March 22, 2013

Alaska Department of Natural Resources
Division of Mining, Land and Water
Lands Section
Fairbanks Office
3700 Airport Way
Fairbanks, AK 99709-4699
(907)451-2777

Attn: A.J. Wait

Re: Application for Land Use Permit
Doyon, Limited
Nunivak No. 2 Exploration well

Dear Mr. Wait,

Doyon, Limited (Doyon) will be contracting Brice Marine to provide barge transportation across the Nenana River in support of exploration drilling. The barge will be a maximum of 110 feet in length and would be used in the transportation of personnel, vehicles and heavy equipment across the Nenana River through September 2013.

To facilitate safe loading and off-loading, a wooden bulkhead and piling will need to be constructed on the west bank. Additionally, dredging will be necessary on both loading areas to remove accumulated sediment from both barge ramps. All structures will be removed by October 1, 2013.

The bulkhead would be 12-feet long, six inches wide and extend from the river bed, six to eight feet above the water. It would be constructed of untreated wooden timbers. The timbers would be placed vertically, driven a minimum of three feet into the river bed and braced horizontally with timbers. The bulkhead would provide support against the current when the barge is docked at the Totchaket (West) barge ramp, allowing for safe loading and unloading.

The piling (aka dolphin) would be a steel pipe 12-inches in diameter. It would be installed from the barge, using a backhoe to “drive” the pipe six to eight feet into the river bed. Six to eight feet would extend above ordinary high water (OHW) to account for seasonal variability in water level. The pile would be marked with reflective tape and a flag to ensure visibility to other boat traffic.

Dredging operations at both the 10th Avenue barge ramp and Totchaket road barge ramp will be necessary to remove accumulated sediment that inhibit the use of the barge ramp. Spoils from the proposed...
dredging could be beneficially reused for maintenance of the 10th Avenue landing area and the Totchaket Road.

Should you have any questions, please contact our consultant, Glenn Ruckhaus, at 907-830-7756 or glenn@owlridgenrc.com

See attached figures for site plans.

Sincerely,

James Mery
Doyon, Limited
Vice President
Lands and Natural Resources

CC:
Glenn Ruckhaus, Owl Ridge Natural Resource Consultants: glenn@owlridgenrc.com
James Durst, AKF&G: james.durst@alaska.gov
Ellen Lyons, USACE: ellen.h.lyons@usace.army.mil
Jason Mayrand, Mayor of Nenana: nenana1@nenana.net

Enclosures:
- Land Use Permit Application
- USGS Topography Map of Project Vicinity
- Site Plan for Barge Ramps
- Photo of West Ramp Plan (1of2)
- Photo of West Ramp Plan (2of2)
- Check for Application Fee: $100
- Copy of Fish Habitat Application
- Copy of Letter to USACE requesting modification
Dear Applicant:

The Department of Natural Resources, Division of Mining, Land and Water’s (DMLW) regional land offices are responsible for managing state land and resources. Certain activities on state land require a land use permit, while other activities are considered “generally allowed” or require other authorizations. Commercial recreation facilities that remain no longer than 14 days in any one site may obtain a commercial recreation permit rather than a land use permit. Additional information and forms are available at any Division of Mining, Land and Water regional land office and the Public Information Centers in Anchorage and Fairbanks.

Land Use Permits:

- authorize the temporary use of state land or resources;
- can be issued for up to five years;
- do not convey any interest in state land;
- are revocable with or without cause;
- are not transferable;
- do not constitute waiver of any other state, federal, or local laws; and

A Complete Land Use Permit Application Package includes the following items:

A Land Use Permit application form completed and signed by the applicant. Applicants proposing:

- the use of the uplands and non marine waters must also complete the Supplemental Questionnaire for Use of Uplands and/or Non Marine Waters accompanying this application;
- off-road travel must also complete the Supplemental Questionnaire for Off-Road Travel accompanying this application; and/or
- the use of tide and submerged lands must also complete the Supplemental Questionnaire for Use of Marine Waters accompanying this application.

The site development diagram required in the Supplemental Questionnaire for Use of Uplands and/or Non-Marine Waters and the Supplemental Questionnaire for Use of Marine Waters should show each item labeled so that it corresponds with your description in the Questionnaire. The site development diagram must include:

- Location - Section, Township, and Range lines; North arrow; scale; title; legend (may be attached).
- Boundaries – Boundaries and dimensions of proposed area of use and their relation to geographic features, including water bodies, and existing trails or rights-of-way.
- Structures and Storage - Location and dimensions of buildings, tent platforms, out-buildings and other improvements, and of equipment parking and storage areas, including snow storage areas.
- Hazardous substances – Location and dimensions of storage facilities for hazardous substances, including but not limited to oil, lubricants, fuel oil, gasoline, solvents, and diesel fuel. Include method and dimensions of storage (tank, drum, etc.).

Other items that must accompany the application package are:
Map - a topographic map of sufficient scale to show the location of the proposed activity. The map may be either 1:250,000 or 1:63,360.

Coastal Project Questionnaire (CPQ) - A CPQ is required to identify which state and federal permits are required for activities within the coastal zone. The DMLW will help you determine if the proposed activity is within the coastal zone by referring to the Coastal Zone Boundaries of Alaska (June 1995). If your project is within the coastal zone, please request a Coastal Project Questionnaire from the DMLW office.

Filing Fees - A $100.00 non-refundable filing fee is required by regulation (11 AAC 05.010(5)(B)). Make checks payable to the "State of Alaska".

Other Miscellaneous Items: Items specifically identified and required in any of the supplemental questionnaires.

Completed Land Use Permit Applications should be mailed to one of the following offices:

<table>
<thead>
<tr>
<th>Public Information Center</th>
<th>Public Information Center</th>
<th>MLW Information Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>550 W. 7th Ave, Suite 1260</td>
<td>3700 Airport Way</td>
<td>P.O Box 111020</td>
</tr>
<tr>
<td>Anchorage, AK 99501</td>
<td>Fairbanks, AK 99709</td>
<td>Juneau, AK 99811-1020</td>
</tr>
<tr>
<td>(907) 269-8400</td>
<td>(907) 451-2705</td>
<td>(907) 465-3400</td>
</tr>
</tbody>
</table>

Pre-Permit Issuance Requirements: Prior to issuance of a permit, an applicant is required to submit one or more of the following:

Use Fees - The use fee depends on the type of activity, length of use and the acreage authorized for use. Regulations under 11 AAC 05.010(e)(6)-(9) describe use fees for different activities authorized under land use permits.

Performance Guaranty (Bond) - A performance guaranty is held by the state to assure performance and to pay for corrective action if the use of state land fails to comply with the requirements of the permit. The DMLW uses a bonding matrix to determine the amount of a performance guaranty. Acceptable types of performance guaranties include:

a. cash or check made out to the State of Alaska;
b. a Certificate of Deposit (CD) in the state's name; or
c. a corporate surety bond.

Insurance - Insurance to protect you and the state from liabilities incurred through the use of state property.

Survey - Surveys are generally not required for land use permits. Some authorizations may require a Global Positioning System (GPS) to determine the location of the project.

If you have any questions prior to submitting your application, you are encouraged to meet with a member of the Division of Mining, Land and Water staff about your proposed activity.

**ONLY COMPLETE APPLICATIONS WILL BE ACCEPTED**
STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER

LAND USE PERMIT APPLICATION
AS 38.05.850

Applicants must complete all sections of this application. In addition, applicants proposing:

- the use of the uplands and non marine waters must also complete the Supplemental Questionnaire for Use of Uplands and Non Marine Waters accompanying this application;
- off-road travel must also complete the Supplemental Questionnaire for Off-Road Travel accompanying this application; and/or
- the use of tide and submerged lands must also complete the Supplemental Questionnaire for Use of Marine Waters accompanying this application.

Other items that must accompany the completed application are:

- a (non-refundable) $100 application filing fee;
- a 1:25,000 or 1:63,360 scale USGS map showing the location of the proposed activity;
- additional items identified and required in any supplemental questionnaire(s) to this application;
- an Alaska Coastal Management Questionnaire if the proposed use is within the Coastal Zone; and
- additional pages if more space is necessary to answer the questions completely.

Completed Land Use Permit Applications should be mailed to one of the following offices:

Public Information Center
550 W. 7th Ave, Suite 1260
Anchorage, AK 99501
(907) 269-8400

Public Information Center
3700 Airport Way
Fairbanks, AK 99709
(907) 451-2705

MLW Information Office
P.O. Box 111020
Juneau, AK 99811-1020
(907) 465-3480

LAS #

Applicant Information:

Doyon, Limited

Applicant Name
Doyon, Limited

Date of Birth
James Mary
920042933

Doing Business As
Contact Person
Doyon Limited
FIN

1 Doyon Place, Suite 300
Fairbanks, Alaska 99701
meryl@doyon.com

Mailing Address with City, State and Zip
(907) 360-1234
(907) 459-2039
(907) 360-1234
(907) 459-2039

Home Phone
Work Phone
Cell Phone
FAX

If you are applying for a corporation, give the following information:

Name, address and place of incorporation: Doyon, Limited, 1 Doyon Place, Fairbanks, Alaska 99701

Is the corporation qualified to do business in Alaska? Yes [ ] No [x]. If yes, provide name, address and phone number of resident agent. James Mary, 1 Doyon Place, Fairbanks, Alaska 99701, (907) 456-2039

Type of User, Select one: [ ] Private non-commercial (personal use) [x] Commercial Recreation or Tourism [ ] Public Non-profit including Federal, State, Municipal Government Agency [ ] Other commercial or industrial

Duration of Project: The proposed activity will require the use of state land for: (Check one)

[ ] a single term of less than one year. Beginning month: ___________ Ending month: ___________

[ ] a multi year term for up to 5 years. Beginning year: 2013 Ending year: 2017

If multi year and seasonal, circle months of use in each year. (Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec)
Project Location

Latitude/Longitude or UTM: _________________________________ or

Section: 23, Township: T004S_______, Range: R008W_______, Meridian: Fairbanks
(The spaces below are to be used if the boundaries of the proposed project cross section lines.)

Section: 22____, Township: T004S_______, Range: R008W_______, Meridian: Fairbanks
Section:______, Township:__________, Range:__________, Meridian:__________

Proposed project will require the use of up to 0.25 acres. (Add additional sheets as necessary)

Project Description - Describe in detail your intended use of state land. (State land also includes all tide and submerged lands beneath coastal waters and all shorelands beneath other navigable water bodies of the state.) Discuss development and activities. (Attach additional pages as necessary.) see attached proposal letter.

Should a portion of the permitted area be closed to the general public? Yes [ ] No [X]. If yes, explain which portion and provide justification for exclusive use.

Site Description - Briefly describe the current condition of the proposed site of use, noting any trash, garbage, debris or signs of possible site contamination (If significant, we recommend you provide pictures to establish initial conditions):

The Tochakot Road barge ramp and the 10th avenue barge ramp are open to public use and have seasonal variations in use, high during the summer and fall, low during winter and spring. The anticipated location of the bulkhead and piling was previously disturbed in 2009 with the placement of a similar bulkhead and piling to support the barge operations in the 2009 Nunivak No. 1 Exploration project. The 2009 bulkhead and piling was removed at the end of the Nunivak No. 1 Exploration project. No sign of site contamination is evident at either barge landing.

Are there improvements or materials on the site now? Yes [X] No [ ] If yes, briefly describe the improvements, their approximate value, and who owns them (We recommend you provide pictures of improvements):

Currently, both sides of the river have existing barge ramps constructed in 2009 under the Nunivak No.1 (Nn1) project. The barge landings are both owned by the City of Nenana. Doyon has received permission from the City for use of the barge landings in association with their Nunivak no. 2 project.
Site Description continued - Describe the natural vegetation — ground cover, trees, shrubs — and any proposed changes. Describe the location of any estuarine, riparian, or wetlands and any noticeable animal use of area.

The ground cover of the Nenana River bed is sand and gravel, the barge ramps are composed of riprap, sand and gravel.

Site Access - Describe how you plan to access the site, and your mode of transportation.

The Nenana River will be accessed at the 10th avenue barge landing on the east side of the river and the Totchaket Road barge landing on the west side of the river. During the summer months the Nenana River will be crossed via barge.

If your access is by aircraft, specify the type and size of aircraft: NA

To access the site, the aircraft is equipped with floats [ ] wheels [ ] skis [ ].

Number of people

1. Indicate the number of employees and supervisors who will be working on the site. 60

2. Indicate the number of customers who will be using the site per year or season. NA

3. Indicate the number of days the site will be used per year or season. 180

Environmental Risk / Hazardous Substances - In the course of your proposed activity will you generate, use, store, transport, dispose of, or otherwise come in contact with toxic and/or hazardous materials, and/or hydrocarbons? Yes[ ] No[ ]. If yes, please describe:

Yes, wastes (hazardous and non-hazardous) and hydrocarbons (fuel) will be transported across the Nenana River in closed top trucks by barge.

The types and volumes of fuel or other hazardous substances present or proposed: Diesel fuel; four-9,900 gallon double walled tanks for use and storage at the NN2 well pad, one-9,900 gallon bladder for use as emergency fuel supply to be stored at the NN1 well pad. Oils, greases, etc required for construction equipment and drilling rig maintenance. Small amounts of hazardous waste such as batteries and methanol will be used to support drilling operations.

The specific storage location(s): No fuel or hazardous waste will be stored at or near the Nenana River.

The spill plan and prevention methods:

Secondary containment and best management practices will be employed. SPCC plans will prepared for storage at the NN2 well pad and staging areas.
**Environmental Risk/Hazardous Substances (continued)** - If you plan to use either above or below ground storage containers (like tanks, drums, or other containers) for hazardous material storage, answer the following questions for each container:

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Where will the container be located?</td>
<td>Hazardous material will be stored at the NN2 well pad until properly disposed of at an ADEC approved facility. No hazardous material will be stored at or near the Nenana River.</td>
</tr>
<tr>
<td>What will be stored in the container?</td>
<td>Methanol, Lamps, oils and greases, etc.</td>
</tr>
<tr>
<td>What will be the container's size in gallons?</td>
<td>55 gallon drums</td>
</tr>
<tr>
<td>Give a description of any secondary containment structure, including volume in gallons, the type of lining material, and configuration:</td>
<td>NA</td>
</tr>
<tr>
<td>Will the container be tested for leaks?</td>
<td>Yes</td>
</tr>
<tr>
<td>Will the container be equipped with leak detection devices?</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Drums do not have leak detection systems. Containers may be checked regularly for signs of leaks or damage.</strong></td>
<td></td>
</tr>
<tr>
<td>Do you have any reason to suspect, or do you know if the site may have been previously contaminated?</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Signature of Applicant or Authorized Representative: [Signature]             
Title: [Title]  
Date Stamp: [March 22, 2013]  

AS 38.05.035(a) authorizes the director to decide what information is needed to process an application for the sale or use of state land and resources. This information is made part of the state public record and becomes public information under AS 09.25.110 and 09.25.120 (unless the information qualifies for confidentiality under AS 38.05.035(a)(9) and confidentiality is requested.) Public information is open to inspection by you or any member of the public. A person who is the subject of the information may challenge its accuracy or completeness under AS 44.99.310, by giving a written description of the challenged information, the changes needed to correct it, and a name and address where the person can be reached. False statements made in an application for a benefit is punishable under AS 11.56.210.
Land Use Permit Application Supplemental Questionnaire for:

**Off Road Travel**

Answer the following questions if your proposed activity includes off-road travel.

**Terrain Factor.** Circle the following terrain type(s) that best describes your route of travel:

- Wetlands
- Open, non-tundra or wetland areas.
- **(x)** Rivers or other water bodies.
- Wooded areas with trees of 6” or greater diameter (at breast height).
- Tundra areas.

**Vehicles and Weight.** List the number and kinds of vehicles to be used for motorized travel, the weight of each vehicle and the weight of each trailer or sled (including loaded weight) to be carried by that vehicle:

- Cat D9R (108,000 lbs), Cat 330CL (77,400 lb), Cat 972G (54,963.4 lb), Cat D6RXL (41,900 lb), Cat DBT (87,733 lb), 330 Excavator (77,400 lb), Volvo G990 (48,720 lbs), Volvo L110F (44,090 lb), Volvo ADUJH Haul Truck (50,333.54 lb), John Deere Rock Truck (44,040 lb), Volvo SD16UJX (35,290 lb), Cat 267 Skidsteer (9,589.33 lb), 2000gal Water Truck (30,000 lbs), Peterbuilt Lube Truck (24,000 lb), GMC 3500 Mach Truck (12,000 lb), Peterbuilt 379 (16,300 lb), Kawasaki Mule (1,408 lbs), Tundra Snowmachine (483 lbs), GMC Suburban (4,920 lbs), GMC Crew Cab (5,335 lbs), GMC Crew cab diesel (5,335 lbs), GMC 1500 Crew Cab (5,335 lbs), and 2002 55T Lowboy (16,500 lbs). Drilling rig is yet to be selected, but is estimated a 2-3 loads of 40,000 lbs.

**Mileage.**

- State the average total miles traveled in one round trip: **0.189 mile**
- State the number of trips proposed: **10+ per day**

**Season Factor.** Proposed date(s) of travel will be: From: **May 2013** To: **April 2017**

**Stream and Water Body Crossings.** Note who you contacted in the ADF&G, Division of Habitat:

- Date: **3/19/13** Person: **Jim Durst**

**Fuel and Hazardous Substance Factor.** The volume of fuel and hazardous substances to be used is the total volume (in gallons) to be carried on one vehicle and any trailers or sleds that vehicle is towing:

- Maximum volume of fuel (in gallons) that is being transported by one vehicle and any trailers or sleds it is towing: **9,900** gallons.
- Hazardous substances other than fuel:
  - Substance **Batteries and Lamps**
  - Substance **Methanol**

- Do you have an Oil Discharge Prevention and Contingency Plan approved by the Alaska Department of Environmental Conservation? **Yes X No □**

- Do you have either a trained spill response team or a contract with a spill response company? **Yes X No □**
Land Use Permit Application Supplemental Questionnaire for:  
Use of Uplands and Non Marine Waters

To be completed to provide more detailed information about projects or activities requiring the use of state owned uplands and non marine waters. All site development details identified in this section must be represented graphically in the scaled drawings on Page 4 of the supplement.

Temporary Structures – 1) Describe all temporary improvements (including buildings, tent platforms, out-buildings, docks, floats, and floating facilities), including their dimensions and building materials. 2) Label improvements to be maintained on a year round basis as year round. Note: Seasonal improvements must be completely dismantled and removed or stored on or before the end of authorized terms of use.

The bulkhead and piling could be removed at the end of each barge season.

Distance structures including pit privies will be located from the ordinary highwater mark of the nearest freshwater body (lake, stream, river, etc), or the mean high water mark of a saltwater body: 0

Harvest of Non-Timber Related Forest Products – Please list the type and quantity of each non-timber related forest product (berries, ferns, willow, mushrooms, birch bark, etc.) to be harvested for commercial use:

None.

Contact the DNR Division of Forestry to obtain authorizations for the harvest of small trees.

Motorized Equipment - List mechanized/motorized equipment to be used, including type, size, purpose, and number of each.

See Off Road Supplement: List of equipment and weights.

For stream and water body crossings, note who you contacted in the ADF&G, Division of Habitat:

Date: 3/20/13  Person: Jim Durst

Storage and Parking - If you plan to store items or park boats, vehicles and/or heavy equipment on the site, describe complete the following:

Describe and give dimensions of long term and short term parking and or storage areas. None.

Is parking or storage planned to take place on filled tidal areas. Yes | No

Does storage involve structures or materials floating in a waterbody? Yes | No If yes, describe.
Storage and Parking (continued)
Number of disassembled tent frames: None. Number of tent platforms: None.
List and describe items that are large and difficult to transport. Include dimensions: NA

Will barrel(s) or an equivalent type of storage container be used? Yes [ ] No [X] If using something other than barrels for storage containers, describe the alternative container.

Describe any measures you plan to take to minimize drips or spills from leaking vehicles or equipment.

Duck ponds, oil pans, and ensuring all vehicles and equipment are properly maintained will be used to minimize spills and leaks.

Water / Wastewater

Water Supply – Describe the water supply and proposed use.

No water withdrawal is proposed.

Wastewater – Describe the wastewater type and quantity and proposed method of wastewater disposal: (for the marine environment, also describe the proposed gray and black water systems or outfall pipeline).

No wastewater will be generated at the Nenana River.

Waste – Describe the types of waste that will be generated on-site, including solid waste, the source of the waste, and the method of waste disposal, i.e., pit privy, or self-contained system, or outfall line; indicate distance from the nearest waterbody.

All generated waste will be removed from the site and disposed of properly at the appropriate facility.
Animal Use

Will there be any use of animals (horses, llamas, dogs, etc.)? Yes [ ] No [X]

Will there be commercial use of the animals (horseback rides, packing, dog sled rides, etc.)? Yes [ ] No [X] If yes, please explain:


Dismantle, Removal, Restoration Plan – Provide a plan for dismantling and removing temporary structures. Include method and timeline for total site restoration:

At the end of the 2013 barge operations, the bulkhead and piling could be removed from below OHW and the site allowed to naturally restore.


SHORT TERM (PORTABLE) COMMERCIAL RECREATION CAMPS: Identify commercial recreation activity/activities for which short term (portable) camps will be established to accommodate employees and clients, and provide a general description of the location(s) (e.g. guide use area, game management sub-unit, river, stream, lake, etc.) where the recreational activity/activities and short term (portable) camp use will occur.

[ ] Big Game Guiding: (List up to 3 Guide Use Areas.)

[ ] Sportfishing (List river corridors, lakes, etc.)

[ ] Boating/Rafting/Kayaking: (List river corridors, lakes, etc.)

[ ] Other Recreation: (Type and general geographic description.)

Is all or a portion of any of the above identified areas located within the Bering Straits CRSA? Yes [ ] No [ ].

Identify any State of Alaska Refuge, Sanctuary and/or Critical Habitat Area where short term (portable) camps will be used:

Will activities include “day use” of state land managed under the Haines State Forest Management Plan? Yes [ ] No [ ]
INSTALL TEMPORARY STEEL BUMPER PILE: DRIVE PILE INTO GRAVEL STREAM BED, INSTALL WITH MIN. 8 FEET ABOVE ORDINARY HIGH WATER.

INSTALL TEMPORARY TREATED WOOD BUMPER WALL FOR BARGE LANDING. DRIVE 4X4 WOOD TIMBERS INTO GRAVEL: MIN. OF 3 FEET. INSTALL 4X12 TIMBERS HORIZONTAL ON FACE WITH CABLE TIES. BACK TO BURIED LOG DEADMAN. PLACE GEO FABRIC ON EXPOSED SOIL FACE. FACE BEHIND WALL AND FILL BETWEEN WALL AND FABRIC WITH COARSE ROCK. LENGTH OF WALL TO BE APPROX. 20 FT.