained herein. The State of Alaska shall be forever wholly absolved from any liability for damages that might result if this easement is terminated for any reason.

Now therefore, in accordance with the conditions of this easement including all attachments and documents that are incorporated by reference, the Grantee is authorized to operate and maintain said easement over and across lands herein described. In witness whereof, the Grantor and the Grantee have affixed their signatures on the date(s) specified herein.

[SIGNATURE PAGES FOLLOW]

GRANTOR

Dianna Leinberger, Regional Manager
Northern Regional Land Office, Division of Mining, Land and Water

STATE OF ALASKA)
) ss
____ Judicial District)

THIS IS TO CERTIFY THAT ON THIS ____ day of _____, 20____, before me personally appeared _____ known by me to be the person named in and who executed said document and acknowledged voluntarily signing the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Notary Public in and for the State of Alaska
My commission expires with office

GRANTEE

Quintillion Networks, LLC Representative

STATE OF ALASKA)
) ss
____ Judicial District)

THIS IS TO CERTIFY THAT ON THIS ____ day of _____, 20____, before me personally appeared _____ known by me to be the person named in and who executed said document and acknowledged voluntarily signing the same.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

Notary Public in and for the State of Alaska
My commission expires: _____

WHEN RECORDED, RETURN DOCUMENT TO:
Department of Natural Resources
Division of Mining, Land and Water
3700 Airport Way
Fairbanks, Alaska 99709

Stipulations

- 1. Authorized Officer:** The Authorized Officer (AO) for the State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), is the Regional Manager or designee.
- 2. Change of Contact Information:** The Grantee shall maintain current contact information with the AO. Any change of contact information must be submitted in writing to the AO.
- 3. Proper Location:** This authorization is for activities on state lands or interests managed by DMLW. It does not authorize any activities on private, federal, native, and municipal lands, or lands which are owned or solely managed by other offices and agencies of the State. The Grantee is responsible for proper location within the authorized area.
- 4. Development Plan:** Development shall be limited to the authorized area, improvements, and maintenance activities specified in the approved development plan or subsequent modifications approved by the AO. The Grantee is responsible for accurately siting development and operations within the authorized area. Any proposed revisions to the development plan must be approved in writing by the AO before the change in use or development occurs.
- 5. Directives:** Directives may be issued for corrective actions that are required to correct a deviation from design criteria, project specifications, stipulations, State statutes or regulations. Work at the area subject to the Directive may continue while implementing the corrective action. Corrective action may include halting or avoiding specific conduct, implementing alternative measures, repairing any damage to state resources that may have resulted from the conduct, or other action as determined by DNR.
- 6. Violations:** This authorization may be revoked upon violation of any of its terms, conditions, stipulations, nonpayment of fees, or upon failure to comply with any other applicable laws, statutes and regulations. A revocation may not become effective until 60 days after the Grantee has been notified in writing of the violation during which time the Grantee has an opportunity to cure any such violation.

No public access easement may be terminated without the prior written approval of DMLW.

- 7. Public Access:** The construction, operation, use, and maintenance of the authorized area shall not interfere with public use of roads, trails, waters, landing areas, and public access easements. The ability to use or access state land or public waters may not be restricted in any manner. However, if a specific activity poses a safety concern, the AO may allow the restriction of public access for a specific period of time. The Grantee is required to contact the AO in advance for approval. No restriction is allowed unless specifically authorized in writing by the AO.
- 8. Public Trust Doctrine:** The Public Trust Doctrine guarantees public access to, and the public right to use, navigable and public waters and the land beneath them for navigation, commerce, fishing, and other purposes. This authorization is subject to the principles of the Public Trust Doctrine regarding navigable or public waters. The AO reserves the right to grant other interests consistent with the Public Trust Doctrine.

- 9. Valid Existing Rights:** This authorization is subject to all valid existing rights and reservations in and to the authorized area. The State makes no representations or warranties, whatsoever, either expressed or implied, as to the existence, number, or nature of such valid existing rights.
- 10. Site Maintenance:** The authorized area shall be maintained in a neat, clean, and safe condition, free of any solid waste, debris, or litter, except as specifically authorized herein. Nothing may be stored that would be an attractive nuisance to wildlife or create a potentially hazardous situation.
- 11. Maintenance of Improvements:** The Grantor is not responsible for maintenance of authorized improvements or liable for injuries or damages related to those improvements. No action or inaction of the Grantor is to be construed as assumption of responsibility.
- 12. Removal of Improvements and Site Restoration:** Upon termination of this authorization, whether by abandonment, revocation or any other means, the Grantee shall within 30 days remove all improvements from the area herein granted, except those owned by the State, and the site shall be restored to a condition acceptable to the AO. Should the Grantee fail or refuse to remove said structures or improvements within the time allotted, they shall revert to and become the property of the State; however, the Grantee shall not be relieved of the cost of the removal of the structures, improvements and/or the cost of restoring the area
- 13. Amendment or Modification:** The Grantee may request an amendment or modification of this authorization; the Grantee's request must be in writing. Any amendment or modification must be approved by the AO in advance and may require additional fees and changes to the terms of this authorization.
- 14. Concurrent Use:** The DMLW reserves the right to grant additional authorizations to third parties for compatible uses on or adjacent to the land under this authorization. Authorized concurrent users of State land, their agents, employees, contractors, subcontractors, and licensees shall not interfere with the operation or maintenance activities of each user.
- The DMLW may require authorized concurrent users of State land to enter into an equitable agreement regarding concurrent use.
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- 19. Batteries:** Batteries which contain hazardous liquids should be completely sealed valve regulated, spill proof, leak proof and mounted in steel containers. Batteries lacking the preceding properties must have a metal drip pan designed to hold 110% of the total liquids held by the battery/batteries. Batteries, new or used, may not be stored or warehoused. Any battery/batteries that are not in use must be removed and disposed of in accordance with existing laws, regulations and ordinances.
- 20. Surface Drainage:** Adequate culverts shall be installed to maintain surface drainage and to prevent ponding and/or erosion.
- 21. Site Disturbance:**
- a. Site disturbance shall be kept to a minimum to protect local habitats. All activities at the site shall be conducted in a manner that will minimize the disturbance of soil and vegetation and changes in the character of natural drainage systems.
 - b. Brush clearing is allowed, but shall be kept to the minimum necessary to conduct or complete the authorized activity. Removal or destruction of the vegetative mat outside of the authorized area is not allowed.
 - c. Establishment of, or improvements to, tidal, submerged, shoreland or riparian landing areas (e.g.: leveling the ground, bank cutting or removing or modifying a substantial amount of vegetation) is prohibited without the prior written consent of the AO.
 - d. The Grantee shall conduct all operations in a manner which will prevent unwarranted pollution, erosion, and siltation. Any pollution, erosion, or siltation shall be repaired/remediated in a manner and time frame satisfactory to the AO at the Grantee's expense.
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- b. During equipment maintenance operations, the site shall be protected from leaking or dripping hazardous substances or fuel. The Grantee shall place drip pans or other surface liners designed to catch and hold fluids under the equipment or develop a maintenance area by using an impermeable liner or other suitable containment mechanism. a) "Surface liner" means any safe, non-permeable container (e.g., drips pans, fold-a-tanks, etc.) designed to catch and hold fluids for the purpose of preventing spills. Surface liners should be of adequate size and volume based on worst-case spill risk.

25. Performance Guaranty: The Grantee shall provide a surety bond or other form of security acceptable to the AO in the amount of \$100,000.00 payable solely to the State of Alaska, DNR. Such performance guaranty shall remain in effect for the term of this authorization and any subsequent authorizations under ADL 422759 to secure performance of the Grantee's obligations hereunder. The amount of the performance guaranty may be adjusted by the AO upon approval of amendments to this authorization, changes in the development plan or changes in the activities conducted on the premises. The guaranty may be utilized by the Division of Mining, Land and Water, at the discretion of the AO, to cover costs incurred by the State of Alaska to pay for any necessary corrective actions in the event the Grantee does not comply with site utilization and restoration guidelines. The provisions of this authorization shall not prejudice the State's right to obtain remedy under any law or regulation. The performance guaranty may only be released in writing by the AO.

26. Insurance: Consistent with 11 AAC 96.065 the Grantee shall secure or purchase at its own expense, and maintain in force at all times during the term of this authorization, liability coverage and limits consistent with what is professionally recommended as adequate to protect the Grantee (the insured) and Grantor (the State, its officers, agents and employees) from the liability exposures of ALL the insured's operations on state land. Certificates of Insurance must be furnished to the AO prior to the issuance of this authorization and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. The Grantee must provide for a 60-day prior notice to the State before they cancel, not renew or make material changes to conditions to the policy. Failure to furnish satisfactory evidence of insurance, or lapse of the policy, are material breaches of this authorization and shall be grounds, at the option of the State, for termination of the authorization. All insurance policies shall comply with, and be issued by, insurers licensed to transact the business of insurance under Alaska Statute, Title 21. The policy shall be written on an "occurrence" form and shall not be written as a "claims-made" form unless specifically reviewed and agreed to by the Division of Risk Management, Department of Administration. The State must be named as an additional named insured on the policy with respect to the operations of the Grantee on or in conjunction with the authorized premises, referred to as ADL 422759.

27. Incurred Expenses: The Grantor shall in no way be held liable for expenses incurred by the Grantee connected with the activities directly or indirectly related to this authorization.

- 28. Indemnification:** Unless specified herein, Grantee assumes all responsibility, risk and liability for all activities of Grantee, its employees, agents, invitees, contractors, subcontractors, or licensees directly or indirectly conducted in connection with this authorization, including environmental and hazardous substance risks and liabilities, whether accruing during or after the term of this authorization as stated herein. Grantee shall defend, indemnify and hold harmless the State of Alaska, its employees and agents, from and against any and all suits, claims, actions, losses, costs, penalties and damages of whatever kind or nature, including all attorney's fees and litigation costs, arising out of, in connection with, or incident to any act or omission by Grantee, its employees, agents, invitees, contractors, subcontractors, or licensees, unless the sole proximate cause of the injury or damage is the negligence or willful misconduct of the State or anyone acting on the State's behalf. Within 15 days Grantee shall accept any such cause or action or proceeding upon tender by the State. This indemnification shall survive the termination of the authorization.
- 29. Preference Right:** No preference right for subsequent authorizations is granted or implied by this authorization.
- 30. Alaska Historic Preservation Act:** The Alaska Historic Preservation Act, AS 41.35.200, prohibits the appropriation, excavation, removal, injury, or destruction of any state owned historic, prehistoric, archaeological or paleontological site without written approval from the DNR Commissioner. Should any sites be discovered, the Grantee shall cease any activities that may cause damage and immediately contact the AO and the Office of History and Archaeology in the Division of Parks and Recreation.
- 31. Compliance with Government Requirements:** The Grantee shall, at its expense, comply with all federal, state, and local laws, regulations, and ordinances directly or indirectly related to this authorization. The Grantee shall ensure compliance by its employees, agents, contractors, subcontractors, licensees, or invitees.
- 32. Waiver of Forbearance:** Any failure on the part of the AO to enforce the terms of this authorization, or the waiver of any right under this authorization by the Grantee, unless in writing, shall not discharge or invalidate the authorization of such terms. No forbearance or written waiver affects the right of the AO to enforce any terms in the event of any subsequent violations of terms of this authorization.
- 33. Severability Clause:** If any clause or provision of this authorization is, in a final judicial proceeding, determined illegal, invalid, or unenforceable under present or future laws, then the Grantor and the Grantee agree that the remainder of this authorization will not be affected, and in lieu of each clause or provision of this authorization that is illegal, invalid, or unenforceable, there will be added as a part of this authorization a clause or provision as similar in terms to the illegal, invalid, or unenforceable clause or provision as may be possible, legal, valid, and enforceable.
- 34. Fire Prevention, Protection and Liability:** The Grantee shall take all reasonable precautions to prevent and suppress forest, structure, brush and grass fires, and shall assume full liability for any damage to state land and structures resulting from the negligent use of fire. The State is not liable for damage to the Grantee's personal property and is not responsible for forest fire protection of the Grantee's activity. To report a wildfire, call 911 or 1-800-237-3633.

35. Notification of Discharge: The Grantee shall immediately notify the Department of Environmental Conservation (DEC) and AO of any unauthorized discharge of any amount of oil to water, a discharge of any amount of a hazardous substances (other than oil), and any discharge of oil greater than 55 gallons on land. All fires and explosions must also be reported immediately.

If a discharge, including a cumulative discharge, of oil is greater than 10 gallons but less than 55 gallons, or a discharge of oil greater than 55 gallons is made to an impermeable secondary containment area, the Grantee shall report the discharge within 48 hours. Any discharge of oil greater than one gallon up to 10 gallons, including a cumulative discharge, solely to land, must be reported in writing on a monthly basis.

Notification of discharge must be made to DEC online at ReportSpills.alaska.gov or by phone at 1-800-478-9300.

Notification of discharge must be made to the appropriate DNR Office, preferably by e-mail: Anchorage email dnr.scro.spill@alaska.gov, (907) 269-8528; Fairbanks email dnr.nro.spill@alaska.gov, (907) 451-2739; Juneau email dnr.sero.spill@alaska.gov, (907) 465-3513. The Grantee shall supply the AO with all incident reports submitted to DEC.

36. Off Road Travel Approval of Individual Routes of Travel: Individual routes of travel must have prior written authorization from the AO. The AO will determine the information needed to evaluate and approve the request including, but not limited to the following:

- a. A map showing the location and anticipated schedule of operations;
- b. A list of vehicles/equipment used for travel;
- c. The approximate number of trips anticipated at each location;
- d. The duration of use for the travel route;
- e. The approximate route distance; and
- f. The name and contact information of a person familiar with the daily location of the authorized activity.

37. Tundra Damage Reports: Incidents of damage to the tundra and follow-up corrective actions that have occurred while operating under this authorization shall be reported to the AO within 72 hours of occurrence. Any disturbance to state land that occurs under the terms of this authorization, must be remediated to the satisfaction of the AO.

38. Use of Existing Roads and Trails: Existing roads and trails shall be used wherever possible. Trail width shall be kept to the minimum necessary. Trail surfaces may be cleared of timber, brush, stumps, and snags.

39. Equipment Operation: Equipment, other than vessels, must not enter the open water areas of a watercourse during winter. Filling of low spots and smoothing by the use of snow and ice is allowed. Ice or snow bridges and approach ramps constructed at stream, river, or slough crossings shall not contain extraneous material (e.g., soil, rock, brush, or vegetation).

- 40. Summer Off-Road Travel:** Summer travel by heavy equipment and all off-road travel on state land within the Umiat Meridian shall require specific approval from the AO and shall be limited to vehicle types, time periods, and locations approved by the AO.
- 41. Winter Off-Road Travel:** The AO will determine winter off-road travel opening and closure within the Umiat Meridian. All winter off-road travel must be completed within 72 hours of notification of tundra closure, via the listserv, from the AO. The winter operation of ground contact vehicles for off-road travel must be limited to areas with adequate soil temperatures and snow cover as determined by the AO.
- 42. Opening and Closing of Tundra:** DNR will determine winter off-road travel opening and closure based on snow cover, soil temperature, and forecasted weather conditions. DNR will provide general areawide off-road travel status notifications via listserv or the DNR off-road travel website. All winter off-road travel must be completed within 72 hours of notification of travel closure from DNR, unless otherwise specified by the AO. Exceptions to the winter off-road travel opening or closure dates may be granted on a case-by-case basis with prior written authorization from the AO. The winter operation of ground contact vehicles for off-road travel must be limited to areas with adequate soil temperatures and snow cover and approved by the AO.