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November 26, 2008

Ms. Stephanie Mann
Solid Waste Division
Alaska Department of Environmental Conservation
555 Cordova Street
Anchorage, Alaska 99501

**Re: Authorization for Temporary Storage of Drilling Waste
ConocoPhillips Exploration Program – Pioneer 1 and Grandview 1 East**

Dear Ms. Mann,

ConocoPhillips Alaska, Inc. (CPAI) submits the following information to fulfill the requirements of 18 AAC 60.430 for the Temporary Storage of Drilling Waste at the above-referenced exploration drill sites. These projects may be active during the winter drilling season of 2008/2009. The proposed drilling locations are included in the attached Plans of Exploration. One or more reservoir penetrations from an ice drill pad are planned for each winter drilling location. Please refer to the enclosed Plans of Exploration for further information, including figures showing the proposed drilling waste storage area.

In accordance with 18 AAC 60.430(a), please find CPAI's check in the amount of \$380.00 (\$190 plan review fee per location). Your review and approval of this application would be greatly appreciated.

Application Information:

18 AAC 60.430(1) (A) Name, address, phone number and affiliation of persons responsible for conducting activities:

CPAI Drilling Team Leader in Anchorage

Chip Alvord, (907) 265-6120

CPAI Exploration Environmental Coordinator

Chris Brown, Kuparuk, (907) 659-7217

CPAI Anchorage Permit Coordinator:

Bruce St. Pierre, (907) 265-6417

Address: ConocoPhillips Alaska, Inc., P.O. Box 100360, Anchorage, AK 99510-0360

18 AAC 60.430(1) (B) The location and type of storage container:

Bermed area located on the ice pad at each drillsite.

18 AAC 60.430(1) (C) Plans and ... specifications for any lined containment structure...

Drill cuttings will be temporarily stored as described in the attached Plan(s) of Exploration.

18 AAC 60.430(1) (D). Methods used to prevent discharge of leachate to the land or water of the state.

As illustrated in the Plan of Exploration, the structures will be constructed of ice (see figures). Ice is an impermeable barrier to drilling waste. The dimension of the storage area will be approximately 100 ft x 150 ft x 3 ft. This gives a gross storage area volume of 45,000 cu. ft. (1,667 cu. yd.). Since there is a requirement of 2 ft of freeboard, the usable storage volume is 1/3 of gross or 15,000 cu. ft. (556 cu. yd.). As described in the Plan of Exploration, exact containment size will vary, but two feet of freeboard will be maintained at all times.

18 AAC 60.430(1) (E). The name and location of each facility to which drilling waste will be transferred.

Temporarily stored drill cuttings will be annular injected onsite or disposed at a permitted disposal facility at Kuparuk, Prudhoe Bay or Alpine. Liquid drilling wastes will be annular injected onsite or will be hauled to Alpine, Kuparuk or Prudhoe for injection in an approved Class II disposal well.

18 AAC 60.430(1) (F). The anticipated dates of storage, waste removal, location of the ultimate disposal site.

Storage may occur between December 2008 and June 2009. All drilling waste will be removed prior to breakup each winter season. Ultimate disposal is described in E above.

18 AAC 60.430(1) (G). Certification that waste will be removed from the property within one year of completing the drilling operation.

CPAI plans to remove all waste prior to spring breakup each year.

18 AAC 60.430(2) (A). A containment structure must be properly sized.

Please see the attached Plan(s) of Exploration.

18 AAC 60.430(1) (B). Containment structures must be leakproof.

The storage area will be constructed of ice berms. Ice is recognized as suitable for such containment as it is impermeable to drilling waste.

18 AAC 60.430(1) (C). Liner material must be compatible with the waste.

Ice is compatible with the drilling waste being stored. No other waste types will be stored in the enclosure. Hydrocarbon wastes specifically will be excluded.

18 AAC 60.430(1) (D). Liner standards must meet the standards of (c)(7) of this section.
Not applicable.

18 AAC 60.430(3) (A). After removal of the drilling waste ... the person conducting the activity shall conduct a visual site inspection verifying all waste has been removed.

Visual site inspections will be conducted following removal of the drilling waste to assure all waste has been removed. An additional inspection is typically performed during the summer "stick picking" work.

18 AAC 60.430(3) (B). ... notify the department within seven days after the final site inspection and provide information regarding drilling waste volume and the final disposition of the transferred drilling waste.

CPAI will notify the Department as required, which includes submission of the referenced information.

To minimize the environmental impact associated with submitting hard copies of other agencies' permit applications, will be available electronically for your review at www.conocophillipsalaska.com/permits/.

If you have any questions or desire additional information, please contact me at your earliest convenience. E-mail: bruce.st.pierre@conocophillips.com. Phone number (907) 265-6417.

Sincerely,

Bruce St. Pierre
Sr. Environmental Coordinator

Enclosures

Cc: File / PC docs