

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
STATE PIPELINE COORDINATOR'S OFFICE
NOTICE OF APPLICATION UNDER AS 38.35.070

TRANS-FORELAND PIPELINE PROJECT
RIGHT-OF-WAY LEASE APPLICATION – ADL 231689
DECEMBER 5, 2012

The Commissioner of the Department of Natural Resources, pursuant to Alaska Statute (AS) 38.35.070, hereby gives notice that Cook Inlet Energy submitted an application dated and received November 26, 2012, in accordance with the Alaska Right-of-Way Leasing Act, AS 38.35.050, for a proposed Trans-Foreland Pipeline Project.

The applicant proposes to construct a 29-mile pipeline to transport oil across Cook Inlet. The pipeline is proposed to be buried in uplands and tidelands, and anchored onto the seafloor across the inlet. Approximately 26 submerged miles of the pipeline are on State lands. The pipeline will extend from the Cook Inlet Energy Kustatan Production Facility to the Nikiski – Kenai Pipeline Company Tank Farm, both located in the Kenai Peninsula Borough. The proposed pipeline right-of-way will contain an 8.625-inch diameter pipe with a wall thickness of 0.5 inches. The applicant anticipates transporting up to 90,000 barrels of oil per day.

Construction is scheduled to begin during April 2014 with project completion projected for the summer of 2014. Operations are scheduled to commence in August 2014. The applicant has requested a one-mile wide offshore right-of-way for pipeline construction, and a 50-foot wide permanent right-of-way for operations. During construction, the right-of-way on state-owned lands will be approximately 16,640 acres. The acreage will be reduced, post-construction, to approximately 158 acres for the permanent right-of-way.

The proposed right-of-way will traverse the following sections within the Seward Meridian:

Sections 5-8, 18 and 19, Township 6 North, Range 12 West

Sections 12, 13, and 23-36, Township 6 North, Range 13 West

Sections 1, 2, 11-14, 23-26, 35 and 36, Township 6 North, Range 14 West

Sections 8, 9, 16-21, and 29-32, Township 7 North, Range 12 West

Sections 3, 4, 9-11, 14, 15, 23-26, 35 and 36, Township 7 North, Range 14 West

The public may obtain copies of the application, at cost, from the State Pipeline Coordinator's Office (SPCO).

The application is also available for download in Adobe PDF at the SPCO website:
<http://dnr.alaska.gov/commis/pco>.

Copies of the application will be available for viewing at the following locations:

- Kenai Community Library
- Soldotna Public Library
- Homer Public Library
- Anchor Point Public Library
- Ninilchik Community Library

AS 38.35.200 governs judicial review of a decision of the Commissioner:

AS 38.35.200 Judicial review of decisions of commissioner on application.

(a) An applicant or competing applicant or a person who has direct financial interest affected by the lease who raises objections within 60 days of the publication of notice under AS 38.35.070 are the only persons with standing to seek judicial review of a decision of the commissioner under AS 38.35.100.

(b) The only grounds for judicial review of a decision of the commissioner are

- 1. failure to follow the procedures set out in this chapter; or*
- 2. abuse of discretion so capricious, arbitrary, or confiscatory as to constitute a denial of due process.*

Any objections pursuant to AS 38.35.200 must be submitted in writing to the address below by 5:00 p.m. on February 4, 2013.

State Pipeline Coordinator's Office
411 West 4th Avenue, Suite 2
Anchorage, AK 99501-2343
Phone: (907) 269-6403 Fax: (907) 269-6880
Email: spco.records@alaska.gov

The State of Alaska, Department of Natural Resources, State Pipeline Coordinator's Office complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services or special modifications to participate in this review may call 269-8411 TTY/TDD. Please provide sufficient notice in order for the Department to accommodate your needs.

The State Pipeline Coordinator's Office reserves the right to waive technical defects in this publication. Please contact the State Pipeline Coordinator's Office for more information.

/s/ Frederick M. Thompson
State Pipeline Coordinator

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