



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources
OFFICE OF PROJECT MANAGEMENT AND PERMITTING

550 West 7th Avenue, Suite 1430
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April 10, 2026

USFWS Kenai National Wildlife Refuge
Attention: Steve Miller
Deputy Refuge Manager
PO Box 2139
Soldotna, AK 99669

Submitted via email to kenai@fws.gov

Re: Draft Compatibility Determination for Hilcorp's Transportation and Recycling of Used Oil on Kenai NWR

Dear Mr. Miller,

The State of Alaska (State) reviewed the proposed Compatibility Determination (CD) for a right-of-way (ROW) permit that would allow Hilcorp Alaska LLC (Hilcorp) to transport used oil within the Kenai National Wildlife Refuge (KNWR). The proposed ROW permit would allow Hilcorp to transport for recycling the used oil that is generated from the Swanson River Oil & Gas Field (SRF) for 20 years, unless production at SRF ends prior to expiration of the 20-year ROW permit. Used oil would be transported using vacuum tank trucks or trailers and moved from operation and facilities outside of KNWR to the SRF where it would then be off-loaded and stored in existing facilities, processed, and then recycled back into the crude oil transport line. The use would occur on existing roadways, and no new infrastructure or alteration of the landscape would be authorized under this permit. The comments below incorporate input from the State's resource management agencies.

Hilcorp has applied for the ROW permit under Title XI of the Alaska National Interest Lands Conservation Act (ANILCA), which allows for transportation and utility infrastructure within KNWR, and in other such conservation system units (CSUs) established under ANILCA. Title XI of ANILCA allows for infrastructure development and other activities in CSUs if those activities are determined to be compatible with the purposes of a CSU. Title XI also provides for adequate and feasible access to State or privately owned lands, including subsurface rights underlying public lands, for economic purposes when those lands are within or effectively surrounded by one or more CSU.

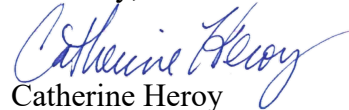
The proposed use, subject to the identified stipulations, will not materially interfere with or detract from the purposes of the refuge or the mission of the National Wildlife Refuge System. We agree that the proposed permit is consistent with the provisions of ANILCA Title XI. We support the KNWR determination that the activity does not conflict with the purposes of KNWR or the NWRS Administration Act (as amended by the Refuge Improvement Act) and support the proposed permit authorizing the transport and recycling of used oil in the SRF.

The State encourages coordination with the DNR Division of Oil and Gas, the Alaska Department of Transportation & Public Facilities, and the Department of Environmental Conservation, and other relevant agencies, for all questions related to State laws and regulations.

Closing

Thank you for the opportunity to review and comment on this draft Compatibility Determination. Please contact me at (907)269-0880 or by email at catherine.heroy@alaska.gov to coordinate any follow up discussions.

Sincerely,



Catherine Heroy

Federal Program Manager