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

PROPOSED CONVEYANCE OF STATE LAND UNDER AS 29.65.010

NORTH SLOPE BOROUGH MUNICIPAL LAND ENTITLEMENT SELECTION ADL 421743

PUBLIC COMMENT PERIOD ENDS 4:30 PM, FRIDAY, SEPTEMBER 15, 2023

I. PROPOSED ACTION

Preliminary Decision: North Slope Borough Municipal Land Entitlement Selection – ADL 421743

Attachment A: Vicinity

Attachment B: Central Gas Facility
Attachment C: Gathering Center 1
Attachment D: Gathering Center 2
Attachment E: Flow Station 1
Attachment F: Flow Station 2
Attachment G: Flow Station 3
Attachment H: Public Notice

Appendix 1: Information Tables for the NSB Selections in this Decision (Tables A – F)

<u>Primary Proposed Action:</u> The State of Alaska (State), Department of Natural Resources (DNR), Division of Mining Land and Water (DMLW), Land Conveyance Section (LCS) proposes to convey in part, and reject in part, lands selected by the North Slope Borough (NSB) in partial fulfillment of their general grant land entitlement under *AS 29.65.010 Determination of Entitlement of Boroughs and Unified Municipalities*. See *Attachment A*: Vicinity for the depictions of the project areas.

NSB has selected six parcels in the Arctic Coast Region (Kuparuk, Prudhoe Bay, and Deadhorse areas) as identified in the North Slope Area Plan¹ (NSAP). Approximately 2,140 acres will be adjudicated in this decision.

LCS proposes to convey approximately 40 acres of state-owned vacant, unappropriated, unreserved (VUU²) general grant land. Regarding these parcels, DNR has determined that there are no overriding state interests that merit retaining this selection in state ownership.

LCS proposes to reject the conveyance of approximately 2,100 acres of NSB's selections because the land is ineligible for conveyance per the NSAP. The land selections are classified as Wildlife Habitat Land (WHB) and Oil and Gas land (OG) which are non-conveyable classifications for municipal entitlement conveyance under *AS* 29.65.

<u>Public Notice of Proposal:</u> In accordance with *AS 38.05.945 Notice*, during a period of at least 30 consecutive days, the public is invited to submit written comments on this Preliminary Decision (PD).

¹ The North Slope Area Plan (NSAP) adopted March 2021 determines the management intent, land-use designations, and management guidelines that apply to all state lands in the applicable planning area. This plan forms the basis for the land use classifications that constitute vacant, unappropriated, unreserved land for purposes of determining the eligibility of state land for potential conveyance to a municipality under AS 29.65 General Grant Land.

² Vacant, unappropriated, unreserved (VUU) land is general grant land patented or tentatively approved to the State from the United States, excluding minerals as required by 6(i) of the Alaska Statehood Act, and is conveyable under the Municipal Entitlement Act (AS 29.65).

See **Section VII. Submittal of Public Comments** at the end of this document and *Attachment H*: Public Notice for details on how to submit a comment for consideration. If, after consideration of timely, written comments, LCS moves forward with the proposal, a Final Finding and Decision (FFD) will be issued.

II. AUTHORITY

The proposed actions in this PD are authorized pursuant to Alaska Statute (AS) and Alaska Administrative Code (AAC), particularly AS 29.65 General Grant Land, AS 38.05.035(e) Power and Duties of the Director, AS 38.05.125 Reservations, AS 38.05.127 Access to Navigable or Public Water, AS 19.10.010 Dedication of Land for Public Highways, and 11 AAC 51 Public Easements.

III. ADMINISTRATIVE RECORD

The administrative record for this proposed action consists of case file Alaska Division of Lands (ADL) 421743. Also incorporated by reference are:

- North Slope Area Plan (NSAP, adopted March 2021) and associated land classification files;
- Alaska Department of Fish and Game (ADF&G) Alaska Anadromous Waters Catalog & Atlas to the Catalog;
- Alaska Department of Environmental Conversation (DEC) Contaminated Sites Database; and
- DNR case files: GS 1329, GS 1333, GS 1334, GS 1337, and GS 1338

IV. SCOPE OF DECISION

The scope of this proposal, under the statutes described in the preceding **Section II. Authority** is limited and specific to determine whether it is appropriate to convey the subject parcels to NSB. This decision includes a review of third-party interests, stipulations necessary to effectuate this decision, and an evaluation of whether the public interest in retaining state ownership of the land outweighs NSB's interest in obtaining the selected land as provided in *AS 29.65.050 Fulfillment of Land Entitlement*. In this decision, LCS will also determine whether NSB's municipal entitlement land selections meet the requirements under *AS 29.65.070(c) Selection and Conveyance Procedure* and whether it is appropriate to allow NSB to exercise immediate management authority for conditional sales and leases on land approved for conveyance.

V. DESCRIPTION

A. Location and Geographical Features

NSB was incorporated as a Home Rule Borough in 1974. The area is characterized by treeless undulating hills north of the Brooks Range blending into vast tundra plains. Numerous ponds, lakes, and marsh areas dot the landscape. Vegetation consists of small scrubby alders and lichens.

The selected parcels are located below with respect to the Deadhorse Airport:

Central Gas Facility – about 8.2 miles north

Gathering Center 1 – about 8.2 to 11.3 miles northwest

Gathering Center 2 – about 12 miles northwest

Flow Station 1 – about 3 to 4 miles north

Flow Station 2 – about 5.3 miles northeast

Flow Stations 3 – about 4 miles northwest

The land is flat and marked with numerous ponds and ephemeral creeks interspersed with the local roads, paths, pipelines, and buildings and the pads they sit on.

Borough/Municipality: North Slope Borough Meridian: Umiat Meridian (U)

Regional Corporation: Arctic Slope Regional Corporation

Federally Recognized Tribe: None Village Corporation: None

USGS Map Coverage: Beechey Point Quadrangle (1:250,000)

Central Gas Facility Beechey Point B-3 (1:63,360)

Gathering Center 1
Gathering Center 2
Flow Station 1
Flow Station 2
Flow Station 3
Beechey Point B-3
Beechey Point B-3
Beechey Point B-3
Beechey Point B-3
Beechey Point A-3, B-3

B. Legal Description, Land Status, and Third-Party Interests

Table 1 below identifies the NSB land selection adjudicated in this decision by location name, Meridian (M), Township (T), Range (R), Section (S), title report number and date, and includes state case file, title status, and date. The State holds fee title to the land and mineral estates through Patent (PA) received from the U.S. Department of Interior, Bureau of Land Management (BLM). The State will only convey the land estate on lands approved for conveyance to NSB. AS 38.05.125 requires the State to retain the mineral estate. Third-party interests for the proposed conveyance parcel within Section 6, are listed in *Table 3* for easements and ROWs, and *Table 5* for other leases and permits.

Table 1

Map Name	MTRS	Title Report No.	State Case File	Title/Date
Central Gas Facility	U011N014E11	RPT – 22703 Current as of 4/17/2023	GS 1333	PA 50-74-0093 3/27/1974
	U011N014E19	RPT – 22703 Current as of 4/17/2023	GS 1333	PA 50-74-0093 3/27/1974
Gathering Center 1	U011N013E11 U011N013E13 U011N013E14 U011N013E24	RPT – 22700 Current as of 4/12/2023	GS 1329	PA 50-74-0093 3/27/1974
Gathering Center 2	U011N013E16 U011N013E17	RPT – 22700 Current as of 4/12/2023	GS 1329	PA 50-74-0093 3/27/1974
	U011N014E36	RPT – 22703 Current as of 4/17/2023	GS 1333	PA 50-74-0093 3/27/1974
Flow Station 1	U011N015E31	RPT – 22704 Current as of 4/20/2023	GS 1337	PA 50-74-0093 3/27/1974
	U010N015E06	RPT – 22699 Current as of 12/20/2022	GS 1338	PA 50-74-0092 3/27/1974
Flow Station 2	U011N015E33 U011N015E34	RPT – 22704 Current as of 4/20/2023	GS 1337	PA 50-74-0093 3/27/1974
Flow Station 3	U010N014E03 U010N014E04	RPT – 22698 Current as of 11/21/2022	GS 1334	PA 50-74-0092 3/27/1974

VI. PRELIMINARY DECISION

A. Background

In 1972, NSB was certified as an incorporated home rule borough and was granted 89,850 acres of municipal entitlement under *AS* 29.65.010. Approximately 23,057 acres have been patented or approved for conveyance to NSB. Approximately 66,793 acres remain in their entitlement, of which about 33,774 acres have been selected. This decision covers about 2,140 acres spread across the lands north of the Deadhorse Airport. This area has long been leased

to various companies as support areas for the North Slope oil development and Trans-Alaska Pipeline activities.

The NSAP was adopted in March 2021, and NSB resumed submitting their selections under *AS* 29.65.050(d) Fulfillment of Land Entitlements. The NSAP supersedes any previous classifications and reclassifies all state lands within the planning area.

B. Planning, Classification, and Mineral Orders

1. Planning

With respect to planning, the NSAP is the controlling land management planning authority. The land selection falls within the Kuparuk, Prudhoe Bay, and Deadhorse areas of the Arctic Coast Region within the NSAP. The management intent and area plan designation for each management unit is described in the NSAP. These plan designations convert to land use classifications, which establish what land the State may convey under the Municipal Entitlement Act (**see** AS 29.65.010 et seq.). And, accordingly, is governed by the management intent and classifications found in the plan.

2. Land Use Classification

The land selection proposed for conveyance in this decision is classified as Wildlife Habitat Land and Oil & Gas Land which are not conveyable classifications as municipal entitlement general grant land under AS 29.65.130 Definitions.

The NSAP states that the plan's management intent for Unit A-14 is as follows:

Management Intent:

"...Lands within this unit have been identified by NSB as potential municipal entitlement selections and may be appropriate for conveyance based on a future decision. If a subsequent municipal entitlement decision determines that it is otherwise appropriate to convey all or some of the state land to NSB, then the Ha/Og designations are extinguished and replaced by Se [Settlement] designation that converts to a conveyable classification..."

Table 2 shows the land use classifications derived from the NSAP for the land selection adjudicated in this decision.

Table 2

Map Name	MTR	Section(s)	Approx. Acres	Unit	Classification	
Central Gas Facility	U011N014E	11	180	A-04	Wildlife Habitat land, Oil & Gas	
Cathoring Contor 1	U011N013E	11, 13, 14, 24	935	A-04	Wildlife Hebitet land Oil & Coo	
Gathering Center 1	U011N014E	19	935	A-04	Wildlife Habitat land, Oil & Gas	
Gathering Center 2	U011N013E	16, 17	250	A-04	Wildlife Habitat land, Oil & Gas	
	U011N014E	36		A-05		
Flow Station 1	U011N015E	31	380	A-05	Wildlife Habitat land, Oil & Gas	
	U010N015E	6		A-14		

Flow Station 2	U011N015E	33, 34	95	A-05	Wildlife Habitat land, Oil & Gas
Flow Station 3	U010N014E	3, 4	300	A-05	Wildlife Habitat land, Oil & Gas

3. Mineral Orders

The mineral estate is reserved to the State pursuant to *AS 38.05.125 Reservation*. The North Slope lands have a history of Mineral Opening and Closing Orders. There are no mineral orders affecting the parcel proposed for conveyance in U10N15W06. Appendix 1, Table A lists mineral orders that affect the other selections of this decision.

4. Special Use Lands

The parcels within this ADL are all part of the North Slope Special Use Lands (ADL 50666) defined under 11 AAC 96.014. This Special Use Land encompasses all land within the Umiat Meridian. In 1980 the James Dalton Highway Corridor Legislatively Restricted Area was established per AS 19.40.010.

C. Traditional Use Finding

In an unorganized borough, disposal of state land with traditional uses is to be reviewed under AS 38.05.830 Land Disposal in the Unorganized Borough. NSB is an organized borough under AS 29.05.031 Incorporation of a Borough or Unified Municipality and eligible for municipal entitlement. Therefore, a determination for traditional uses is not required. In this decision, NSB's municipal entitlement land selection is located within NSB's legal boundary.

D. Access

Public access will be reserved in accordance with AS 19.10.010, AS 19.30.400 Identification and Acceptance to Rights-of-Way, AS 38.05.125, AS 38.05.127, and 11 AAC 51.

The Dalton Highway terminating in Deadhorse is the only major public road. Smaller local roads and paths traverse throughout the area as access routes to various stations and pads, though some roads are restricted to authorized personnel only. The Deadhorse Airport and the Prudhoe Bay Airfield are available to most aircraft types.

1. Section Line Easements

As required under AS 19.10.010, and in accordance with 11 AAC 51.025 Section Line Easements, a public access easement 100 feet wide will be reserved along each section line on lands approved for conveyance. If a section line forms a boundary of a selection being conveyed, then the easement will be 50 feet wide measured from the section line. If a section line runs through a selection being conveyed, the easement will be 50 feet wide, measured on each side of the section line, for a total width of 100 feet.

Many of the parcels are adjacent to section lines.

2. Trails, Rights-of-way, RS 2477, and Easements

A review of state records verifies that there are rights-of-way (ROW) running adjacent or through NSB's land selections. *Table 3* below lists the various issued ROW permits and easements within the section of the proposed parcel for conveyance. Appendix 1, Table B lists ROWs and easements within the other selected parcels of this decision.

Table 3

Map Name	MTRS	ADL and Company
Flow Station 1	U010N015E06	ADL 413263 Public Utility to Norgasco, Inc. ADL 410562 Pipeline ROW to Endicott Pipeline Co.

3. Navigable and Public Water

Throughout most of the state, the State of Alaska retains ownership of the beds of navigable water bodies, including all gravel bars and islands, and conveys the beds of public waters through municipal entitlement when public waters are included in a municipal entitlement selection. A survey determines the Ordinary High Water Mark (OHWM) of the navigable and public waters, the Mean High Water Mark (MHWM) on marine meandering shorelines, identifies islands, and determines the specific areas to be retained by the State. At the time of survey, fieldwork may find that a body of water or a waterway is different than identified in the decision. If this occurs, the results of the survey work will be reviewed further within DNR. If the fieldwork is determined to be accurate, then the survey results will supersede the recommendation in the adjudication decision. However, navigable waters on the North Slope are different.

Per Public Land Order (PLO) 82 of 1943 and Original 84 (Original: United States V. Alaska, 521 U.S. 1 - Docket number 84, June 19, 1997), there are no inland navigable waters (including tidally influenced waterbodies) on the North Slope; other than the Colville River, which had been determined navigable by the courts to the community of Umiat³. The Equal Footing Doctrine and Submerged Lands Act do not apply to the North Slope area because the waters were withdrawn at statehood.

The North Slope is generally defined (per the PLO 82 and Original 84) as the watershed that drains north of the Brooks Range, including the marine lagoons and waters bounded by barrier islands less than 3 miles from shore within the National Petroleum Reserve-Alaska (NPR-A) and Arctic National Wildlife Reserve (ANWR). The boundaries for NPR-A and ANWR describe which offshore lands and waters were withdrawn at statehood, title to which did not vest with Alaska at statehood.

Meanderable Waters: Lakes greater than 50 acres and rivers averaging greater than three chains (198 feet) as measured OHWM to OHWM are considered meanderable. The waterbed belongs to the upland owner, also known as Riparian Rights, but they are not charged for the acreage. Riparian rights extend from the shoreland to the center of the river or the very middle of a lake.

Navigable Waters: Pursuant to 11 AAC 51.035 Determination of Navigable or Public Water, a water body is navigable if it is at least 50 acres in size or a waterway at least 50 feet wide from OHWM to OHWM. A water body will also be considered navigable if it is found navigable for a useful public purpose in accordance with AS 38.05.965 Definitions, otherwise, it will be considered public water in accordance with 11 AAC 51.035. With state-owned navigable beds, ownership of land adjacent to navigable water does not create any right of title to land below the OHWM of the navigable water.

³ The State used Statehood Entitlement acreage to secure ownership of the bed of the Colville River since title did not transfer to the State at statehood. A court-negotiated settlement with Arctic Slope Regional Corporation provides public access easement along the river since it is considered navigable.

Tidal Waters: Marine waters are considered navigable under the Submerged Lands Act (67 Stat 29, PL 31, 5/22/1953). The MHWM is established at the time of survey. There are no tidal or tidal influenced waters in this parcel proposed for conveyance.

Public Waters: Pursuant of 11 AAC 51.035, a water body is considered public water if it is at least ten but less than 50 acres in size or at least ten feet but less than 50 feet wide from OHWM to OHWM. Ownership of the land under or adjacent to public water does not grant an exclusive right to use of the water (AS 38.05.126 Navigable and Public Water).

4. Easements To and Along Navigable and Public Water

A public access easement on the bed and 50 feet in width upland of the OHWM will be reserved on all water bodies and waterways determined to be public, and 50 feet in width upland of the OHWM of meanderable and navigable (based on size) waters, in accordance with *AS 38.05.127* and *11 AAC 51*. This easement is referred to as the 'along' easement. The 'to' easement is to be established approximately once each mile and is often provided on section line easements of 50 feet in width adjacent to the section line on each side (*AS 19.10.010* and *11 AAC 51.025*). The 'along' easement applies to these water bodies and the 'to' easement is intended to provide access to the 'along' easements.

An alternative upland access route may be reserved if LCS finds that access along an easement reserved under 11 AAC51.045(d)(1) Easements To and Along Navigable and Public Water is difficult because of topography or obstructions. Table 4, below, identifies the public access easement for the navigable waters (based on size) for the proposed conveyance parcel. Appendix 1, Table C lists various waterbodies and public access easements for the other selections within this decision.

Table 4

Map Name	MTRS	Waterbody Name	Anadromous Water Catalog #	Public Access Easement (to & along)
Flow Station 1	U010N015E06	Meanderable lakes	None	On the bed and 50' upland

E. Reservation of Mineral Estate

A conveyance of VUU general grant land to a municipality under AS 29.65 conveys no interest in the mineral estate. All mineral-related permits, licenses, claims, and leases affecting the land for conveyance, if any, will remain under the authority of the State.

In accordance with Section 6(i) of the Alaska Statehood Act and *AS 38.05.125*, the State, in this decision, reserves unto itself the mineral estate, including oil and gas, and the rights expressed in the reservation clause of the statute, that being the right to reasonable access to the surface for purposes of exploring for, developing, and producing the reserved mineral resources. Exploration and development, if any, which could occur, would be consistent with *AS 38.05.130 Damages and Posting of Bond* and other applicable statutes and regulations.

The Oil and Gas Lease, ADL 28329, issued to Hilcorp North Slope, LLC covers the section that contains the proposed conveyance parcel. Appendix 1, Table D lists the Oil and Gas leases that cover the other selected lands in this decision.

F. Hazardous Materials and Potential Contaminants

It is the responsibility of the State to protect the overall public interest if there is a reasonable expectation that hazardous contamination may exist on land being proposed for disposal. Based

on a review of DEC's list of contaminated sites and comments received, there are several active and 'clean up completed' contaminated sites with institutional controls - any of DEC's closure decisions place conditions and long-term monitoring requirements on the properties. See the details of DEC's comment, which includes *Table 6*, and SAIL's comment in subsection **M**. **DMLW and Agency Review**.

The parcel proposed for conveyance in U10N15E06 contains no recorded hazardous sites. Appendix 1, Table E lists the Potential Hazardous Sites and Landfills contained within the other selections of this decision.

All of the areas NSB has selected in this decision are involved with PRJ 420189 and PRJ 421505, DNR Project to Hilcorp North Slope, LLC for Resource Conservation and Recovery Act (RCRA)10-2007-0222.

NSB is expected to inspect this selection and familiarize itself with regard to the condition and quality of the land. The State of Alaska makes no representations and no warranties, expressed or implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land proposed here for conveyance. The State assumes no liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants, nor any liability for the remediation of the site should such substances ever be identified. NSB, by selecting these lands and requesting their conveyance through this PD, recognizes the surrounding areas of identified contaminated sites and will take the land "as is."

G. Survey

A state-approved survey is required prior to the issuance of a conveyance document. If no approved survey exists, then one must be performed by an Alaska Registered Land Surveyor under the direction of the DNR DMLW Survey Section. NSB is responsible for the expense of any survey. NSB may request a survey determination at any time subsequent to the FFD. There is no requirement under *AS* 29.65.070 to appraise the land prior to conveyance.

H. Conditional Leases and Sales

NSB will receive management authority and equitable title to all land approved for conveyance in this decision once the FFD is effective. This will allow NSB to approve conditional leases and make conditional sales pursuant to *AS* 29.65.070(b), but not to dispose of land approved for conveyance until the land has been surveyed and ownership transferred to NSB.

I. Unauthorized Use

LCS has not physically inspected all areas of the selected lands for the presence of unauthorized use but has reviewed department records and is unaware of any existing unauthorized use within the land selection.

NSB is expected to inspect all of its land selections to familiarize itself with the condition and quality of the land.

J. Disposition of Leases, Permits, and Applications

Administration of any active leases, permits, and easements for the surface estate issued by the State on land to be conveyed will be transferred to NSB when the FFD becomes effective unless such authorizations are specifically excluded from the conveyance. Any pending applications that have not been adjudicated and issued will be closed and notified, and the applicant advised to apply to NSB to obtain authorization to occupy or use NSB land.

Note: This section does not apply to Plan of Operation authorizations issued by DNR Division of Oil and Gas (DOG). These authorizations will remain under the jurisdiction of DOG and will not be transferred to NSB.

There are issued and active permits and leases within section 6 that contain the proposed parcel for conveyance, listed in *Table 5*. Appendix 1, Table F lists Other Leases and Permits within the other selected lands within this decision.

Table 5

Map Name	MTRS	File Type
Flow Station 1	U010N015E06	LAS 28591 Miscellaneous Land Use to Savant Alaska, LLC LAS 12176 Water Right to Hilcorp North Slope, LLC TWUA A2022-13 Temp Water Use to Hilcorp North Slope, LLC TWUA A2023-20 Temp Water Use to Hilcorp North Slope, LLC

K. Cultural Resources

The Alaska Office of History and Archaeology (OHA) maintains the Alaska Heritage Resources Survey (AHRS) which is an inventory of all reported historic, prehistoric, and archaeological sites in the State. The NSAP mentions cultural resources have been located in all unit areas.

However, it should be noted that only a very small portion of the State has been surveyed for cultural resources and, therefore, the possibility remains that previously unidentified cultural resources may be located within the selected lands. While the conveyance of these parcels will have no direct effects on cultural resources, future projects that may be proposed by NSB on selected lands could affect unidentified cultural resources. Should any cultural resources be encountered, NSB will need to take those actions required by law to protect such resources in accordance with AS 41.35.070(d) Preservation of Historic, Prehistoric, and Archeological Resources Threatened by Public Construction.

L. Form and Width Requirement

Each municipal entitlement land selection is required to be compact in form with its length not exceeding approximately four times its width pursuant to *AS 29.65.070(c)*. A review of the NSB's land selection proposed for conveyance in this decision indicates that the selections are consistent with this statute.

M. DMLW and Agency Review

Information and comments received from multiple sections within DMLW prior to and during agency review have been considered and included in the preparation of this PD. Agency review was conducted between May 27, 2022, through June 17, 2022. The intent of an agency review is to request comments from agencies that may be affected by a municipal entitlement land conveyance decision. Agencies are given the opportunity to evaluate and comment on the municipality's land selection to determine if the State should retain all or a portion of the selected lands, and, if so, provide supporting reasons for the requested action. Additionally, agencies are requested to identify any stipulations that may be appropriate if the land is to be conveyed out of state ownership.

<u>DNR DMLW LCS received brief comments of non-objection from the following agencies:</u>
DNR Division of Forestry & Fire Protection (DOF&FP) and DNR Division of Parks and Outdoor Recreation (DPOR).

DNR DMLW LCS Response: LCS appreciates your review.

Comments from the Alaska Department of Fish & Game (ADF&G):

Alaska Department of Fish and Game (ADF&G) has reviewed this municipal entitlement selection by the North Slope Borough (ADL 421743) within the Kuparuk, Prudhoe Bay and Deadhorse area of the Arctic Coast Region of the North Slope Area Plan. ADF&G has no interest in these lands and will not be affected by their conveyance. ADF&G did not identify any lands or portion thereof that should not be conveyed to the North Slope Borough and retained by the state. ADF&G has **no objections** to these municipal selections. Thank you for the opportunity to review and comment. Additionally, we request a copy of the decision documents.

DNR DMLW LCS Response to ADF&G: LCS appreciates your review.

Comments from the Alaska Department of Environmental Conservation (DEC):

DEC has reviewed the figures provided showing the municipal land selection. Contaminated sites are located on the land selections. Some of the contaminated sites are active and some are closed. Ground disturbing activities and activities where material or groundwater and surface water are moved around within or off site are subject to requirements under 18 AAC 75. Below is a table [Table 6] listing contaminated sites within the selections, with links to the webpages about each contaminated site.

Table 6

Map Name	MTRS	Associated Contaminated Site
Central Gas Facility	U011N014E11	Hilcorp NS Central Gas Facility Therminol Spill (BPX) 300.38.254- Active https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/4266
Gathering Center 1	U011N013E11, 13, 14, 24 U011N014E19	Frontier Base Camp 300.38.070- Active https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/108 BPX Vehicle Collision F&G Pad Roads Intersection 300.38.259- Cleanup Complete https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/4335 BPX GC1 Skid 40 Snow Shelter 300.38.305- Cleanup Complete https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/26013 BPX BOC Refueling Area, West Op 300.38.064- Cleanup Complete https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/874 Hilcorp NS BOC Bulk Fuel Facility Utilidor (BPX) 300.38.278- Active https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/25246 Hilcorp NS Tuboscope, Inc. Lease Tract (BPX) 300.38.094- Active https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/1176
Gathering Center 2	U011N013E16, 17	None
Flow Station 1	U011N014E36 U011N015E31 U010N015E06	BPX C Pad HWSU Facility EOA (former ARCO) 300.38.228- Cleanup Complete https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/2675 Hilcorp NS C Pad Stoddard Solvent Site (former ARCO) (BPX) 300.38.090- Cleanup Complete w/Institutional Controls https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/2373 Hilcorp NS Pad 10 Temporary Containment (former ARCO) (BPX) 300.38.006- Cleanup Complete w/Institutional Controls https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/1441 BPX Flow Station 1 VSM 300.38.262- Cleanup Complete https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/4387

Map Name	MTRS	Associated Contaminated Site
Flow Station 2	U011N015E33, 34	None
Flow Station 3	U010N014E03, 04	Hilcorp NS Flow Station 3 Natural Gas Liquids Release (BPX) 300.38.268- Active https://dec.alaska.gov/Applications/SPAR/PublicMVC/CSP/SiteReport/4548

DNR DMLW LCS Response to DEC: LCS appreciates DEC's review.

Comments from DNR DMLW Statewide Abatement of Impaired Lands (SAIL):

SAIL has completed their desktop review of the North Slope Borough municipal land selection (ADL 421743) within the Kuparuk, Prudhoe Bay and Deadhorse area of the Arctic Coast Region of the North Slope Area Plan.

Central Gas Facility -- This parcel has a history of industrial use, releases of hazardous substances, and site characterization and cleanup and other regulatory actions (see DEC records; EPA Docket no. RCRA-10-2007-0222; DNR ADL 420316, LAS 14906 and PRJs 420189, and 421505). In addition, five well sites within a 0.3-mile buffer of the facility.

Flow Station 1 -- This parcel has a history of industrial use, releases of hazardous substances, and site characterization, cleanup and other regulatory actions (see DEC records; EPA Docket no. RCRA-10-2007-0222; DNR ADLs 421420, 420762, 420647, 421405, 420719, LAS 15347, and PRJs 420189, and 421505). In addition, numerous well sites. There are two closed contaminated sites with institutional controls (DEC Hazard ID 1441 and 2373). DEC's closure decision places conditions and long-term monitoring requirements on the property

Flow Station 2 -- This parcel has a history of industrial use, includes a reserve pit with waste stored in place, and is or will be subject to other regulatory actions (see DEC records, EPA Docket no. RCRA-10-2007-0222, DNR LAS 15772 and PRJs 420189, and 421505). In addition, numerous well sites are present.

SAIL has no files or records for LAS 15772.

Flow Station 3 -- This parcel has a history of industrial use, releases of hazardous substances, and site characterization and cleanup actions and is or will be subject to other regulatory actions (see DEC records; EPA Docket no. RCRA-10-2007-0222; and DNR ADL 420318, LAS 18222, and PRJs 420189, and 421505). In addition, numerous well sites are present.

Gathering Center 1 -- This parcel has a history of industrial use, releases of hazardous substances, and site characterization and cleanup actions and is or will be subject to other regulatory actions (see DEC records; EPA Docket no. RCRA-10-2007-0222; and DNR ADLs 421111, 421426, 420759, 421401, 420312, 420365, and PRJs 420189, and 421505). In addition, numerous well sites are present. Previous DMLW site assessments and site inspections identified environmental concerns.

Gathering Center 2 -- This parcel has a history of industrial use, spills, and is or will be subject to regulatory actions (see EPA Docket no. RCRA-10-2007-0222; DNR PRJs 420189, and 421505). In addition, numerous well sites are present.

Because of the properties' history, use, and proximity to other industrial sites, they are candidates for a detailed environmental site assessment, prior to conveyance, ideally in August or September when seasonal thaw is deepest. An environmental assessment could document the current environmental condition of the property in a field report which can be disclosed to the prospective purchase prior to conveyance of the land.

SAIL recommends disclosure of past site use, known environmental concerns and assessment and clean-up activities that have taken place on the subject properties. SAIL prepared a summary of the DMLW site history and known environmental concerns and liabilities associated with the properties for the purpose of disclosure.

Furthermore, SAIL recommends communicating to the prospective purchaser (in this case the North Slope Borough) that DMLW "makes no warranties as to the 'nonexistence' of contamination not now identified" and that "state records are not a warranty as to all potential contamination."

DNR DMLW LCS Response to SAIL: Thank you for your review. LCS agrees with the coordination with SAIL, Department of Law (DOL), and NSB with regards to the status of any contaminated areas that are known on parcels that may be proposed for conveyance.

Comments from DNR DMLW Northern Regional Office (NRO):

The DMLW/NRO has reviewed the proposed municipal entitlement selections and submits the following comments.

Gathering Center 1 – U11N13E11

Frontier Pad lease (ADL 50006) may be partially outside of the selection area. Note that there is a mapping error for the lease (and the associated 901 file) that the DMLW/NRO is in the process of correcting. DMLW/NRO is not supportive of conveyances that split surface authorizations such as leases and material sites between two or more land managers. Such conveyances can result in complicated land management. Frontier Pad is a long-term lease that has been in use since the 1970s containing numerous structures, equipment, and materials storage. Additionally, it is a known contaminated site. Management of the lease and the contamination on site is best handled by one land manager. DMLW/NRO recommends either retaining the entirety of the lease area or conveying the entire lease area to the North Slope Borough.

Gathering Center 2 – U11N13E16

A long-term tundra rehabilitation site that resulted from the GC-2 spill is located within the area. The DMLW/NRO has an interest in inspecting the site as needed to understand its progress. Should this location be conveyed to the NSB, DMLW/NRO supports continued access to the site by DNR personnel and tundra rehabilitation specialists.

Flow Station 3 – U10N14E3

A surface lease within this area is currently managed by the Division of Oil and Gas.

General comments

Overall, these selections target specific oil and gas facilities that have been in operation for, in most cases, 30+ years. Due to the nature of the industry and these facilities, most locations will contain both documented and undocumented contamination. The DMLW/SAIL Section will speak to these issues more robustly. Most facilities and infrastructure are authorized under lease plan of operations approvals through the subsurface mineral leases, managed by the Division of Oil and Gas.

DNR DMLW LCS Response to NRO: Thank you for your review.

Comments from DNR DMLW Resource and Development Section (RADS):

Background & Discussion:

The NSB has submitted an application to DNR for potential conveyance of state land selections in partial fulfillment of its municipal entitlement under AS 29.65.010.

As noted in the Agency Review documents, the selected parcels are mostly within Management Units A-04 and A-05 of the NSAP, which was adopted in 2021. The lands in these management units have Oil and Gas and Habitat land use designations, which convert to land classifications

of Oil and Gas Land and Wildlife Habitat Land. As such, these lands do not meet the statutory definition of vacant, unappropriated, unreserved land under AS 29.65.130(10), and therefore are not eligible for conveyance to a municipality under AS 29.65.

Among the parcels that are the subject of this agency review, one parcel located in S1/2 Sec. 6, U010N015E is within NSAP Management Unit A-14. Management intent language for Unit A-14 includes a provision that allows for the Ha/Og designation to convert to a Se designation and Settlement land classification, in order to facilitate conveyance of land within this Unit to a municipality under AS 29.65. Please note that the land classification conversion to Settlement land would only apply to the land subject to this conveyance and would not apply to the entire Unit.

Recommendation:

Based on RADS review of the subject lands, a partial conveyance of the selections would be appropriate, namely the parcel of land located within the south half of Section 6, Township 10 North, Range 15 East, Umiat Meridian, which lies within NSAP Management Unit A-14. Thank you for the opportunity to review.

DNR DMLW LCS Response to RADS: Thank you for your review.

Comments from DNR Division of Oil and Gas Leasing (DOG Leasing):

Thank you for the opportunity to review ADL 421743. These parcels are situated within active oil and gas leases in the North Slope Lease Sale Area, which are listed in the attached table [Appendix A, Table D]. DOG therefore requests that any conveyance, if found to be in the State's interest, be subject to these leases. Additionally, it is evident that these parcels are mostly situated on and around developed and operating infrastructure. DOG Leasing Section will defer any comments regarding infrastructure and permitted activities to DOG Permitting Section and other DNR sections concerning surface authorizations. We look forward to providing any other information you may seek regarding oil and gas leases coinciding with the proposed conveyances.

DNR DMLW LCS Response to DOG Leasing: Thank you for your review.

Comments from DNR Division of Oil and Gas Permitting (DOG Permitting):

DOG Permitting Section identified the following existing Lease Operation/North Slope (LONS) plans of operations for the affected surface infrastructure on selected parcels. As stated in the NSAP – Resource Allocation Table – Arctic Coast Region (A-04, A-05, and A-14), the below table [*Table 7*] identified surface infrastructure is within an active oil and gas unit (Prudhoe Bay Unit) and on active oil and gas lease. According to the NSAP Og-designated selected surface lands must be retained in state ownership, and therefore not available for selection. Although tracts of land within the below units are selected for municipal entitlement by NSB, the lands proposed for selection contains critical infrastructure for oil and gas development, maintenance and operations. DOG oversight authority of the lands and facilities fulfill the mission and serves the interest of the State of Alaska. As such, DOG respectfully requests that DNR DMLW LCS Municipal Entitlement rejects the NSB's application for land selection related to ADL 421743.

Table 7

Map Name	MTR	LONS	Section(s)	Approx. Acres	Unit	Designation	Plan Management Intent
Central Gas Facility	U011N014E	85-042	11	180	A-04	Ha, Og	Manage habitat and oil and gas resource values

Gathering Center 1	U011N013E U011N014E	69-026	11, 13, 14, 24 19	935	A-04	Ha, Og	Manage habitat and oil and gas resource values
Gathering Center 2	U011N013E	69-026	16, 17	250	A-04	Ha, Og	Manage habitat and oil and gas resource values
Flow Station 1	U011N014E U011N015E U010N015E U010N015E	71-004	36 31 6 6	340	A-05 A-14	Ha, Og	Manage habitat and oil and gas resource values
Flow Station 2	U011N015E	71-005	33, 34	95	A-05	Ha, Og	Manage habitat and oil and gas resource values
Flow Station 3	U010N014E	77-044	3, 4	300	A-05	Ha, Og	Manage habitat and oil and gas resource values

DNR DMLW LCS Response to DOG Permitting: LCS appreciates your review. All lands are available for selection. The adjudication process determines whether to approve or reject the selection based on the greater need and guided by the area plan.

Comments from DNR DMLW Public Access Assertion and Defense (PAAD):

The Land Conveyance Section submitted Agency Review Notice for PAAD Section review. There are no navigable waters for title purposes (AS 38.04.062) on the North Slope per Original 84 and Kukpowruk River Decision (213 F. 3d 1092). Below are PAAD Section Comments by Map:

Attachment A – Central Gas Facility: No comment

Attachment B – Gathering Center 1: Those waterbodies meandered by the BLM at Survey must be meandered from the municipal conveyance. Fawn Creek flows through the proposed municipal conveyance in Sections 11 and 14, T11N, R13E, UM., is anadromous (330-00-10450) and therefore public water per AS 38.05.126, 127 and defined by 965 (21).

Attachment C – Gathering Center 2: Those waterbodies meandered by the BLM at Survey must be meandered from the municipal conveyance.

Attachment D – Flow Station 1: Those waterbodies meandered by the BLM at Survey must be meandered from the municipal conveyance.

Attachment E – Flow Station 2: No Comment

Attachment F - Those waterbodies meandered by the BLM at Survey must be meandered from the municipal conveyance. Unnamed Stream flows through the proposed municipal conveyance in Section 3, T10N, R14E, UM., is anadromous (330-00-10415-2001) and therefore public water per AS 38.05.126, 127 and defined by 965 (21).

DNR DMLW LCS Response to PAAD: Thank you for your review. Per AS 38.05.127, all waterbodies that are considered public, meanderable, or navigable (see above explanation in section **D. Access**, specifically subsections **3. Navigable and Public Water and 4. Easements To and Along Navigable and Public Water**) based on size will require a 50-foot access easement along the shore from OHWM.

Comments from the Department of Transportation & Public Facilities (DOT&PF);

Thank you for the opportunity to review the proposal. The Alaska Department of Transportation & Public Facilities (DOT&PF) notes that the conveyance shall reserve to the State valid, existing rights held and managed by DOT&PF, especially for roads, highways, airports, facilities, etc. that are within the proposed conveyance areas. For more information, please work with the Northern Right-of-Way Group in Fairbanks.

DNR DMLW LCS Response to DOT&PF: Thank you for your review.

Comments from the DNR State Pipeline Coordinator's Section (SPCS):

Regarding the Agency Review below, the SPCS found that a total of 29.47 acres of existing AS 38.35 pipeline rights-of-way (ROW) would be impacted by the North Slope Borough Municipality Entitlement selections. These lands are the Northstar Oil (ADL 415700), Northstar Gas (ADL 415975), and Endicott Oil (ADL 410562) pipeline ROW Leased lands. I have attached an email from our ROW adjudicator Taylor Campbell with the details of these acreages with their specific locations. Additional North Slope Municipality Entitlement selections fall within the AK LNG and ASAP projects. As acknowledged in the Table 2 of this Agency Review Notice, and in the North Slope Area Plan, the management intent is for lands within the proposed AK LNG and ASAP ROWs and other lands with infrastructure that is critical for oil and gas development, maintenance, or operations shall be retained in state ownership.

The SPCS requests that DNR reject, in part, the lands the North Slope Municipality proposes for Entitlement in which AS 38.35 pipeline ROW Leases exist for the purposes of retaining the rental revenue to the State of Alaska and for DNR/SPCS oversight authority of these lands to safely operate and maintain these pipelines and their related facilities for the interest of the people of the State. This is consistent with the Management Intent of the North Slope Area Plan for the SPCS to maintain and enforce a systems-wide approach for its oversight of integrity, maintenance, and operations of oil and gas infrastructure directly related to common and contract carrier pipelines.

For these reasons mentioned above, the SPCS does not believe it is in the public's interest for the North Slope Borough to obtain lands containing *AS 38.35* ROW leases and retaining state ownership of the land outweighs the municipality's interest in obtaining the land.

DNR DMLW LCS Response to SPCS: Thank you for your review.

The following agencies or groups were included in the agency review, but no comment was received:

- Department of Commerce, Community & Economic Development
- Department of Natural Resources
 - o Alaska Mental Health Trust Office
 - Division of Geological and Geophysical Surveys
 - Division of Outdoor Parks and Recreation
 - Office of History and Archaeology

VII. SUBMITTAL OF PUBLIC COMMENTS

See Attachment H: Public Notice for specific date and conditions

Pursuant to AS 38.05.945 Notice, LCS is issuing public notice inviting comment on this Preliminary Decision.

In accordance with AS 38.05.946(a), a municipality or corporation entitled to receive notice under AS 38.05.945(c) may hold a hearing within 30 days after receipt of the notice. If a hearing is held, the Commissioner (or representative) shall attend the hearing. The Commissioner has discretion whether or not to hold a public hearing.

LCS will consider all timely, written comments received. If analysis of such comments indicates the need for significant changes to the PD, additional public notice for the affected lands will be given. Reducing the amount of land offered and making minor changes to any of the proposals will not be considered significant changes requiring additional public notice.

If the proposal is approved and no significant change is required, the Preliminary Decision, including any deletions, minor changes, and summary of comments and LCS responses will be issued as a subsequent Final Finding and Decision without further notice.

Only persons from whom LCS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decision. Upon approval and issuance of a Final Finding and Decision, a copy of the decision will be made available online at http://landsales.alaska.gov/ and http://dnr.alaska.gov/mlw/muni/ and sent with an explanation of the appeal process to any party who provides timely written comment.

DNR is prepared to accommodate individuals with disabilities by providing auxiliary aids, services, or special modifications in order to participate in this review. Individuals who may need such assistance should contact DNR's Public Information Center. For more information refer to the attached Public Notice.

DEADLINE TO SUBMIT WRITTEN COMMENT IS 4:30 PM, FRIDAY, SEPTEMBER 15, 2023

VIII. DISCUSSION AND ALTERNATIVES

A. Discussion

This PD for NSB's municipal entitlement land selection covers approximately 2,140 acres of state land. LCS proposes to approve for conveyance and transfer equitable title and management authority on approximately 40 acres of state land, identified in *Table 8* below.

This decision determines that the municipal selection adjudicated in this decision for which the State currently has title is appropriate for conveyance to NSB. Although these lands do not fall within a conveyable classification, the management intent for NSAP Unit A-14 recommends that specific parcels are appropriate as municipal entitlement conveyance if the State determines that the State's interest in retaining this land selection does not outweigh the interest of NSB in obtaining it. The Ha/Og designations assigned to this unit will convert to the conveyable classification of Settlement Land for only the parcel (Flow Station 1, U10N15E06, N1/2S1/2SW1/4) within this decision.

This decision further determines that, for those lands to be conveyed to NSB, certain conditions and restrictions are appropriate and necessary to protect important resources and public access. This decision, therefore, imposes restrictions and reservations to be part of the conveyance document, to ensure adherence to state statutes and administrative code. Restrictions and reservations are listed in **Section IX**. **Recommendation and Preliminary Decision**.

The lands proposed for rejection (*Table 9*) fall into NSAP Units A-04 and A-05, where the associated management intent of the units states that, "[...] [I]and within the proposed AKLNG and ASAP Rights-of-Way and other lands with infrastructure that is critical for oil and gas development, maintenance, or operations shall be retained in state ownership. [...]" Various agencies, NSB, and the public, reviewed the area plan prior to its adoption in March 2021. This review resulted in many area plan units, stated within the management intent, having the capacity to change a non-conveyable classification to a conveyable classification if the State finds it appropriate to convey specific parcels, as seen with Unit A-14. Units A-04 and A-05 do not have this statement and both units are classified as Wildlife Habitat Land and Oil & Gas Land, which are not conveyable classifications as municipal entitlement general grant land under *AS 29.65.103(10) Definitions*.

In addition to the lands not having a conveyable classification, there are additional and supported reasons to retain the land proposed for rejection in state ownership. Agencies such as DOG, NRO, and SPCS have expressed concern about the potential conveyance of the parcels out of state

ownership. DOG Permitting stated in their agency review comment that the "selection contains critical infrastructure for oil and gas development, maintenance and operations" and requested the rejection of the selection, and SPCS requested "that DNR reject, in part, the lands the North Slope Municipality proposes for Entitlement in which AS 38.35 pipeline ROW Leases exist for the purposes of retaining the rental revenue to the State of Alaska and for DNR/SPCS oversight authority of these lands to safely operate and maintain these pipelines and their related facilities for the interest of the people of the State." Based on input received during agency review, continued state ownership of the surface estate best facilitates the orderly management and development of oil and gas facilities and mineral leases, which is consistent with the classification and management intent of the NSAP.

B. Alternatives

The following alternatives exist:

- 1. Take no action to approve or reject NSB's land selection. This alternative would, in effect, preclude NSB's ownership of lands considered to be important to their land base. This action would be inconsistent with the purpose of the Municipal Entitlement Act and the basis for the disapproval of a municipal entitlement selection. Such selections can only be rejected when a state's interests outweigh the interest of the borough, and there is no basis for such a determination.
- 2. Reject NSB's selection in its entirety. This alternative would have the same effect as Alternative #1 and would, similarly, be inconsistent with the statutory basis for rejection of a municipal selection.
- 3. Approve NSB's selection in its entirety, with management authority transferred. However, this alternative precludes the conveyance of state land to NSB, where the NSAP has most of the land classified with non-conveyable classifications.
- 4. Approve with management authority transferred, rejecting some parcels due to ineligibility for conveyance under the requirements of *AS 29.65*. This alternative is effective in meeting the intent of the Municipal Entitlement Act to convey appropriately classified state general grant land to NSB.

IX. RECOMMENDATION AND PRELIMINARY DECISION

A. Recommended Alternative

This decision determines that Alternative 4 is the preferred action and best fits the intent of the Municipal Entitlement Act. A portion of NSB's land selection is approved for conveyance (*Table 8*), subject to the conditions, restrictions, and reservations listed below.

B. Recommended Conditions, Restrictions, and Reservations Conditions

- 1. As required under AS 38.05.127 and 11 AAC 51, the location of the OHWM of public, meanderable, and navigable (based on size) waters will be determined at the time of survey.
- 2. Management authority will transfer to NSB on those lands approved for conveyance once the FFD becomes effective.
- 3. Management authority for public access easements is transferred to NSB once the FFD becomes effective. No such easements may be vacated, abandoned, or otherwise extinguished or rendered incapable of reasonable use by the public without the approval of the State of Alaska unless an alternative means for reasonable public access is provided and approved by the State.

- 4. Administration of state leases and permits pertinent to the surface estate will be transferred to NSB once the FFD becomes effective. Administration of issued state leases and permits on the mineral estate will remain with the State.
- 5. Once the FFD is effective, NSB may execute conditional leases and make conditional sales on lands approved for conveyance prior to issuance of a state patent in accordance with AS 29.65.070(b).
- 6. The net chargeable acreage approved for conveyance shall be credited towards partial fulfillment of NSB's municipal land entitlement pursuant to *AS* 29.65.010.
- 7. Notification to the Alaska State Historic Preservation Office in accordance with AS 41.35.070(d) is required upon discovery of historic, prehistoric, or archaeological sites, locations, remains, or objects.

Restrictions and Reservations

Conveyance document will be issued subject to the following restrictions and reservations:

- 1. Valid existing rights, including reservations, easements, and exceptions in the U.S. Patent, or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record, if any.
- 2. Reservation of a 50-foot wide easement on each side of all surveyed and unsurveyed section lines in accordance with AS 19.10.010 and 11 AAC 51.025.
- 3. Reservation of a continuous public access easement, 50 feet wide, upland of and adjacent to the OHWM of all meanderable waters, and on the bed and 50 feet upland along public waters pursuant to AS 38.05.127 and 11 AAC 51.
- 4. Reservation of the mineral estate pursuant to Section 6(i) of the Alaska Statehood Act and AS 38.05.125; and reservation of reasonably necessary access to the mineral estate in accordance with AS 38.05.130.
- 5. Subject to Oil and Gas Lease ADL 28329.

C. Recommended Action on Municipal Selections

This decision recommends the conveyance of certain state-owned vacant, unappropriated, unreserved general grant land to North Slope Borough located in the Umiat Meridian of Northern Alaska.

LANDS PROPOSED FOR CONVEYANCE

Table 8 lists those lands proposed to be approved for conveyance in this decision. The estimated acreage for conveyance does not account for any exclusions, and exact acreages would be determined by survey. The final acreage amount will be credited towards partial fulfillment of North Slope Borough municipal land entitlement.

Table 8

Map Name	MTR	Section and Legal Description	Acres
Flow Station 1	U010N015E	Sec. 6: N1/2S1/2SW1/4 (40 ac.)	40
		PROPOSED CONVEYANCE: TOTAL APPROXIMATE ACRES	40

LANDS PROPOSED FOR REJECTION

Table 9 lists those lands proposed to be rejected for conveyance in this decision. These selections fall within the NSAP Units A-04 and A-05, assigned unconveyable classifications. Additionally, these selections include lands that DOG, NRO, and SPCS stress are areas and infrastructure critical to the

organization and maintenance of the industry. Input from DOG, NRO, and SPCS, and the associated management intent are reasons for retention by the State.

Table 9

Map Name	MTR	Section and Legal Description	Acres
Central Gas Facility	U011N014E	Sec. 11: NW1/4NW1/4 (40 ac.), S1/2NW1/4 (80 ac.), E1/2NW1/4SW1/4 (20 ac.), NE1/4SW1/4 (40 ac.)	180
Gathering Center 1	U011N013E	Sec. 11: E1/2SW1/4NW1/4 (20 ac.), SE1/4NW1/4 (40 ac.), N1/2N1/2SW1/4 (40 ac.), S1/2SE1/4 (80 ac.)180 ac. Sec. 13: S1/2NW1/4NE1/4 (20 ac.), SW1/4NE1/4 (40 ac.), S1/2NE1/4NW1/4 (20 ac.), S1/2NW1/4 (80 ac.), N1/2SW1/4 (80 ac.), NW1/4SE1/4 (40 ac.)280 ac. Sec. 14: N1/2NE1/4 (80 ac.), N1/2S1/2NE1/4 (40 ac.), SE1/4SE1/4NE1/4 (10 ac.), NE1/4NE1/4SE1/4 (10 ac.)140 ac. Sec. 24: NW1/4NW1/4NE1/4 (10 ac.), E1/2NE1/4 (80 ac.), N1/2SE1/4 (80 ac.)170 ac.	770
	U011N014E	Sec. 19: W1/2SW1/4SW1/4NW1/4 (5 ac.), SW1/4 (160 ac.)165 ac.	165
Gathering Center 2	U011N013E	Sec. 16: NW1/4 (160 ac.), N1/2N1/2SW1/4 (40 ac.), S1/2S1/2SE1/4SE1/4 (10 ac.)210 ac. Sec. 17: NE1/4SE1/4 (40 ac.)40 ac.	250
Flow Station 1	U011N014E U011N015E U010N015E	Sec. 36: E1/2E1/2NE1/4 (40 ac.), E1/2NE1/4NE1/4SE1/4 (5 ac.)45 ac. Sec. 31: SE1/4NE1/4NE1/4 (10 ac.), W1/2NW1/4 (80 ac.), W1/2SW1/4 (80 ac.), SE1/4SW1/4 (40 ac.)210 ac. Sec. 6: N1/2NW1/4 (80 ac.), W1/2NW1/4SW1/4NE1/4 (5 ac.)85 ac.	340
Flow Station 2	U011N015E	Sec. 33: E1/2SW1/4NE1/4 (20 ac.), SE1/4NE1/4 (40 ac.), N1/2NE1/4SE1/4 (20 ac.)80 ac. Sec. 34: S1/2SW1/4SW1/4NW1/4 (5 ac.), NW1/4NW1/4SW1/4 (10 ac.)15 ac.	95
Flow Station 3	U010N014E	Sec. 3: NW1/4 (160 ac.), N1/2SW1/4 (80 ac.) N1/2S1/2SW1/4 (40 ac.)280 ac. Sec. 4: E1/2NE1/4NE1/4 (20 ac.)20 ac.	300
		PROPOSED REJECTION: TOTAL APPROXIMATE ACRES	2100

D. Preliminary Decision

The following are the findings for this Preliminary Decision:

- 1. It is appropriate to convert the Ha/Og designation on the portion of Flow Station 1 parcel that falls within U10N15E06 and is within Unit A-14 to Se and therefore change to the conveyable classification of Settlement Land.
- 2. It is appropriate to convey approximately 40 acres of state-owned land to North Slope Borough. This decision determines that the interest of the State to retain this land does not outweigh the interests of the borough to obtain it.
- 3. It is appropriate to reject 2,100 acres because the NSAP classifications for the Units, A-04 and A-05, which the selections fall into, and the associated management intent state the land will be retained by the State.

This Preliminary Decision, described above, represents the preferred alternative that has been reviewed and considered. After review and consideration of materials in this PD, LCS finds that the recommended action may be in the best interest of the State and that it is hereby approved to proceed to Public Notice in accordance with *AS 38.05.945*.

After public notice, the subsequent review process may result in changes to the preferred alternative(s) or disapproval of the proposed action altogether. A Final Finding and Decision will address any significant issues or concerns raised during the public review process.

Mary Hermon
Prepared by: Mary Hermon
Natural Resource Specialist 2
Land Conveyance Section
Division of Mining, Land and Water
Department of Natural Resources
State of Alaska

Approved by: Hannah Uher-Koch

August 11, 2023

August 11, 2023

August 11, 2023

Date

Approved by: Hannah Uher-Koch Acting Section Chief Land Conveyance Section Division of Land, Mining and Water Department of Natural Resources State of Alaska Page 21 of 24

APPENDIX 1: Information Tables for the NSB Selections in this Decision.

Note: The MTRS' listed in the below tables reference only lands subject to the NSB selections. Leases, permits, ROWs, MOs, and waterbodies may encompass additional lands.

Table A: Mineral Orders

Table B: ROW Permits and Easements

Table C: Waterbodies, Anadromous, and Public Access Easement Requirements

Table D: Oil and Gas Leases

Table E: Hazardous Sites and Landfills Table F: Other Leases and Permits

Table A: Mineral Orders

Mineral Order	MTRS	Order and Date	
MOO 907	U011N014E36	Opening Order 1981	
MCO 67A03	U011N014E11, 19, 36 U010N014E03, 04	Closing Order 2003	
MO 1144	U011N014E11,19, 36 U010N014E03, 04	Reopened 2014	
MO 1162A01	U011N014E11	Closing Order 2017	
MO 1230	U011N014E11	Closing Order 2019	
MO 1162A03	U011N014E U011N015E	Closing Order 2021	

Table B: ROW Permits and Easements

Map Name	MTRS	ADL
Central Gas Facility	U011N014E11	ADL 421297 Pipeline ROW to Alaska Gasline Development Corp.
	U011N013E13 U011N014E19	ADL 419915 Private ROW to GCI Communication Corp.
Gathering Center 1	U011N013E24 U011N014E19	ADL 421319 Secondary Use to GCI Fiber Communication Co., Inc.
		ADL 422031 Public Utility to GCI Communication Corp.
Gathering Center 2	U011N013E16	ADL 419915 Private ROW to GCI Communication Corp.
Flow Station 1	U011N015E31	ADL 419915 Private ROW to GCI Communication Corp.
	U011N015E31 U011N014E36 U010N015E06	ADL 410562 Pipeline ROW to Endicott Pipeline Co.
Flow Station 2	U011N015E33, 34	ADL 421296 Pipeline ROW to Alaska Gasline Development Corp ADL 410562 Pipeline ROW to Endicott Pipeline Co.
	U011N015E33	ADL 419915 Private ROW to GCI Communication Corp.
Flow Station 3	U010N014E03	ADL 421768 Public Utility started to GCI Communication Corp.
	U010N014E04	ADL 419915 Private ROW to GCI Communication Corp.
	U010N014E03, 04	ADL 410562 Pipeline ROW to Endicott Pipeline Co. ADL 420553 Public Utility to Quintillion Networks, LLC

Table C: Waterbodies, Anadromous, and Public Access Easement Requirements

Map Name	MTRS	Waterbody Name	Anadromous Water Catalog #	Public Access Easement (to & along)
Central Gas Facility	U011N014E11	Public Lakes	None	On the bed & 50' upland
	U011N013E11 U011N013E14	Fawn Creek	330-00-10450	On the had 8 50' upland
Gathering Center 1	U011N013E13 U011N013E14	Public Lakes	None	On the bed & 50' upland
	U011N013E13 U011N013E24 U011N014E19	Meanderable Lakes	None	On the bed & 50' upland
Gathering Center 2	U011N013E16	Meanderable Lake	None	On the bed & 50' upland
Flow Station 1	U011N014E36 U010N015E06	Meanderable Lake Meanderable Lakes	None	On the bed & 50' upland
Flow Station 2	U011N015E33 U011N015E34	Public Lake Public Lake	None	On the bed & 50' upland
		Unnamed Stream	330-00-10415- 2001	On the bed & 50' upland
Flow Station 3	U010N014E03	Meanderable Lake	330-00-10415- 2001-0010	On the bed & 50' upland
		Meanderable Lakes	None	
		Public Lakes	None	On the bed & 50' upland

Table D: Oil and Gas Leases

Map Name	MTRS	ADL and Company
Central Gas Facility	U011N014E11	ADL 28302 – Hilcorp North Slope, LLC
	U011N013E11	ADL 28280 – Hilcorp North Slope, LLC
Gathering Center 1	U011N013E13, 14, 24	ADL 28285 – Hilcorp North Slope, LLC
	U011N014E19	ADL 28305 – Hilcorp North Slope, LLC
Gathering Center 2	U011N013E16	ADL 28284 Hilcorp North Slope, LLC
	U011N013E17	ADL 28283 – Hilcorp North Slope, LLC
	U011N014E36	ADL 28308 – Hilcorp North Slope, LLC
Flow Station 1	U011N015E31	ADL 28326 Hilcorp North Slope, LLC
	U010N015E06	ADL 28329 Hilcorp North Slope, LLC
Flow Station 2 U011N015E33, 34		ADL 28325 Hilcorp North Slope, LLC
Flow Station 3 U010N014E03, 04		ADL 28312 Hilcorp North Slope, LLC

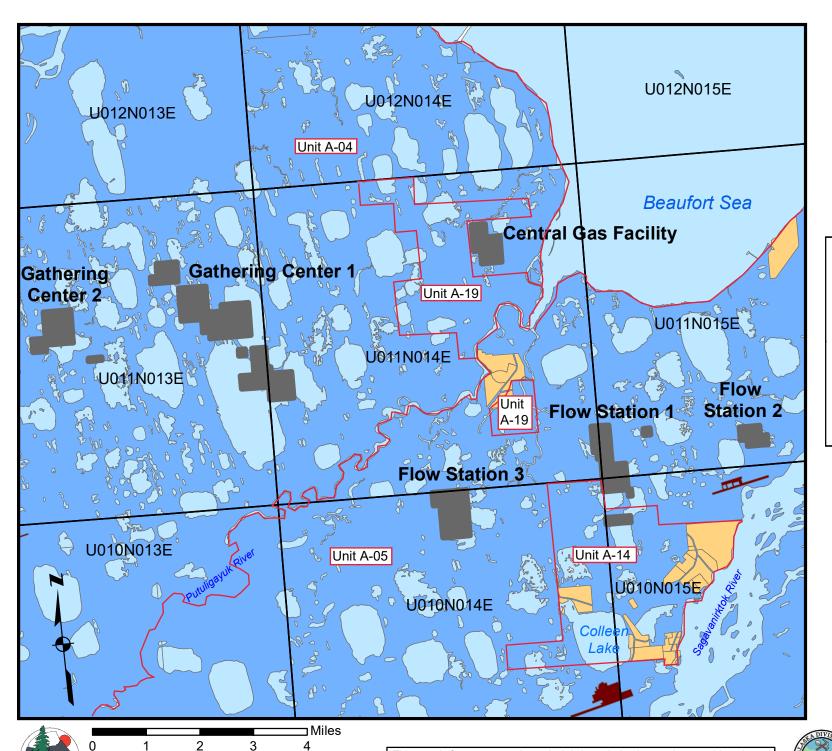
Table E: Hazardous Sites and Landfills

Map Name	MTRS	DEC Hazard #	ADL and Company
Central Gas Facility	U011N014E11	ID 4266	ADL 420316 Potential Hazard Site, Active, Hilcorp North Slope, LLC
Gathering Center 1	U011N013E11	ID 108	ADL 420365 Potential Hazard Site, Active, Frontier Equipment Co.
	U011N013E24 U011N014E19	ID 1176	ADL 420312 Potential Hazard Site, Active, Hilcorp North Slope, LLC
	U011N013E24	ID 874	ADL 421401 Potential Hazard Site, Active, Hilcorp North Slope, LLC
		ID 25246	ADL 420759 Potential Hazard Site, Active, BP Exploration (Alaska) Inc.
	U011N013E13	ID 26013	ADL 421111 Potential Hazard Site, Active, Hilcorp North Slope, LLC
Gathering Center 2	U011N013E16	None	ADL 421917 Potential Hazard, Landfill, Verified in part, Hilcorp Alaska, LLC
U01	U011N014E36	ID 2675	ADL 421405 Potential Hazard Site, Active, Hilcorp North Slope, LLC
	U011N015E31	ID 4387	ADL 421420 Potential Hazard Site, Active, Hilcorp North Slope, LLC
Flow Station 1		ID 1441	ADL 420762 Potential Hazard Site, Restricted, Hilcorp North Slope, LLC
		None	LAS 15347 Potential Hazard, Landfill, Unverified, ConocoPhillips Alaska, Inc.
	U011N014E36 U011N015E31	ID 2373	ADL 420719 Potential Hazard Site, Restricted, BP Exploration (Alaska) Inc.
Flow Station 2	U011N015E33	None	LAS 15772 Potential Hazard, Landfill, Unverified, ConocoPhillips Alaska, Inc.
Flow	U010N014E03	ID 4548	ADL 420318 Potential Hazard Site, Active, Hilcorp North Slope, LLC
Station 3		None	LAS 18222 Potential Hazard, Landfill, Unverified, ConocoPhillips Alaska, Inc.

Table F: Other Leases and Permits

Map Name	MTRS	ADL
Central Gas Facility	U011N014E11	LAS 29667 Miscellaneous Land Use to Alaska Gasline Development Corp TWUA A2022-13 Temp Water Use to Hilcorp North Slope, LLC TWUA A2023-09 Temp Water Use to Hilcorp North Slope, LLC TWUA A2023-11 Temp Water Use to Hilcorp North Slope, LLC
Gathering Center 1	U011N013E11	ADL 50006 Preference Right to Frontier Equipment Co. TWUA A2021-143 Temp Water Use to Hilcorp North Slope, LLC
	U011N013E13	LAS 14929 O&G Well Site to Hilcorp North Slope, LLC LAS 15833 O&G Well Site to BP Exploration (Alaska), Inc. LAS 17407 O&G Well Site to Hilcorp North Slope, LLC LAS 17982 O&G Well Site to BP Exploration (Alaska), Inc. LAS 18000 O&G Well Site to BP Exploration (Alaska), Inc. TWUA A2022-112 Temp Water Use to Hilcorp North Slope, LLC
	U011N013E24	ADL 66117 Water Right to Hilcorp North Slope, LLC LAS 802 Water Right to Hilcorp North Slope, LLC
	U011N013E11, 14, 24	TWUA A2022-31 Temp Water Use to Hilcorp North Slope, LLC
	U011N013E13, 14, 24	TWUA A2022-12 Temp Water Use to Hilcorp North Slope, LLC
	U011N014E19	TWUA A2022-13 Temp Water Use to Hilcorp North Slope, LLC
Gathering Center 2	U011N013E16	LAS 14927 O&G Well Site to BP Exploration (Alaska), Inc. LAS 15342 O&G Well Site to Hilcorp North Slope, LLC LAS 15519 O&G Well Site to BP Exploration (Alaska), Inc. LAS 18025 O&G Well Site to BP Exploration (Alaska), Inc.

Map Name	MTRS	ADL
	U011N013E16,17	TWUA A2023-11 Temp Water Use to Hilcorp North Slope, LLC TWUA A2022-122 Temp Water Use to Hilcorp North Slope, LLC
Flow Station 1	U010N015E06	LAS 28591 Miscellaneous Land Use to Savant Alaska, LLC LAS 12176 Water Right to Hilcorp North Slope, LLC
	U011N015E31	LAS 12167 Water Right to Hilcorp North Slope, LLC LAS 15966 O&G Well Site to ConocoPhillips Alaska, Inc. LAS 18008 O&G Well Site to ConocoPhillips Alaska, Inc. TWUA A2023-09 Temp Water Use to Hilcorp North Slope, LLC
	U010N015E06 U011N014E36 U011N015E31	TWUA A2022-13 Temp Water Use to Hilcorp North Slope, LLC TWUA A2023-20 Temp Water Use to Hilcorp North Slope, LLC
Flow Station 2	U011N015E33	LAS 12179 Water Right to Hilcorp North Slope, LLC
	U011N015E34	TWUA A2023-56 Temp Water Use app. to Hilcorp North Slope, LLC
	U011N015E33, 34	TWUA A2022-13 Temp Water Use to Hilcorp North Slope, LLC
Flow Station 3	U010N014E03	ADL 421055 Oddlot Lease to Alyschem, LLC TWUA A2023-09 Temp Water Use to Hilcorp North Slope, LLC

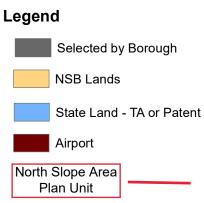


Municipal Selections

Preliminary Decision

ADL 421743

Vicinity





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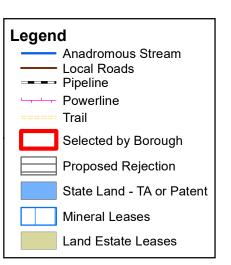
August 2023

Municipal Selections

Preliminary Decision

ADL 421743

Central Gas Facility



NSAP Unit A-04



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may not show exact location or existing surveyed parcels or show all easements and reservations. Source documents remain the official record

U011/N014E



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This map is for representation only. It is intended to be used as a guide only and

Beaufort Sea

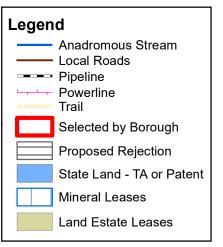
13

Municipal Selections

Preliminary Decision

ADL 421743

Gathering Center 1

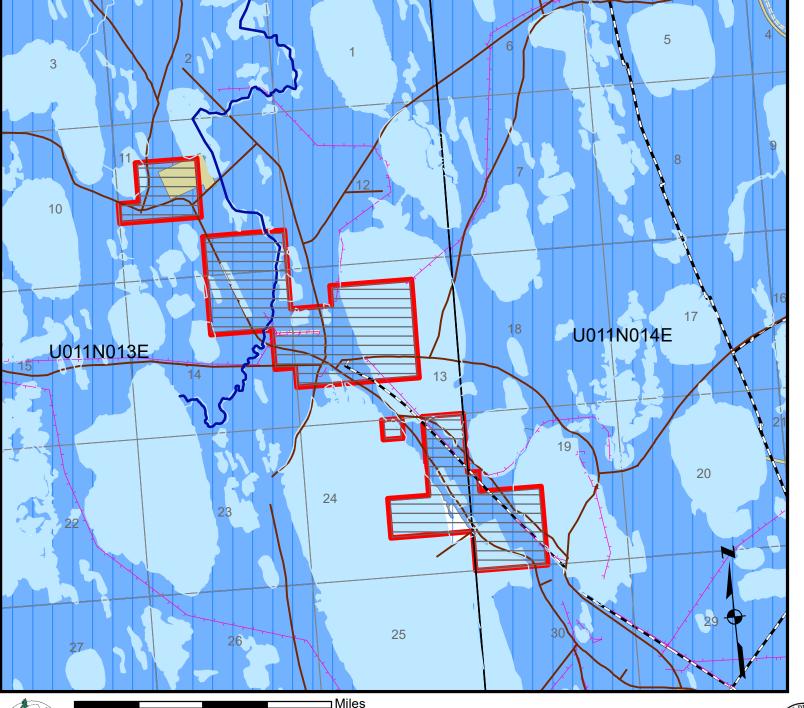


NSAP Unit A-04



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August 2023



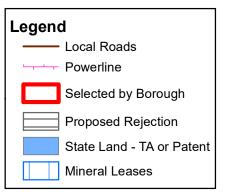
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Municipal Selections

Preliminary Decision

ADL 421743

Gathering Center 2

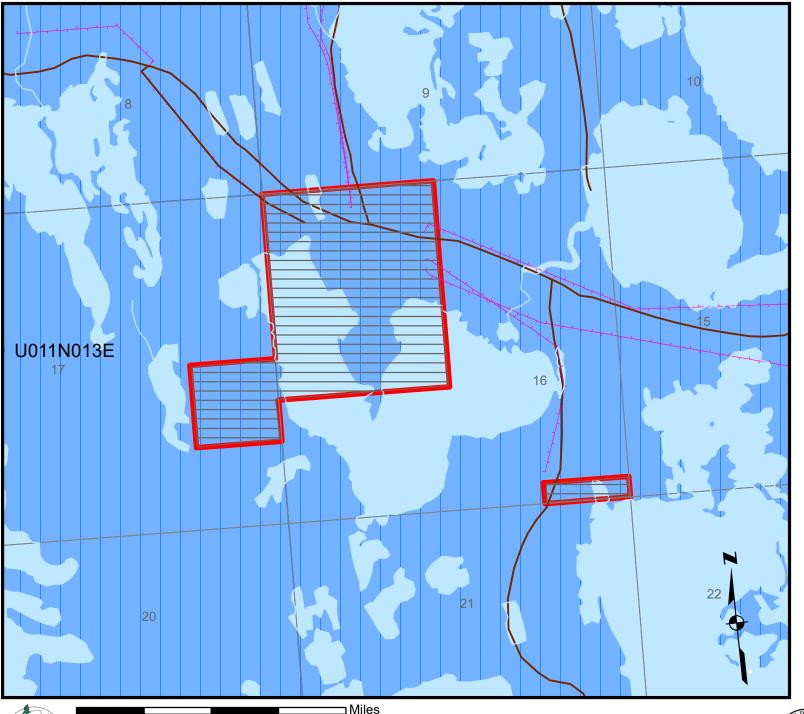


NSAP Unit A-04



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August 2023



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Municipal Selections

Preliminary Decision

ADL 421743

Flow Station 1

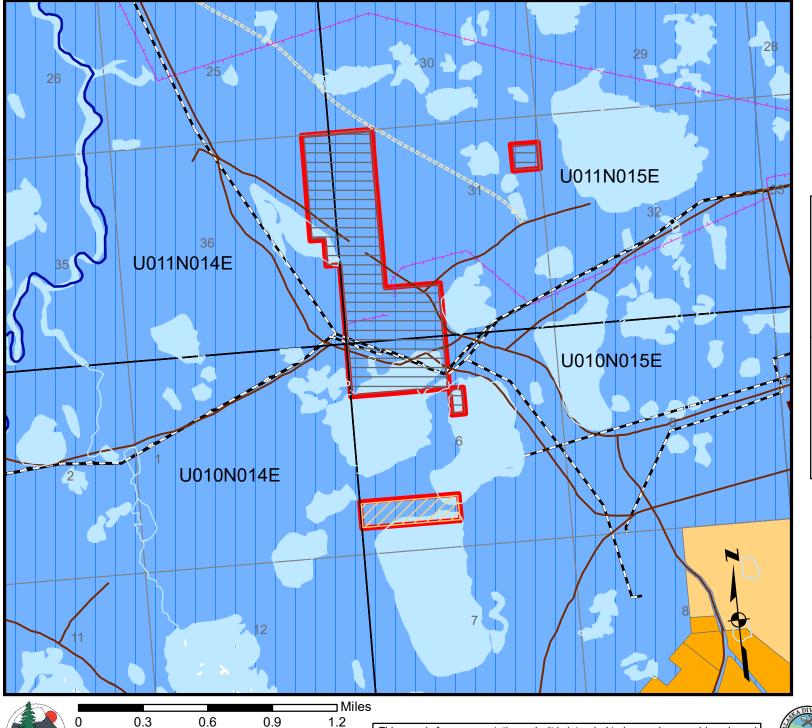


NSAP Units A-05, A-14



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August 2023

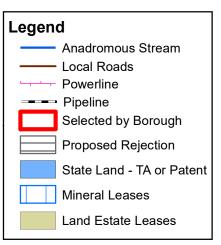


Municipal Selections

Preliminary Decision

ADL 421743

Flow Station 2

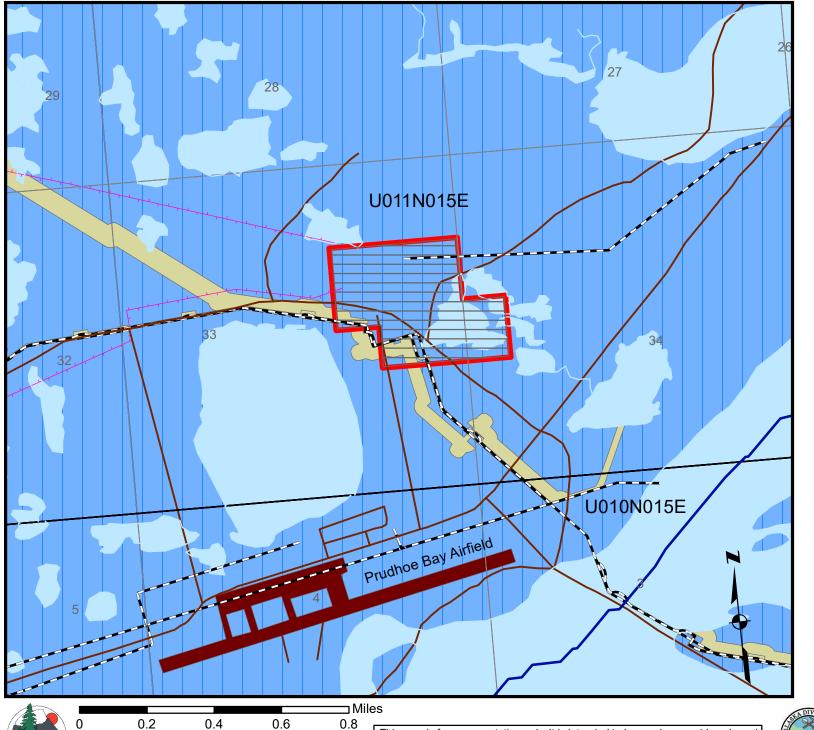


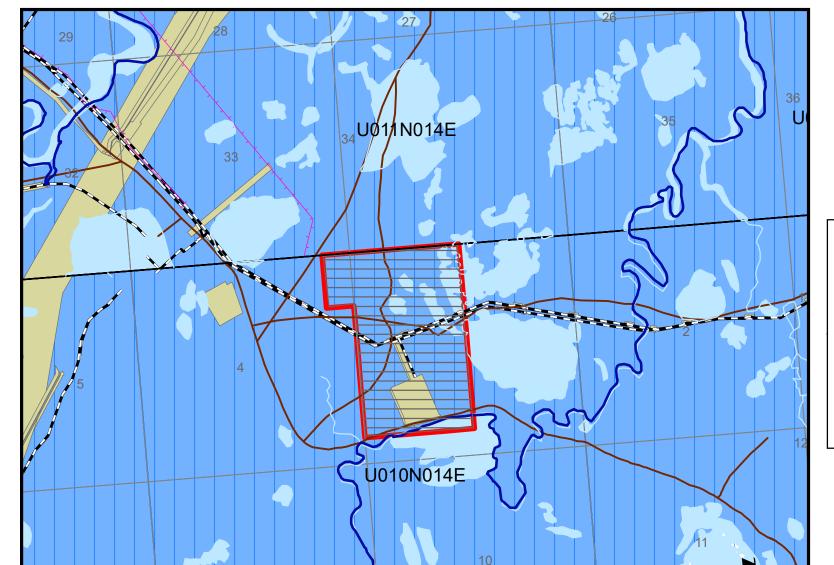
NSAP Unit A-05



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August 2023





Municipal Selections

Preliminary Decision

ADL 421743

Flow Station 3

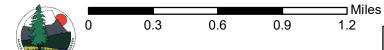


NSAP Unit A-05



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

Attachment H: PUBLIC NOTICE

Requesting Input for a Proposed Conveyance Under *AS 29.65*North Slope Borough Municipal Land Entitlement Selection – ADL 421743

COMMENT PERIOD ENDS: 4:30 PM, FRIDAY, SEPTEMBER 15, 2023

The Department of Natural Resource (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) has prepared a Preliminary Decision (PD) for a proposal to convey approximately 40 acres of state owned vacant, unappropriated, unreserved (VUU) general grant land to North Slope Borough (NSB) in order to partially fulfill their municipal land entitlement under *AS 29.65.010*. Located within DNR's Northern Region, this land selection falls within the Arctic Coast Region (Central Planning area) as identified in the North Slope Area Plan. LCS finds that the proposed conveyance is consistent with the requirements of *AS 29.65*, and that NSB's interest in obtaining these state lands outweigh the State's interest in retaining them.

DNR proposes to reject approximately 2100 acres of borough selections where the North Slope Area Plan has stated the land is ineligible for conveyance because the selections fall within units that have unconveyable land classifications, and because the selected infrastructure is critical to the State and Oil & Gas community.

Pursuant to AS 38.05.945 Notice, the public is invited to comment on this PD which proposes to transfer ownership of state land to the North Slope Borough. The deadline for submitting public comment is 4:30 PM, Friday, September 15, 2023. Only persons from whom LCS receives timely written comment during the identified comment period will be eligible to file and appeal of the Final Finding and Decision (FFD). Comments must be received in writing to the Division of Mining, Land and Water, Attention: Mary Hermon, at 550 West 7th Avenue, Suite 640, Anchorage, Alaska 99501, by fax at (907) 269-8916, or by email at mary.hermon@alaska.gov. If you have questions, call Mary Hermon at (907) 269-6546.

The public notice is available on the Alaska Online Public Notice System at: http://dnr.alaska.gov/commis/pic/pubnotfrm.htm. The Preliminary Decision is available on the DMLW Municipal Entitlement web site at: http://dnr.alaska.gov/mlw/muni/ and on the DMLW Land Sales website at: http://landsales.alaska.gov.

Following the comment deadline, those written responses received will be considered and the decision may be modified to incorporate public comments in the FFD. Only persons who comment during this public comment period will be eligible to file an administrative appeal of the FFD. A copy of the FFD will be sent to any person who comments on the PD. The FFD will include the appeal instructions. Please direct all inquiries or questions to Mary Hermon, at the above address, electronic mail, phone or by fax.

DNR is prepared to accommodate individuals with disabilities by providing auxiliary aids or services when requested. Individuals with audio impairments who wish to respond to this decision by telephone may call the DNR, Public Information Center in Anchorage between the hours of operation: 10:00 AM to 5:00 PM, Monday through Friday at TTY: 711 for Alaska relay or 800-770-8973 or go to http://dnr.alaska.gov/commis/pic/

If no significant change is required, the PD, including any minor changes and a summary of comments and responses, will be issued as the FFD, without further notice. A copy of the FFD will be sent to any persons who commented timely on the PD.

DNR reserves the right to waive technical defects in this notice.