

STATE OF ALASKA

REGULATORY COMMISSION OF ALASKA

Before Commissioners:

Stephen McAlpine, Chairman
Paul F. Lisankie
Robert M. Pickett
Antony Scott
Janis W. Wilson

In the Matter of the Application of)
COOK INLET PIPE LINE COMPANY)
For Commission Approval to)
Permanently Discontinue Use of and)
Abandon Drift River Terminal and)
Tank Farm, Christy Lee Platform, and)
Drift River Segment, and for Approval)
To Access DR&R Fund)

P-18-009

APPLICATION OF COOK INLET PIPE LINE COMPANY FOR APPROVAL TO PERMANENTLY DISCONTINUE USE OF AND ABANDON DRIFT RIVER TERMINAL AND TANK FARM, CHRISTY LEE PLATFORM, AND DRIFT RIVER SEGMENT, AND FOR APPROVAL TO ACCESS DR&R FUND

I. INTRODUCTION

Cook Inlet Pipe Line Company (“CIPL”) hereby applies, pursuant to AS 42.06.290 and 3 AAC 48.625(a), for Commission approval to permanently discontinue use of and to remove or abandon the Drift River Terminal and Tank Farm (the “Drift River Terminal”), the Christy Lee loading platform (the “Christy Lee Platform”), and that portion of CIPL south of Trading Bay Junction, including the subsea portion of CIPL which extends from the Drift River Terminal to the Christy Lee Platform (the “Drift

Application of CIPL to Permanently Discontinue Use of and Abandon Drift River Terminal and Tank Farm, Christy Lee Platform, and Drift River Segment, and For Approval to Access DR&R Account

River Segment”). Continued service by the Drift River Terminal, the Christy Lee Platform, and the Drift River Segment will no longer be required by public convenience and necessity once CIPL’s pending Application to Extend, Modify, and Reconfigure its Pipeline System at Docket P-17-007, and the related applications in Dockets P-17-008, P-17-009, and P-18-007 (collectively, the “Reconfiguration Applications”) are approved and the Reconfiguration Plan described therein is completed and functioning.

Notices, orders, pleadings and communications regarding this Application should be addressed to:

Michael S. McLaughlin
Guess & Rudd P.C.
1029 W 3rd Avenue, Suite 400
Anchorage, AK 99501
(907) 793-2200
mmclaughlin@guessrudd.com

Cook Inlet Pipe Line Company, c/o:
Harvest Alaska, LLC
3800 Centerpoint Drive, Suite 1400
Anchorage, Alaska 99503
Attn: Richard Novcaski, Vice President
(907) 777-8300
rnovcaski@hilcorp.com

II. FACTUAL AND PROCEDURAL BACKGROUND

This Application is an integral part of CIPL’s greater Reconfiguration Plan, the details of which are explained in the Reconfiguration Applications. As part of the Reconfiguration Plan, CIPL will extend and modify its existing oil transportation system

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to provide an undersea pipeline path from the west side of Cook Inlet to the east side of Cook Inlet.

In Sections IV.A and V.B.3 of the Application in P-17-007, CIPL explained that, upon approval of the Reconfiguration Applications, completion of the Reconfiguration Plan, and after CIGGS-A becomes operational for oil transportation, it will no longer be necessary to transport crude oil produced on the east side of Cook Inlet by marine tanker from the Christy Lee Platform to the KPL Dock in Nikiski for delivery to east side destinations including Andeavor Corporation's Kenai Refinery. At that point, everything south of Trading Bay Junction, namely the Drift River Segment, the Drift River Terminal, and the Christy Lee Platform, will no longer be needed. In anticipation of approval of the Reconfiguration Applications and completion of the Reconfiguration Plan, CIPL files this Application for approval of the permanent discontinuance of use of these facilities pursuant to AS 42.06.290.

Alternative uses of the Drift River Segment, Drift River Terminal, and Christy Lee Platform have been considered but have been determined not to be practicable. The primary reasons for there being no practicable alternative uses for these facilities are as follows:

- The Drift River Terminal is located in the path of Mt. Redoubt's volcanic eruptions and lahar flows with the likelihood of another eruption within the next 10 years. The cost to recover from such an event is very high.

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- The Drift River Terminal facilities and associated piping will require significant investment to remain compliant with agency requirements.

There is no evidence of planned oil development in the Drift River area that could support use of the Drift River Terminal, the Christy Lee Platform, or the Drift River Segment in the near future. Upon approval of this Application, completion of the Reconfiguration Plan, and obtaining the required agency approvals and directions,¹ CIPL expects that its decommissioning plans will include the following:

- Clean all piping, tanks and equipment per Alaska Department of Environmental Conservation's ("ADEC") requirements, including removal of oil from the pipeline and terminal facilities no longer in service pursuant to the requirements of 3 AAC 75.065(o)² and 75.080(o).³

¹ Decommissioning activities are subject to various federal and state agency requirements, the full extent of which requirements are unknown at this time.

² 18 AAC 75.065(o) provides, in relevant part, as follows: "[a] field-constructed aboveground oil storage tank removed from service for more than one year must be free of accumulated oil, marked with the words "Out of Service" and the date taken out of service, secured in a manner to prevent unauthorized use, and either blank flanged or otherwise isolated from the facility piping. The owner or operator shall notify the department when a tank is removed from service and when the actions required by this subsection are completed."

³ 18 AAC 75.080(o) provides as follows: "[t]he owner or operator of facility oil piping that is removed from service for more than one year shall ensure that the facility oil piping is free of accumulated oil, identified as to origin, marked on the exterior with the words "Out of Service" and the date taken out of service, secured in a manner to prevent unauthorized use, and either blank flanged or otherwise isolated from the system. For piping removed from service after December 30, 2006, the owner or operator shall notify the department when facility oil piping is removed from service and when the actions required by this subsection are completed." Facility oil piping includes crude oil transmission pipelines under 18 AAC 75.080(a).

- Dismantle and remove all above-ground portions of the CIPL system south of Trading Bay Junction with the exception of the Christy Lee Platform in compliance with the terms of the Right of Way Permit for the Cook Inlet Pipe Line dated November 13, 1967, ADL 33333, attached as Exhibit A (“ROW Permit”).⁴
- Place the Christy Lee Platform in a lighthouse state until such time as oil and gas production platforms in Cook Inlet are removed and then remove it pursuant to the requirements of the tidelands Lease Agreement dated June 13, 1966, ADL 32391 (“Tidelands Lease”).⁵ The U.S. Coast Guard requires that navigation lights, fog horn and corrosion protection are maintained while the structure is in place.⁶ CIPL will continue to comply

⁴ The ROW Permit provides on page 2 that “[u]pon abandonment, termination, revocation or cancellation of this indenture, the permittee shall within 90 days remove all structures and improvements from the area herein granted, except those owned by the grantor, and shall restore the area to the same or similar condition as the same was upon issuance of this permit. . . . Provided further, however, that the grantor, in his discretion, may alter or modify the requirements contained in this provision if it is in the best interest of Alaska to do so.” Accordingly, it is unclear at this time what the State of Alaska will require CIPL to do in connection with its abandonment of the Drift River Segment.

⁵ The Tidelands Lease at section 24 provides that “Improvements owned by a lessee on Alaska lands shall within 60 days after the termination of the lease be removed by him; provided, such removal will not cause injury or damage to the lands; and further provided, that the Lessor may extend the time for removing such improvements if a hardship is shown” and also provides for a process for the State to take possession of property left after termination of the Tidelands Lease. Again, it is unclear at this time what the State of Alaska will require in connection with the timing and extent of removal of the Christy Lee Platform.

⁶ Currently, at least four other platforms in Cook Inlet are being maintained in this lighthouse state pending future removal.

with all present and future Coast Guard regulations and orders applicable to the Christy Lee Platform.

- Remediate contaminated soil to the satisfaction of the regulating agencies. Soil remediation may involve a multi-year program and is subject to agreements with regulating agencies.

CIPL is seeking approval now in order to be able to begin decommissioning activities on or about January 1, 2019. The following key issues must be considered in the decommissioning effort:

- Portions of the work must be executed during the winter because access is limited to frozen ground or low water table.
- ADEC requires that facilities and pipelines must be free of hydrocarbons within one year of being removed from service.
- The system piping and tanks to be decommissioned will contain approximately 100,000 barrels of crude oil constituting line fill and tank bottoms that cannot be shipped to a market (marine tanker) by the normal shipping process.
- The quantity of, and regulatory requirements for, soil remediation is unknown at this time and likely will not be known until decommissioning activities have begun.

- The duration of the decommissioning effort has not been established and will depend at least in some part on the conditions discovered during the decommissioning activities themselves and the regulatory agency requirements.
- Delaying the dismantlement and removal of the Christy Lee Platform until such time as other Cook Inlet platforms must be removed will result in a significantly lower per-unit cost than if the Christy Lee Platform is removed in isolation on its own.

Pursuant to Section I.7 of CIPL's currently-effective tariff Settlement Agreement dated April 11, 2001, as amended ("Settlement Agreement"),⁷ CIPL maintains a dismantlement, removal and restoration ("DR&R") account (the "DR&R Fund") with a current balance of approximately \$24 million.⁸ CIPL estimates that the present cost of decommissioning all current CIPL facilities (not just those addressed by this Application) is \$36.1 million.⁹ While the current projected decommissioning cost for the whole

⁷ The Settlement Agreement was accepted by the Commission in Order P-92-005(31)/P-95-004(17).

⁸ The Settlement Agreement does not address the use of the money in the DR&R Fund.

⁹ A copy of CIPL's most recent Decommissioning Study dated May 24, 2018 is filed under seal with this Application as Exhibit B. The study is being filed on a confidential basis in order not to give contractors information about the cost breakdown of different parts of the work which will need to be bid out.

system exceeds the amount currently available in the DR&R Fund,¹⁰ CIPL has provided the State of Alaska affiliate guaranties and other assurances of financial responsibility sufficient to cover the gap between the amount available in the account and the total cost.

Accordingly, CIPL is also requesting authority to begin drawing from its DR&R Fund to pay for the DR&R activities described in this Application. CIPL proposes to provide annual accounting of DR&R expenditures and proposed decommissioning plans with cost forecasts for the upcoming year, in conjunction with the annual tariff rate filing each year.

Currently, CIPL anticipates spending approximately \$300,000 in 2018 on engineering & project planning. The most recent high level Decommissioning Study estimates the cost of the near term scope of work, to decommission all facilities south of Trading Bay Junction, excluding removal of the Christy Lee Platform, to be \$21 million (P50 estimate derived from a probabilistic evaluation of possible outcomes).¹¹

III. PUBLIC INTEREST STATEMENT

As explained in detail in Sections VI and VII of the Application in Docket P-17-007, the Reconfiguration Plan, including this Application, is in the best interest of the

¹⁰ Under section II.16 of the Settlement Agreement, CIPL stopped collecting for DR&R in its rates from 2000 through March 2008. Under the Second Amendment to the Settlement Agreement dated as of July 14, 2009 and accepted by the Commission in Order P-07-5(15)/P-08-3(11)/P-08-7(13)/P-09-1(4), CIPL was again allowed to collect for DR&R in its rates beginning April 1, 2008. The DR&R allowance was reduced to zero again as of April 1, 2016 in the Third Amendment to the Settlement Agreement which was accepted by the Commission in Order P-15-021(3).

¹¹ See Exhibit B.

public. The Reconfiguration Plan will, among other things, result in improved safety and operating efficiency, as well as substantial economic benefits to oil and gas pipeline shippers, oil producers and refiners, the State, and the general public, as it will allow CIPL to operate more safely, efficiently, and cost-effectively.

Upon completion of the Reconfiguration Plan and after the reconfigured oil transportation system has become operational, the portion of the CIPL system south of Trading Bay Junction, including the 20 mile-long, 20 inch Trading Bay Junction to Drift River Terminal pipeline segment, the dual 30 inch, 2.7 mile-long offshore oil pipelines extending from the Drift River Terminal to the offshore Christy Lee Platform, the Drift River Terminal itself, and the off-shore Christy Lee Platform will no longer be required. Permanently discontinuing the use of, and decommissioning, these portions of CIPL's infrastructure will reduce the environmental hazards inherent in the marine transport of crude oil by tankers and the storage of large volumes of crude oil below an active volcano. The proposed system modifications will also substantially reduce the amount of oil that is stored in any one location, thereby mitigating the risk of a large spill of stored oil. The decommissioning of this portion of the CIPL system will also significantly reduce the operating cost of CIPL and thus the transportation tariff. This is a primary general benefit of the Reconfiguration Plan.

Allowing access to the DR&R Fund is necessary in order to pay for the DR&R activities proposed by this Application. Indeed, that is the purpose and intended function

of the DR&R Fund. Use of the money in that account is appropriate and necessary in order to accomplish the proposed DR&R of a large part of the CIPL system.

This Application is a key component of the Reconfiguration Plan, and the granting of this Application is required for present and future public convenience and necessity as it is in the best interest of the public for all the reasons explained in the Reconfiguration Applications.

IV. STATUTORY REQUIREMENTS

The Pipeline Act requires the Commission's prior approval to permanently discontinue the use of a pipeline or any portion thereof which is subject to the Act:

A pipeline carrier may not abandon or permanently discontinue use of all or any portion of a pipeline or abandon or discontinue any service rendered by means of a pipeline that is the subject of a certificate of convenience and necessity, without the permission and approval of the commission, after due notice and hearing, and a finding by the commission that continued service is not required by public convenience and necessity.

...

The commission may authorize temporary suspension of a service or of part of a service.

AS 42.06.290(a).

V. REGULATORY REQUIREMENTS¹²

1. Applicant's Contact Information

Cook Inlet Pipe Line Company, c/o:
Harvest Alaska, LLC
3800 Centerpoint Drive

¹² Information Required by 3 AAC 48.625(a).

Suite 1400
Anchorage, Alaska 99503
Attn: Richard Novcaski, Vice President
(907) 777-8300
rnovcaski@hilcorp.com

2. Operator's name and address

Upon approval of the Reconfiguration Application and related applications, the name and address of the operator of the CIPL Pipeline will be:

Cook Inlet Pipe Line Company, c/o:
Harvest Alaska, LLC
3800 Centerpoint Drive Suite 1400
Anchorage, Alaska 99503
Attn: Richard Novcaski, Vice President
(907) 777-8300
rnovcaski@hilcorp.com

3. Statement of Authority Requested

CIPL requests that the Commission issue an order permitting it to permanently discontinue use of and decommission facilities south of Trading Bay Junction, including those portions extending out to the Christy Lee Platform, and to abandon in-place the Christy Lee Platform itself until such time as other Cook Inlet platforms must also be dismantled and removed. The facilities will be decommissioned to the satisfaction of the land owners and regulating agencies having jurisdiction. CIPL also requests that the Commission authorize it to use the funds in the DR&R Fund for this purpose, subject to annual reporting to the Commission of DR&R project spending and projected activities and costs.

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4. Citation of Authorizing Statutes and Regulations

AS 42.06.290(a); 3 AAC 48.625.

5. Proposed Service to be Discontinued and Facilities to be Abandoned

This Application proposes to discontinue oil transport and storage service via the Trading Bay Junction to Drift River Segment of CIPL, including the offshore portion extending from the Drift River Terminal to the Christy Lee Platform; the Drift River Terminal itself, and the Christy Lee Platform; and to decommission each of the same.

a. Map of Pipeline Route, Location of Facilities, Receipt and Delivery Points

See Exhibit I to its Application in Docket P-17-007.

b. Pipeline Length and Diameter

The Trading Bay Junction to Drift River Segment of pipeline consists of a 20-mile, 20-inch pipeline running from Trading Bay Junction to the Drift River Terminal, plus dual 2.7 mile-30-inch offshore oil pipelines extending from the Drift River Terminal to the Christy Lee Platform.

c. Capacity and Projected Life

Not applicable, as this Application proposes to discontinue service.

d. Right-of-Way Agreements

Not applicable, as this Application proposes to discontinue service.

6. Cost Estimates

The currently estimated present cost of decommissioning the entire CIPL system is approximately \$36.1 million. See the Decommissioning Study dated May 24, 2018 and marked as Exhibit B, filed under seal as a confidential exhibit with this Application. The currently estimated cost of decommissioning the Trading Bay Junction to Drift River Segment of CIPL, the offshore portion extending from the Drift River Terminal to the Christy Lee Platform, and the Drift River Terminal itself, excluding the Christy Lee Platform, is approximately \$21 million. See Exhibit B.

7. Applicant's Willingness and Ability to Provide the Proposed Service, and Financial Statements

Not applicable, as this Application does not propose new construction, the transfer of a CPCN, or the transfer of a controlling interest.

8. Identification of Applicant's Ownership Interests

CIPL is wholly-owned by Harvest Alaska, LLC. Harvest Alaska, LLC is wholly-owned by Hilcorp Alaska, LLC, which is wholly-owned by Hilcorp Energy I, L.P., a Texas limited partnership. Pursuant to 3 AAC 48.625(b), CIPL refers to the corporate ownership organization chart attached as Exhibit U to its Application in Docket P-17-007.

9. Names and Addresses of Applicant’s Affiliates

Pursuant to 3 AAC 48.625(b), CIPL refers to Dockets P-12-021/P-12-022, P-12-020, P-11-015, and Dockets P-14-014/P-14-015/P-14-016/P-14-017/P-14-018, which contain the information responsive to this subsection.

10. Location of Applicant’s Books and Records

Pursuant to 3 AAC 48.625(b), CIPL refers to Dockets P-12-021/P-12-022, P-12-020, P-11-015, and Dockets P-14-014/P-14-015/P-14-016/P-14-017/P-14-018, which contain the information responsive to this subsection.

11. Key CIPL Management Personnel

Sean Kolassa, President

Shelbie Dezell, Vice President and Chief Financial Officer

Ann M. Kaesermann, Vice President and Treasurer

Rich Novcaski, Vice President

Marc Bond, Secretary

Pursuant to 3 AAC 48.625(b), Applicants refer to Dockets P-12-021/P-12-022, P-12-020, P-11-015, Dockets P-14-014/P-14-015/P-14-016/P-14-017/P-14-018, P-15-011, and its Application in Docket P-17-007, which contain experience summaries.

12. Description and Analysis of Projected Changes:

As explained in detail *supra* and in the Reconfiguration Application at Docket P-17-007, CIPL proposes to permanently discontinue use of and decommission the Trading

Bay Junction to Drift River Terminal Segment of CIPL, the Drift River Terminal facilities, and the Drift River Terminal to Christy Lee Platform pipelines. The Christy Lee Platform will be dismantled and removed at such time in the future as other platforms in Cook Inlet must also be dismantled and removed.

13. Persons Affected If Application Is Granted

a. CIPL Shippers

- (1) Hilcorp Alaska
- (2) Cook Inlet Energy/Glacier Oil

b. Others

- (1) State of Alaska
- (2) Tesoro Alaska Company LLC

14. Authorization for Public Notice of Application

By verifying this Application, CIPL hereby authorizes the RCA to arrange public notice of this Application to interested parties by publication in newspapers of general circulation, for which Applicants agree to pay the cost of publication. A form of public notice is attached as Exhibit C hereto. Confirmation of CIPL's account for the publication is attached as Exhibit D hereto.

VI. CONCLUSION

CIPL respectfully requests that the Commission issue an order allowing it to permanently discontinue use of and decommission the CIPL system south of Trading Bay

Junction, including the Drift River Terminal and all associated pipelines. The Christy Lee Platform will remain in place until such time that removal can be incorporated with other off-shore removal mobilizations. CIPL also requests that the Commission issue an order allowing CIPL to access its DR&R Fund to pay for the DR&R activities approved by the Commission.

DATED at Anchorage, Alaska this 5th day of June, 2018.


GUESS & RUDD P.C.
Counsel for the Applicant,
Cook Inlet Pipe Line Company

By s/Michael S. McLaughlin
Michael S. McLaughlin
Alaska Bar No. 8511137
Adam D. Harki
Alaska Bar No. 1411095
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1029 W 3rd Avenue, Suite 400
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TEL: (907)793-2200
FAX: (907)793-2299
mmclaughlin@guessrudd.com
aharki@guessrudd.com

VERIFICATION


STATE OF ALASKA)
)
THIRD JUDICIAL DISTRICT) ss.

Richard Novcaski, being first duly sworn, on oath deposes and says that he is the Vice President of Cook Inlet Pipe Line Company, the applicant herein; and that he has read the foregoing application and is familiar with the contents thereof; and that the statements therein contained are true to the best of his knowledge, information and belief.

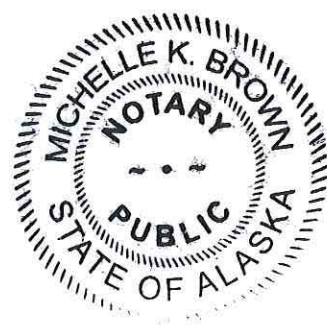


Richard Novcaski

SUBSCRIBED AND SWORN TO before me this 4th day of June, 2018.



Notary Public in and for Alaska
My commission Expires: 7-9-19



CIAL ROW

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157 PAGE 336
Alaska Recording District

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF LANDS

Form No. DL 72

B & P

ADL No. 33333

RIGHT-OF-WAY PERMIT

THIS AGREEMENT made and entered into this 13th day of November, 1967, by and between the STATE OF ALASKA, acting by and through the Department of Natural Resources, Division of Lands, hereinafter referred to as the grantor and COOK INLET PIPE LINE COMPANY hereinafter referred to as the permittee.

WITNESSETH, that in accordance with the provisions of Sec. 38.05.330, A.S. and the rules and regulations promulgated thereunder, the permittee having filed an application for a right-of-way for: Crude Oil Pipelines

with the Division of Lands together with a map showing the definite location thereon of the line of right-of-way which the permittee has adopted and agrees to be the specific and definite location of the aforesaid right-of-way, and

WHEREAS, it is understood and agreed by the permittee herein that, as a condition to the granting of the right-of-way applied for, the land covered by said right-of-way shall be used for no purpose other than the location, construction, operation and maintenance of the said right-of-way over and across the following described State lands, to wit:

As shown on drawings "Pipeline ROW Drift River to Granite Point - A portion of Township 6 North, Range 17 West; Township 6 North, Range 16 West; Township 7 North, Range 16 West; Township 8 North, Range 16 West; Township 8 North, Range 15 West; Township 8 North, Range 14 West; Township 9 North, Range 15 West; Township 9 North, Range 14 West; Township 10 North, Range 14 West; Township 10 North, Range 13 West;

(Continued on page 4)

running 43.8 miles ~~feet~~ in length and/or containing 265.7 acres, more or less and shall extend a width of 25 feet on either side of the center line of said location.

TO HAVE AND TO HOLD the same until the above described land shall no longer be used for the above-mentioned purpose and subject to conditions and reservations elsewhere set forth herein.

The sketch map revealing the right-of-way granted herein shall be attached hereto and made a part hereof.

In the event that the right-of-way herein granted shall in any manner conflict with or overlap a previously granted right-of-way the permittee herein shall use this right-of-way in such a manner as not to interfere with the peaceful use and enjoyment of the previously issued right-of-way and no improvements shall be constructed by the permittee herein upon the overlapping area unless the consent therefor has first been obtained from the permittee under the pre-existing right-of-way.

The permittee in the exercise of the rights and privileges granted by this indenture shall comply with all regulations now in effect or as hereafter

*Return to
Cook Inlet Pipeline Co.
P.O. Box 41-11
Anchorage, Alaska 99503*

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established by the Division of Lands and all other Federal, State or municipal laws, regulations or ordinances applicable to the area herein granted.

Upon abandonment, termination, revocation or cancellation of this indenture, the permittee shall within 90 days remove all structures and improvements from the area herein granted, except those owned by the grantor, and shall restore the area to the same or similar condition as the same was upon the issuance of this permit. Should the permittee fail or refuse to remove said structures or improvements, within the time allotted, they shall revert to and become the property of the grantor. However, the permittee shall not be relieved of the cost of the removal of the structures, improvements and/or the cost of restoring the area. Provided further, however, that the grantor, in his discretion, may alter or modify the requirements contained in this provision if it is to the best interest of Alaska to do so.

The permittee shall utilize the lands herein granted consistent with the purposes of the proposed use, as revealed by the application therefor, and shall maintain the premises in a neat and orderly manner and shall adopt and apply such safety measures as shall be necessary, proper and prudent with respect to the use to which the land is subjected.

The permittee shall take all reasonable precaution to prevent and suppress brush and forest fires. No material shall be disposed of by burning in open fire during the closed season unless a permit therefor has first been obtained from the agency empowered by law to issue such permits.

Prior to any construction or development that will use, divert, obstruct, pollute or utilize any of the waters of the State, the permittee shall first obtain approval therefor from the Commissioner of the Department of Fish and Game and file an image copy thereof with the grantor.

Any lands included in this permit which are sold under a contract to purchase shall be subject to this permit. Upon issuance to title to the purchaser, this permit shall remain in effect until its date of expiration.

In case the necessity for the right-of-way shall no longer exist, or the permittee should abandon or fail to use the same, then this permit shall terminate.

The State of Alaska shall be forever wholly absolved from any liability for damages which might result to the permittee herein on account of this permit having been cancelled, forfeited, or terminated prior to the expiration of the full time for which it was issued.

NOW THEREFOR, in accordance with the provisions of Sec. 38.05.330 A.S. and the rules and regulations promulgated thereunder and in accordance with the conditions heretofore set forth or attached hereto and made a part hereof, the permittee herein is hereby authorized to locate, construct, operate and maintain said right-of-way over and across the lands herein described.

*72 numbered
38.05.330*

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BOOK 157 PAGE 338
Fairbanks Recording District

IN WITNESS WHEREOF, the said grantor has caused these presents to be signed in duplicate and the permittee herein has hereunto affixed his signature on the day and year first above written.

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES

By: *Kenneth H. Hallback*
~~Director~~, Division of Lands
Acting Lands Officer

Cook Inlet Pipe Line Co.

J. S. Black
Permittee

UNITED STATES OF AMERICA)
State of Alaska) ss.

This is to certify that on the 19th day of December, 1967 before me, the undersigned Notary Public, personally appeared Kenneth H. Hallback known to me and known by me to be the Acting LANDS OFFICER of the Division of Lands of the Department of Natural Resources, and acknowledged to me that he executed the foregoing instrument for and on behalf of said State, freely and voluntarily and for the use and purposes therein set forth.

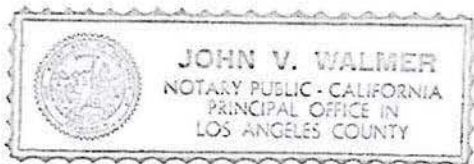
IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

J. S. Black
Notary Public in and for the State of
Alaska
My commission expires Sept 1, 1970

UNITED STATE OF AMERICA)
State of ~~Alaska~~ California) ss.

This is to certify that on this 15th day of December, 1967 before me, the undersigned, a Notary Public in and for ~~Alaska~~ California duly commissioned and sworn, personally appeared J. S. Black to me personally known to be one of the persons described in and who executed the within instrument and the said J. S. Black acknowledged to me that he signed and executed the same freely and voluntarily for the uses and purposes therein mentioned.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.



John V. Walmer
Notary Public in and for the State of
~~Alaska~~ California
My commission expires My Commission Expires July 21, 1968

Miss
157 339
George Harding Estate

CONTINUED FROM PAGE 1

Township 11 North, Range 13 West; and Township 11 North, Range 12 West,
Seward Meridian" by F. M. Lindsey & Associates as approved 7/18/67
(File No. 44-1 thru 44-11).

Subject to special stipulations on page 5.


msc
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Alaska Title Guaranty Co.

The permittee accepts this permit with the express understanding that the same is conditional in nature. The Grantor has either selected the lands over which this right of way is to traverse or intends to select the same and reasonably believes that it will ultimately be vested with title thereto. Upon title being vested in the Grantor this permit shall become an unconditional right in the permittee subject, however, to all other terms and conditions stipulated herein. In the event, however, that the Grantor does not receive title to the lands herein described then this permit shall become null and void and it shall then become the obligation of the permittee to either abandon said right of way or initiate such action as shall be necessary to procure a right of way from other source or sources having the power to grant such permit over the lands herein described.

Attached to and made a part of right of way permit ADL 33333 dated
November 13, 1967.

Accepted:

Cook Inlet Pipe Line Co.


Permittee

Date: December 15, 1967

68-002043

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RECORDED & FILED
ALASKA TITLE GUARANTY COMPANY
DISTRICT

FEB 14 4 27 PM '68

RECORDED BY _____

ADDRESS _____ ALASKA TITLE GUARANTY COMPANY

LAND USE PERMIT
KPB 17.10.180

The Kenai Peninsula Borough, an Alaska municipal corporation, whose address is 144 N. Binkley Street, Soldotna, AK 99669-7599 (hereinafter called "KPB"), hereby permits Cook Inlet Pipe Line Company (hereinafter called "PERMITTEE"), whose address is 3800 Centerpoint Drive, Suite 1400, Anchorage, AK 99503 to use the following described real property (hereinafter called "PROPERTY"):

Parcel ID: 211-260-20, T9N, R14W, Section 07, S.M., AK;
Parcel ID: 211-250-05, T9N, R15W, Section 36, S.M., AK;
Parcel ID: 211-260-25, T9N, R14W, Section 31, S.M., AK;
Parcel ID: 211-260-26, T9N, R14W, Section 32, S.M., AK;
Parcel ID: 211-250-31, T9N, R15W, Section 25, S.M., AK;
A portion of Parcel ID: 221-030-01, being the E½E½, Section 3, and the N½,
Section 2, T8N, R15W,S.M., AK

as shown on Attachment A, attached hereto and incorporated by reference;

for the purpose of : Vegetation clearing and temporary ice road construction to access a 20-inch oil pipeline for inspection and repair purposes (hereinafter called "ACTIVITIES") located on the above described PROPERTY, and further described in Section 6.

SUBJECT TO the following terms and conditions:

1. PERMIT:

This permit conveys to PERMITTEE no interest in the PROPERTY, and in no way constitutes a preference to PERMITTEE for sale, lease, or permit renewal of this PROPERTY. This permit is revocable immediately for cause without notice. It is issued for authorized purposes to PERMITTEE. The permit represents a non-exclusive privilege authorizing special use of KPB land.

Violation of permit conditions or the conduct of activities not authorized by this permit will result in permit revocation and may result in a claim for damages by KPB and other civil or criminal penalties as applicable under law. PERMITTEE shall remove all chattels or improvements placed on the land by PERMITTEE within 30 days of permit revocation. KPB may, at its option, direct that all activity under this permit stop until a violation of the permit conditions is corrected. Continued activity after notice to stop will be deemed a trespass by KPB.

KPB reserves the right to permit other land use in the permit area, provided KPB determines that such use will not unduly impair the PERMITTEE'S ACTIVITIES. Should circumstances warrant, this permit may be modified or suspended in writing by KPB to protect resources, health, safety, and the environment.

2. PERMIT TERM:

This permit is valid from September 10, 2014 through September 9, 2019. This permit is revocable for cause by KPB. If PERMITTEE wishes to terminate the permit prior to the end of the term, PERMITTEE must provide written notice 14 days prior to termination date and comply with the provisions of this permit prior to the termination date. PERMITTEE is not entitled to a pro rata refund of the permit fee.

3. DEFENSE AND INDEMNIFICATION:

The PERMITTEE shall indemnify, defend, save and hold the borough, its elected and appointed officers, agents and employees, harmless from any and all claims, demands, suits, or liability of any nature, kind or character including costs, expenses, and attorney fees resulting from PERMITTEE's performance or failure to perform in accord with the terms of this permit in any way whatsoever. The PERMITTEE shall be responsible under this clause for any and all claims of any character resulting from PERMITTEE or PERMITTEE's officers, agents, employees, partners, attorneys, suppliers, and subcontractors' performance or failure to perform this agreement in any way whatsoever. This defense and indemnification responsibility includes claims alleging acts or omissions by the borough or its agents which are said to have contributed to the losses, failure, violations, or damage. However, PERMITTEE shall not be responsible for any damages or claims arising from the sole negligence or willful misconduct of the borough, its agents, or employees.

4. LIABILITY INSURANCE:

PERMITTEE shall purchase at its own expense and maintain in force at all times during the term of this permit the following insurance policies:

Commercial General Liability, Automobile Insurance for any automobiles operated by the PERMITTEE, and Environmental Liability Insurance. Policy to include bodily injury, personal injury, and property damage with respect to the property and the ACTIVITIES conducted by PERMITTEE in which the coverage shall not be less than \$1,000,000.00 per occurrence or such higher coverage as specified by KPB. The policy purchased shall name KPB as an additional insured with respect to the ACTIVITIES conducted on the property. Permittee shall notify KPB with thirty (30) days or more advanced written notice of any pending cancellation of change in coverage.

Proof of Insurance: PERMITTEE shall deliver to KPB certificates of insurance. This insurance shall be primary and exclusive of any other insurance held by KPB. Failure to provide insurance as required by this section, or a lapse in coverage, is a material breach of the permit terms entitling KPB to revoke the permit. Upon renewal of insurance coverage during the contract, certificates of insurance shall be delivered to the KPB's address shown hereon.

5. TRANSFER:

This permit may not be transferred or assigned without prior written approval by the KPB Planning Director.

6. ACTIVITIES:

ACTIVITIES allowed under this permit are: create temporary ice-road access routes to conduct pipeline inspection and repair activities as described in the Project Description 2014 Cook Inlet Pipe Line 20-Inch Oil Pipeline Inspection and Repair Activities, made a part of this permit by reference.

All ACTIVITIES shall be conducted in a manner that will minimize land disturbance and will not cause a change in the character of the land or damage water courses, shorelines, or natural drainage patterns.

PERMITTEE shall be liable for damage to any KPB owned property resulting from this activity. Damages resulting from the ACTIVITIES shall be restored, repaired or replaced by PERMITTEE at PERMITTEE'S expense; failure to repair damages subjects PERMITTEE to all available remedies KPB has at law or equity. The election of one remedy will not prohibit KPB from pursuing any and all of the available remedies.

All ACTIVITIES shall avoid harming or disturbing bald eagles or their nest sites in accordance with the Bald Eagle Protection Act (16 USC 668).

In addition to the above, PERMITTEE'S ACTIVITIES shall conform to the following conditions:

- A. FIREWOOD COLLECTION. Cutting of live trees or vegetation is prohibited for use as firewood. The gathering of wood from dead and down trees on the PROPERTY is allowed within the course of ACTIVITIES listed.
- B. OPEN FIRES. Open fires on the PROPERTY are prohibited.
- C. TEMPORARY STRUCTURES. Only temporary structures may be placed on the PROPERTY and shall be located not less than seventy-five (75) feet from the mean or ordinary high water mark of all lakes, streams, or other bodies of water. Temporary structures are defined as being removable within forty-eight (48) hours notice.
- D. SANITATION. The PROPERTY shall be kept in a clean and sanitary condition and every effort shall be made to prevent the pollution of waters. Sanitary facilities shall be in accordance with the State of Alaska, Department of Environmental Conservation regulations.

- E. SAFETY. PERMITTEE is responsible for the safety of all persons conducting ACTIVITIES on the PROPERTY under this permit. PERMITTEE agrees to provide clientele with information regarding rules and regulations and other information pertaining to the PROPERTY and the permit.

7. PROHIBITIONS:

PERMITTEE agrees to the following prohibitions:

- A. VEGETATION. There shall be no clearing of trees, shrubs or vegetation without prior written approval from KPB except as necessary for temporary ice road construction as provided for in Project Description 2014 Cook Inlet Pipe Line 20-Inch Oil Pipeline Inspection and Repair Activities.
- B. WASTE BURIAL. The burial of waste or trash is prohibited. Waste must be transported off site daily.
- C. STORAGE. Storage of explosives, charges, or petroleum products is allowed in amounts necessary for activities required on the property only upon condition that PERMITTEE exercise proper care, handling, and safe and proper storage. Fuel may not be placed within 100 feet of any wetland or the mean or ordinary high water mark of any lakes, streams, or other bodies of water. Fuel must be stored in leak proof containers and placed within a secondary containment, impermeable berms and basins capable of retaining 155 percent of storage capacity plus 12 inches of free board to minimize uncontained spills or leaks.
- D. ACCESS. PERMITTEE shall not restrict public access to State waters or KPB owned land except as necessary to create safe working conditions to perform the permitted activities, protect personal property or public safety.
- E. PUBLIC USE. PERMITTEE may not restrict public use of the shorelines.
- F. SURVEY MONUMENTS. All survey monuments, witness corners, reference monuments, mining claims posts, bearing trees and subdivision monumentation shall be protected against destruction, obliteration or damage. Any damaged or obliterated markers shall be reestablished by PERMITTEE in accordance with accepted survey practice of KPB.
- G. RIGHTS-OF-WAY. Activities within borough rights-of-ways must comply with KPB Title 14, and requires a permit from the KPB Road Maintenance Department.
- H. STREAMS AND RIVERS. There shall be no discharge of explosives within the distances as imposed by the State of Alaska, Department of Fish and

Game for rivers and streams. Activities within fifty horizontal feet of streams designated anadromous by the borough must comply with KPB Title 21.18.

8. CULTURAL RESOURCES:

PERMITTEE shall not disturb historic or prehistoric resources. Should previously undiscovered artifacts or areas of historic, prehistoric or archaeological importance be discovered, the site shall be protected from further disturbance and PERMITTEE shall immediately cease activities and report such discovery to both the KPB and the State Historic Preservation Office.

9. WILDFIRES:

PERMITTEE shall take immediate action to suppress uncontrolled fires and report them to the proper authorities as soon as possible.

10. LOCATION:

PERMITTEE is responsible for properly locating personnel and associated ACTIVITIES on the PROPERTY.

11. SUITABILITY:

KPB does not represent or guarantee the safety, suitability, or condition of the PROPERTY for any purpose for which PERMITTEE is using the PROPERTY. It is solely PERMITTEE'S responsibility to determine the value and suitability of the PROPERTY for authorized uses.

12. INSPECTIONS:

Authorized agents of KPB shall have access at all times to the PROPERTY.

At times when the PROPERTY is in use, PERMITTEE shall have a representative available to receive, on behalf of PERMITTEE, any notices and instructions given by authorized KPB personnel in regard to performance under this permit and to take such action as required by the terms of this permit.

PERMITTEE shall maintain on file with KPB the name, title, address, and telephone number of an individual with overall authority for ACTIVITIES under this permit, and who shall be the point of contact for routine and emergency notices, information and correspondence, relative to this permit.

Prior to termination of this permit and release of bond, if any, PERMITTEE shall transport authorized Borough agent(s) for required final inspection.

13. EXPIRATION:

On or before the expiration date of the permit, PERMITTEE shall remove all trash, waste, materials, equipment, and other personal property PERMITTEE has placed or caused to be placed on the PROPERTY. If materials, equipment, or personal property are not removed by the expiration date, they may become the property of KPB and may be used or otherwise disposed of by KPB without obligation to PERMITTEE.

14. ENVIRONMENTAL HAZARDS:

PERMITTEE shall not keep any hazardous materials or create any environmental hazards for the public or PERMITTEE'S clientele on the PROPERTY. The defense and indemnification clause set forth in Section 3 of this agreement specifically extends to violations of this section.

15. NOTICES:

All notices shall be sent to both parties as follows:

KENAI PENINSULA BOROUGH
Planning Director
144 N. Binkley Street
Soldotna, AK 99669-7599

PERMITTEE:
Cook Inlet Pipe Line Company
3800 Centerpoint Drive, Suite 1400
Anchorage, AK 99503

16. PERMIT FEES:

A non-refundable annual land use permit fee of \$400.00 shall be submitted prior to KPB's signature. Thereafter the annual fee is due on or before September 10 of each permit year.

17. TAXES:

Any taxes levied due to assessment of land use or activities shall be paid by PERMITTEE.

18. SEVERABILITY:

Any provision or clause of this permit that is deemed invalid by a court or otherwise by law shall not affect the validity of the remainder of the agreement.

19. GOVERNING LAW; JURISDICTION:

This agreement shall be governed by the laws of the State of Alaska. Any legal action brought in court regarding this permit shall be filed with the trial courts of

20. Alaska, Third Judicial District at Kenai.
LAWS AND PERMITS:

PERMITTEE shall abide by all applicable federal, state, city, and borough statutes, ordinances, rules, and regulations. PERMITTEE is responsible for obtaining all federal, state, and local permits applicable to the PERMITTEE's activities and keeping such permits in good standing.

21. NO PARTNERSHIP:

No provision of this permit shall be construed to create a partnership or joint venture or any other arrangement between KPB and PERMITTEE where KPB would be in any way responsible for debts, losses, or liabilities of PERMITTEE.

22. WAIVER:

A waiver by KPB of any of the provisions of this permit shall not be construed as a continuing waiver of a provision, or a waiver of any other provisions of the permit. Any waivers of the permit conditions shall be done in writing signed by both parties.

23. ENTIRE PERMIT:

This document sets forth the entire permit granted; no representations or promises not contained in this document have been made by KPB. No modification to this permit is binding unless in writing and executed by both parties.

24. CAPTIONS:

The captions and headings used in this permit are for convenience only and do not alter or construe the text of the section.

25. CONSTRUCTION:

This permit shall be interpreted according to its fair meaning and intent, and not for or against either party.

26. REQUIREMENTS:

Within 10 days of completing permitted activities the PERMITTEE shall provide KPB with representative before-and-after geo-referenced photos on impacted borough land.

27. SIGNATURE:

PERMITTEE is signing this permit of PERMITTEE'S own free will after having had the opportunity to review the same with counsel of PERMITTEE'S choice.

This permit is effective upon KPB's receipt of the permit fee, proof of insurance, and the fully executed permit containing the original signatures of both parties below.

IN WITNESS WHEREOF, the parties hereto have set their hands the day stated in the acknowledgments below.

PERMITTOR:
Kenai Peninsula Borough

Mike Navarre, Mayor

PERMITTEE:
Cook Inlet Pipe Line Company

Sign Name Ann Kaeserman

Print Name Ann Kaeserman

Title Vice President

Sign Name Marc Bond

Print Name Marc Bond

Title Secretary

ATTEST:

Johni Blankenship, Borough Clerk

NOTARY ACKNOWLEDGMENTS

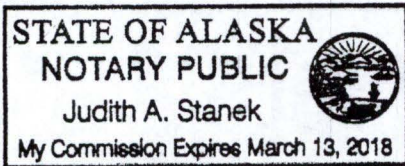
STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2014, by **Mike Navarre**, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on behalf of the corporation.

Notary Public in and for Alaska
Commission Expires: _____

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

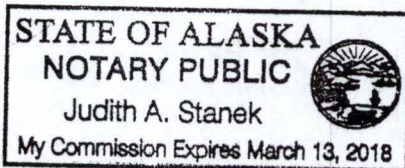
The foregoing instrument was acknowledged before me this 11th day of September 2014, by Ann Kaesermann, the Vice President of **Cook Inlet Pipe Line Company**, for and on behalf of the corporation.



Judith A. Stanek
Notary Public for State of Alaska
Commission Expires: 3/13/2018

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 22nd day of September 2014, by Marc Bond, the Secretary of **Cook Inlet Pipe Line Company**, for and on behalf of the corporation.



Judith A. Stanek
Notary Public for State of Alaska
Commission Expires: 3/13/2018

Kenai Peninsula Borough

144 N. Binkley
Soldotna, Alaska 99669-7599

BUSINESS: (907) 714-2197 or (907) 714-2175
FAX: (907) 714-2376



TAX COMPLIANCE CERTIFICATION

FILL IN ALL INFORMATION REQUESTED, SIGN AND DATE, AND SUBMIT WITH BID OR PROPOSAL

Reason for Certificate: Land Use Permit For (Dept.): Land Management
 Date Rec'd by Finance: _____ Business Name: Cook Inlet Pipe Line Company
 Owner Name(s): Cook Inlet Pipe Line Company a. Individual _____
 Business Mailing Address: 3800 Centerpoint Dr. Ste 1400, Anchorage, AK 99503 b. Corporation X
 Telephone: 907-777-8300 Fax: 907-777-8580 c. Partnership _____
 E-mail: jstaneke@hilcorp.com d. Other _____

As a business or individual, have you ever conducted business or owned real or personal property within the Kenai Peninsula Borough? Yes X No _____ (If yes, please supply the following account numbers and sign below. If no, please sign below.)
 Kenai Peninsula Borough Code of Ordinances, Chapter 5.28.140, requires that businesses/individuals contracting to do business with the Kenai Peninsula Borough be in compliance with Borough tax provisions. No contract will be awarded to any individual or business who is found to be in violation of the Borough Code of Ordinances in the several areas of taxation.

REAL/PERSONAL/BUSINESS PROPERTY ACCOUNTS

| Number | Account Name |
|--------|--------------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

| TAX ACCOUNTS/STATUS | |
|----------------------------------------|-------------|
| (TO BE COMPLETED BY BOROUGH PERSONNEL) | |
| YEAR LAST PAID | BALANCE DUE |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

Kenai Peninsula Borough Finance Dept (Signature Required)

Date _____ IN COMPLIANCE
 YES NO

SALES TAX ACCOUNTS

| Number | Account Name |
|--------|--------------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

| TAX ACCOUNTS/STATUS | | |
|----------------------------------------|-------|-------------|
| (TO BE COMPLETED BY BOROUGH PERSONNEL) | | |
| FILED THRU | M/F's | BALANCE DUE |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

Kenai Peninsula Borough Sales Tax (Signature Required)

Date _____ IN COMPLIANCE
 YES NO

I, Judy Staneke, the Landman, hereby certify that, to the best of my knowledge, the above
 (Name of Applicant) (Title)
 information is correct as of 9/24/2014.
 (Date) Judy Staneke
 (Signature of Applicant - Required)

*** IF ANY BUSINESS IS CONDUCTED OR IS AWARDED A BID WITHIN THE KENAI PENINSULA BOROUGH YOU MUST BE REGISTERED TO COLLECT SALES TAX. THE SALES TAX DEPARTMENT CAN BE REACHED AT (907) 714-2175.



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
09/12/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| | | | |
|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|--|---------------|
| PRODUCER Aon Risk Services Southwest, Inc. Houston TX Office 5555 San Felipe Suite 1500 Houston TX 77056 USA | CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): 800-363-0105 | | |
| | E-MAIL ADDRESS: | | |
| INSURED Cook Inlet Pipe Line Company 3800 Centerpoint Drive, Suite 100 Anchorage AK 99503 USA | INSURER(S) AFFORDING COVERAGE | | NAIC # |
| | INSURER A: Zurich American Ins Co | | 16535 |
| | INSURER B: American Zurich Ins Co | | 40142 |
| | INSURER C: Ironshore Specialty Insurance Company | | 25445 |
| | INSURER D: | | |
| | INSURER E: | | |

Holder Identifier :

COVERAGES **CERTIFICATE NUMBER:** 570055107733 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. **Limits shown are as requested**

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------------------------------------------------------------------|---------------|-------------------------|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER: | | | GL0475621603 | 04/16/2014 | 05/01/2015 | EACH OCCURRENCE \$5,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$5,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$5,000,000 GENERAL AGGREGATE \$10,000,000 PRODUCTS - COMP/OP AGG \$5,000,000 |
| A | AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS | | | BAP4756215-03 | 04/16/2014 | 05/01/2015 | COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) |
| | UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION | | | | | | EACH OCCURRENCE AGGREGATE |
| B | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | | <input type="checkbox"/> Y <input checked="" type="checkbox"/> N N/A | WC475621403 | 04/16/2014 | 05/01/2015 | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE-EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000 |
| C | Poll Legal Liab | | | 001214702 | 05/15/2014 | 05/01/2015 | Pollution Limit \$1,000,000 |

Certificate No : 570055107733

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: Land Use Permit KPB 17.10.180
 Certificate Holder is added as an Additional Insured excluding workers' Compensation and Employers' Liability as required by written contract but limited to the operations of the Insured under said contract, and always subject to the policy terms, conditions and exclusions.
 Waiver of Subrogation is granted in favor of Certificate Holder as required by written contract but limited to the operations of the Insured under said contract, and always subject to the policy terms, conditions and exclusions.
 Sudden and Accidental Pollution is included in the General Liability policy as per policy terms and conditions.

CERTIFICATE HOLDER**CANCELLATION**

| | |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Kenai Peninsula Borough 144 N. Binkley Soldotna AK 99669-7599 USA | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Southwest Inc</i> |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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ACORD 25 (2014/01)

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Hilcorp Alaska, LLC

Post Office Box 244027
Anchorage, AK 99524-4027

3800 Centerpoint Drive
Suite 1400
Anchorage, AK 99503

Phone: 907/777-8341
Fax: 907/777-8580
jstanek@hilcorp.com

September 24, 2014



Julie Denison
Land Management Technician
Kenai Peninsula Borough
144 N. Binkley
Soldotna, Alaska 99669-7599

RE: Cook Inlet Pipe Line Company Land Use Permit Renewal
KPB 17.10.180


Dear Ms. Denison:

Enclosed please find the Land Use Permit for the Cook Inlet Pipe Line Company, signed by Ann Kaesermann, Vice President and Marc Bond, Secretary. Also enclosed is the Certificate of Liability Insurance and the Tax Compliance Certification form. The check for \$400.00 will be sent separately.

Thanks so much for your help in processing this permit.

Sincerely,

HILCORP ALASKA, LLC



Judy Stanek
Landman

Enclosures

LAND USE PERMIT AMENDMENT
KPB 17.10.180

THIS AMENDS that certain Land Use Permit (hereinafter called "PERMIT") issued October 24, 2014 to Cook Inlet Pipe Line Company, whose address is 3800 Centerpoint Drive, Suite 1400, Anchorage, AK 99503 by the Kenai Peninsula Borough, an Alaska municipal corporation, whose address is 144 N. Binkley Street, Soldotna, AK 99669.

This document constitutes a modification to the PERMIT. All other terms and conditions of the above-referenced PERMIT are not affected by this amendment, and remain in full force and effect.

The following described activity has been added to the permit. This document constitutes a modification to the PERMIT. All other terms and conditions of the above-referenced PERMIT are not affected by this amendment, and remain in full force and effect.

1. Section 6 ACTIVITIES is hereby amended as follows:
ACTIVITIES allowed under this permit are: create temporary ice-road access routes to conduct pipeline inspection and repair activities as described in the Project Description 2014 Cook Inlet Pipe Line 20-inch Oil Pipeline Inspection and Repair Activities, made a part of this permit by reference. Additional activities include use of an additional 25' width along the pipeline right-of-way, serialized as ADL 33333, for off-road travel purposes, located within T09N-R15W, Section 36 and T08N-R15W, Section 3. Said additional activities to be conducted on frozen ground conditions only.

This amendment is hereby incorporated into and made part of the above-referenced PERMIT.

PERMITTOR:
Kenai Peninsula Borough



Marcus A. Mueller
Land Management Officer

PERMITTEE:
Cook Inlet Pipe Line Company

Sign Name: 

Print Name: Ed Jarock

Title: V.P. Pipeline Manager

Sign Name: 

Print Name: Am Kaeserman

Title: VP

LAND USE PERMIT AMENDMENT
KPB 17.10.180

THIS AMENDS that certain Land Use Permit (hereinafter called "PERMIT") issued October 24, 2014, to Cook Inlet Pipe Line Company, whose address is 3800 Centerpoint Drive, Suite 1400, Anchorage, AK 99503 by the Kenai Peninsula Borough, an Alaska municipal corporation, whose address is 144 N. Binkley Street, Soldotna, AK 99669.

The following described real property has been added to the permit:

- **211-260-27**
T 9N R 14W SEC 18 SEWARD MERIDIAN, AN 2011063, ACSC 2005-33
KUSTATAN RIDGE MUNICIPAL ENTITLEMENT SURVEY TRACT A

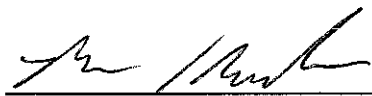
- **211-260-32**
T 9N R 14W SEC 2-32 SEWARD MERIDIAN, AN, SECS 2-5 & 8-10 & 16 & 17 & 20
& 29 & 30 & E1/2 OF SEC 19 EXCL ALL US SURVEYS

This document constitutes a modification to the PERMIT. All other terms and conditions of the above-referenced PERMIT are not affected by this amendment, and remain in full force and effect.

This amendment is hereby incorporated into and made part of the above-referenced PERMIT.

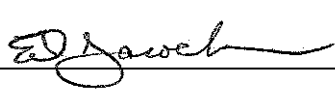
PERMITTOR:
Kenai Peninsula Borough

PERMITTEE:
Cook Inlet Pipe Line Company



Marcus A. Mueller
Land Management Officer

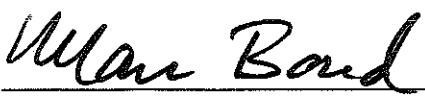
Date: 12-18-14

Sign Name 

Print Name Ed Jaroch

Title Vice President & Pipeline Manager

Date: 12-11-14

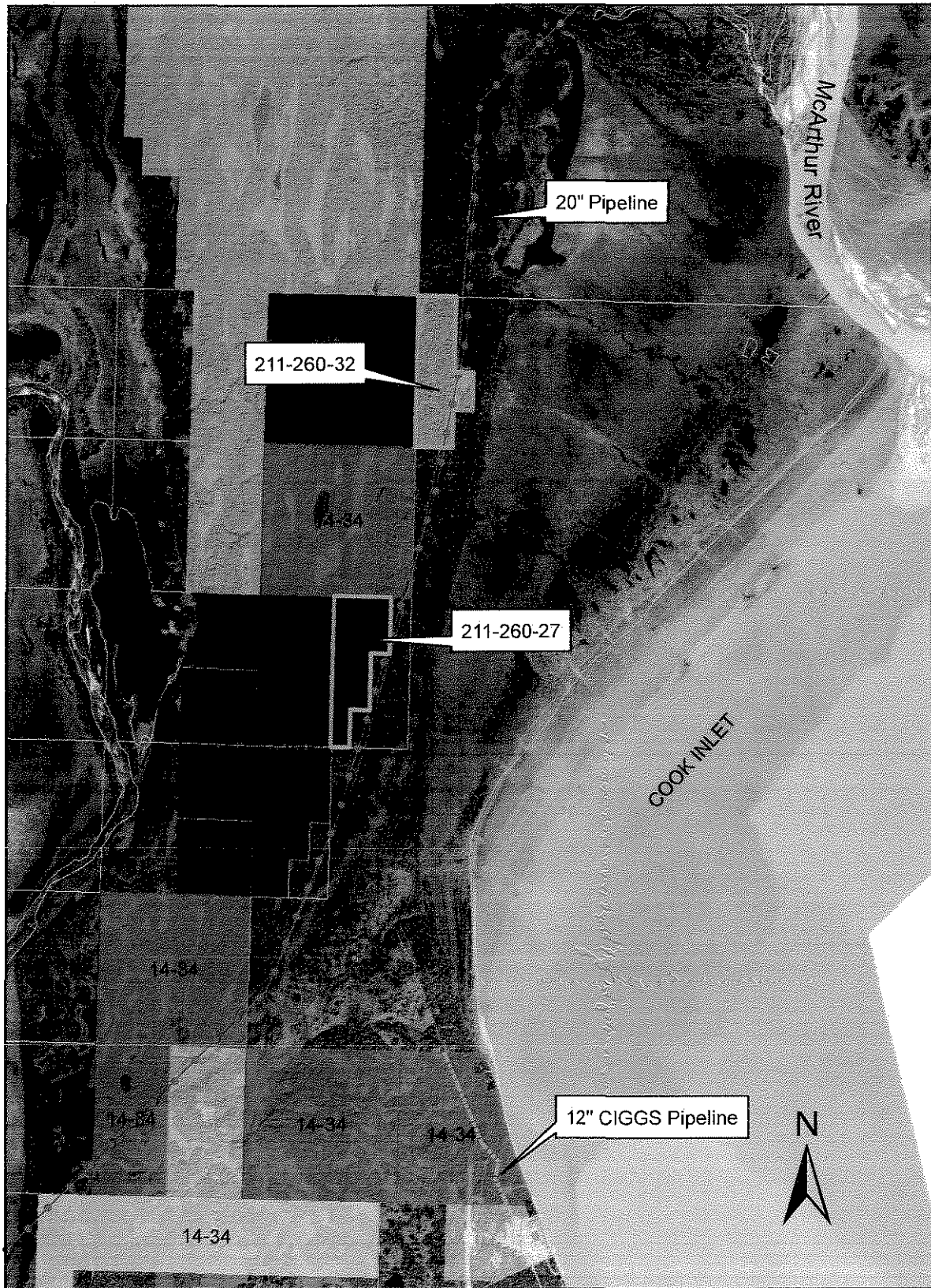
Sign Name 

Print Name Marc Bond

Title Secretary

Date: 12.11.2014

ATTACHMENT A



Case Abstract

File Type: ADL File Number: 33333

See Township, Range, Section and Acreage? Yes

This case contains Mental Health Trust Lands

11/13/2012

Customer: 000125309

COOK INLET PIPELINE CO
PO BOX 91159
ANCHORAGE AK 995091159

Case Type: 582 PRIVATE EASEMENT

DNR Unit: 500 CONTRACT ADMIN

File Location: LWMCEN LWM CENTRAL OFFICE

Case Status: 35 ISSUED

Status Date: 12/19/1967

Total Acres: 262.490

Date Initiated: 08/02/1966

Office of Primary Responsibility: LSC LND-SOUTHCENTRAL REG

Last Transaction Date: 02/01/2012

Case Subtype: 8705 NON EXCLUSIVE ROW

Last Transaction: COMMENTS COMMENTS

| | | | | |
|-------------|----------------|-------------|-------------|-------------------|
| Meridian: S | Township: 006N | Range: 016W | Section: 05 | Section Acres: 4 |
| Meridian: S | Township: 006N | Range: 016W | Section: 06 | Section Acres: 2 |
| Meridian: S | Township: 006N | Range: 016W | Section: 07 | Section Acres: 6 |
| Meridian: S | Township: 006N | Range: 016W | Section: 18 | Section Acres: 4 |
| Meridian: S | Township: 006N | Range: 017W | Section: 13 | Section Acres: 2 |
| Meridian: S | Township: 007N | Range: 016W | Section: 02 | Section Acres: 5 |
| Meridian: S | Township: 007N | Range: 016W | Section: 03 | Section Acres: 4 |
| Meridian: S | Township: 007N | Range: 016W | Section: 09 | Section Acres: 5 |
| Meridian: S | Township: 007N | Range: 016W | Section: 10 | Section Acres: 3 |
| Meridian: S | Township: 007N | Range: 016W | Section: 16 | Section Acres: 6 |
| Meridian: S | Township: 007N | Range: 016W | Section: 20 | Section Acres: 5 |
| Meridian: S | Township: 007N | Range: 016W | Section: 21 | Section Acres: 1 |
| Meridian: S | Township: 007N | Range: 016W | Section: 29 | Section Acres: 6 |
| Meridian: S | Township: 007N | Range: 016W | Section: 32 | Section Acres: 11 |
| Meridian: S | Township: 008N | Range: 015W | Section: 03 | Section Acres: 8 |
| Meridian: S | Township: 008N | Range: 015W | Section: 04 | Section Acres: 1 |
| Meridian: S | Township: 008N | Range: 015W | Section: 09 | Section Acres: 11 |
| Meridian: S | Township: 008N | Range: 015W | Section: 16 | Section Acres: 1 |
| Meridian: S | Township: 008N | Range: 015W | Section: 17 | Section Acres: 8 |
| Meridian: S | Township: 008N | Range: 015W | Section: 19 | Section Acres: 5 |
| Meridian: S | Township: 008N | Range: 015W | Section: 20 | Section Acres: 2 |
| Meridian: S | Township: 008N | Range: 015W | Section: 30 | Section Acres: 4 |
| Meridian: S | Township: 008N | Range: 016W | Section: 25 | Section Acres: 4 |
| Meridian: S | Township: 008N | Range: 016W | Section: 35 | Section Acres: 4 |
| Meridian: S | Township: 008N | Range: 016W | Section: 36 | Section Acres: 5 |
| Meridian: S | Township: 009N | Range: 014W | Section: 05 | Section Acres: 5 |
| Meridian: S | Township: 009N | Range: 014W | Section: 07 | Section Acres: 1 |
| Meridian: S | Township: 009N | Range: 014W | Section: 08 | Section Acres: 5 |
| Meridian: S | Township: 009N | Range: 014W | Section: 18 | Section Acres: 6 |
| Meridian: S | Township: 009N | Range: 014W | Section: 19 | Section Acres: 7 |
| Meridian: S | Township: 009N | Range: 014W | Section: 30 | Section Acres: 5 |
| Meridian: S | Township: 009N | Range: 014W | Section: 31 | Section Acres: 7 |
| Meridian: S | Township: 009N | Range: 014W | Section: 32 | Section Acres: 3 |
| Meridian: S | Township: 009N | Range: 015W | Section: 25 | Section Acres: 4 |
| Meridian: S | Township: 009N | Range: 015W | Section: 35 | Section Acres: 2 |
| Meridian: S | Township: 009N | Range: 015W | Section: 36 | Section Acres: 7 |
| Meridian: S | Township: 010N | Range: 013W | Section: 05 | Section Acres: 4 |
| Meridian: S | Township: 010N | Range: 013W | Section: 06 | Section Acres: 7 |
| Meridian: S | Township: 010N | Range: 014W | Section: 01 | Section Acres: 3 |
| Meridian: S | Township: 010N | Range: 014W | Section: 10 | Section Acres: 1 |

| | | | | |
|-------------|----------------|-------------|-------------|------------------|
| Meridian: S | Township: 010N | Range: 014W | Section: 11 | Section Acres: 7 |
| Meridian: S | Township: 010N | Range: 014W | Section: 12 | Section Acres: 4 |
| Meridian: S | Township: 010N | Range: 014W | Section: 15 | Section Acres: 7 |
| Meridian: S | Township: 010N | Range: 014W | Section: 16 | Section Acres: 4 |
| Meridian: S | Township: 010N | Range: 014W | Section: 20 | Section Acres: 1 |
| Meridian: S | Township: 010N | Range: 014W | Section: 21 | Section Acres: 7 |
| Meridian: S | Township: 010N | Range: 014W | Section: 29 | Section Acres: 7 |
| Meridian: S | Township: 010N | Range: 014W | Section: 32 | Section Acres: 6 |
| Meridian: S | Township: 011N | Range: 012W | Section: 19 | Section Acres: 6 |
| Meridian: S | Township: 011N | Range: 013W | Section: 24 | Section Acres: 4 |
| Meridian: S | Township: 011N | Range: 013W | Section: 25 | Section Acres: 3 |
| Meridian: S | Township: 011N | Range: 013W | Section: 26 | Section Acres: 7 |
| Meridian: S | Township: 011N | Range: 013W | Section: 27 | Section Acres: 4 |
| Meridian: S | Township: 011N | Range: 013W | Section: 32 | Section Acres: 3 |
| Meridian: S | Township: 011N | Range: 013W | Section: 33 | Section Acres: 7 |
| Meridian: S | Township: 011N | Range: 013W | Section: 34 | Section Acres: 3 |

Case Actions

08-02-1966 APPLICATION RECEIVED
R/W APLN FOR A CRUDE OIL PIPELINE FROM GRANITE POINT TO DRIFT RIVER,
IN ADD'N TO A 2.5 MI LATERAL, LOCATED ON THE WEST SIDE OF COOK INLET.

08-02-1966 ADD LAND SECTIONS TO CASE
THIS LAND IS Y PART OF ORIGINAL CAS

08-02-1966 ADD LAND SECTIONS TO CASE
THIS LAND IS Y PART OF ORIGINAL CAS
NEW TOTAL ACRES 265.700000

08-04-1966 LETTER OF ENTRY ISSUED
LTR OF NON-OBJ ISSUED FOR CONSTRUCTION OF 20-INCH PIPELINE AND 2.5 MI.
LATERAL, WITH "AS-BUILT" TO BE SUBMITTED WITHIN ONE YEAR.

12-11-1967 COMMENTS
"AS-BUILT" DRAWINGS FOR MAINLINE AND LATERAL PIPELINE SUBMITTED.

12-19-1967 ISSUED
STATUS 23 23 EASEMENT CREATED
PIPELINE RIGHT-OF-WAY PERMIT ISSUED.

01-05-1968 COMMENTS
"AS-BUILT" PLAT REVISED TO CORRECT DRAFTING ERROR ON A 1/16 CORNER
POSITION OF SECTION 28, T11N, R12W, SM.

05-23-1979 PARTIALLY CONVEYED/TRANSFERRED
TRANSACTION DATE IS NOTIFICATION DATE OF PCO TO THE USA FOR SUBSEQUENT
CONVEYANCE TO CIRI. EFFECTIVE DATE 12-27-1978.

05-23-1979 LAND WITHIN SECTION (S) CHANGED
NEW TOTAL AC 262.280000
OLD TOTAL AC 265.700000
3.42 ACRES LOCATED WITHIN SECTIN 20, TOWNSHIP 11 NORTH, RANGE 12 WEST
DELETED AS PART OF CONVEYANCE TO CIRI.

10-03-1979 COMMENTS
COOK INLET PIPELINE NOTED WASHOUT CONDITION DURING FIELD INSPECTION ON
BIG RIVER PIPELINE CROSSING, & REQUEST NECESSARY REPAIR PERMITS.

10-12-1979 LETTER OF ENTRY ISSUED
LETTER OF ENTRY ISSUED FOR REPAIR AND MAINTENANCE OF THE UNDERGROUND
PIPELINE CROSSING AT BIG RIVER.

05-20-1982 PARTIALLY CONVEYED/TRANSFERRED
STATE PATENT NUMBER 1880

TRANSACTION DATE IS NOTIFICATION DATE OF PARTIAL CONVEYANCE TO THE
KENAI PENINSULA BOROUGH. EFFECTIVE DATE 05-27-1968.

05-20-1982 LAND WITHIN SECTION (S) CHANGED
NEW TOTAL AC 259.070000
OLD TOTAL AC 262.280000
3.21 ACRES LOCATED WITHIN SECTION 6 OF TOWNSHIP 8 NORTH, RANGE 14 WEST
CONVEYED TO THE KENAI PENINSULA BOROUGH.

06-21-1982 PARTIALLY CONVEYED/TRANSFERRED
STATE PATENT NUMBER 578
TRANSACTION DATE IS NOTIFICATION DATE OF PARTIAL CONVEYANCE TO THE
KENAI PENINSULA BOROUGH. EFFECTIVE DATE 06-10-1966.

06-28-1982 PARTIALLY CONVEYED/TRANSFERRED
STATE PATENT NUMBER 818
TRANSACTION DATE IS NOTIFICATION DATE OF PARTIAL CONVEYANCE TO THE
KENAI PENINSULA BOROUGH. EFFECTIVE DATE 01-31-1969.

08-02-1986 CASEFILE CUSTOMER DOCUMENTED
CUSTOMER NUMBER 000125309 COOK INLET PIPE LINE
UNIT CODE 500 CONTRACT ADMIN
RELATIONSHIP CODE 10 OWNER
THIS TRANSACTION WAS GENERATED BY THE CONVERSION TO THE NEW
CUSTOMER SYSTEM TO DOCUMENT THE UNIT AND RELATIONSHIP CODES

06-08-1993 AMENDED
EFFECTIVE DATE: 06-08-1993
ROW AT THE MONTANA BILL SLOUGH CROSSING EXPANDED TO 200 FT X 660 FT.
FROM BANK TO BANK FOR EROSION CONTROL.

10-24-1993 AMENDED
EFFECTIVE DATE: 10-24-1993
PERMIT AMENDED TO WIDEN ROW BETWEEN MONTANA BILL CREEK AND SLOUGH AN
ADDITIONAL 110 FEET ON THE EAST SIDE OF THE EXISTING PIPELINE ROW.

10-24-1993 LAND WITHIN SECTION (S) CHANGED
NEW TOTAL AC 263.510000
OLD TOTAL AC 259.070000
THE AMENDED ROW ADDS AN ADDITIONAL 4.441 ACRES.

11-12-1993 ACMP REVIEW COMPLETED
SAR(Y/N) Y YES
DISTRICT: KEN KENAI PENINSULA BORO
OMB NUMBER: AK 9310-16AA
CONSISTENT WITH STIPULATIONS FOR PIPELINE REPLACEMENT PROJECT AT THE
MONTANA BILL SLOUGH CROSSING. SEE ALSO LAS 18633.

12-28-1993 COMMENTS
LAND USE PERMIT LAS 18633 ISSUED FOR THE TEMPORARY ESTABLISHMENT OF A
STAGING AREA OUTSIDE OF THE ROW DURING THE MONTANA BILL CREEK PROJECT

05-05-1994 COMMENTS
AS-BUILT SURVEY OF THE PIPELINE REPLACEMENT PROJECT AT MONTANNA CREEK/
SLOUGH AREA SUBMITTED FOR REVIEW.

12-15-1994 COMMENTS
LAND USE PERMIT LAS 19286 ISSUED FOR A TEMPORARY EQUIPMENT STAGING ARE
AREA OUTSIDE OF THE ROW DURING THE KUSTATAN RIVER PROJECT.

07-21-1995 AMENDED
EFFECTIVE DATE: 07-21-1995

PERMIT AMENDED TO WIDEN ROW AT KUSTATAN RIVER AN ADDITIONAL 60 FEET
ON THE SOUTHEAST SIDE OF THE EXISTING PIPELINE ROW.

07-21-1995 LAND WITHIN SECTION (S) CHANGED
NEW TOTAL AC 265.930000
OLD TOTAL AC 263.510000
THE AMENDED ROW ADDS AN ADDITIONAL 2.423 ACRES.

12-03-1996 PARTIALLY CONVEYED/TRANSFERRED
STATE PATENT NUMBER 1306
PART OF MENTAL HEALTH TRUST LANDS SETTLEMENT.

12-03-1996 LAND WITHIN SECTION (S) CHANGED
NEW TOTAL AC 262.490000
OLD TOTAL AC 265.930000
3.44 ACRES PART OF THE SETTLEMENT WITH THE MENTAL HEALTH TRUST LANDS
STATE PATENT 1306.

01-02-2003 STATUS CODE STANDARDIZED
STATUS CODE 35 ISS/APPRV/ACTV AUTH
***** STATUS CODE STANDARDIZATION *****
STATUS CODE CHANGED BY BATCH UPDATE

04-20-2010 COMMENTS
CASEFILE REVIEW INDICATES LENGTH OF PIPELINE TO BE 43.8 MILES

10-07-2010 COMMENTS
ADEC FILE NO. 2337.38.037 DECISION DOCUMENT DATED 10/06/2010
WEST FORELANDS JUNCTION - CLEANUP COMPLETE WITH INSTITUTIONAL CONTROLS

10-07-2010 COMMENTS
AK DEC DECISION FILE NO. 2337.38.037; LOCATION:60.835333N -151.8499W
IF LAND USE AND/OR OWNERSHIP CHANGES ICS MAY NOT BE PROTECTIVE

12-22-2011 INSURANCE ACQUIRED
EFFECTIVE DATE: 04-01-2011
EXPIRATION DATE: 04-01-2012
POLICY # (PART 2): EI043911
GENERAL AND UMBRELLA LIABILITY PER FAA

12-22-2011 INSURANCE ACQUIRED
EFFECTIVE DATE: 04-01-2011
EXPIRATION DATE: 04-01-2012
POLICY # (PART 2): UMB4578800-00
GENERAL AND UMBRELLA LIABILITY PER FAA

01-31-2012 PERFORMANCE GUARANTY RECEIVED
EFFECTIVE DATE: 01-31-2012
TYPE OF GUARANTY F SURETY BOND
ASGN OF NEG INSTR? (Y,N) N NO
AUTOMATICALLY RENEWED?(Y,N Y YES
AMOUNT OF GUARANTY(\$): 28000000
PERF. GUARANTY PER FAA FOR MULTIPLE AUTHORIZATIONS W/ DMLW & DOG
ADL 33333 PORTION OF PERFORMANCE GUARANTY IS \$4,340,000.

02-01-2012 COMMENTS
INSURANCE OF 12/22/2011 AND PERFORMANCE GUARANTY OF 1/31/2012 ARE
FOR MULTIPLE AUTHORIZATIONS FROM DMLW AND DOG, IN VARYING AMOUNTS.

02-01-2012 COMMENTS
DMLW ADLS: 32391, 32549, 32916, 33045, 33047, 33081, 33303, 33333,
33939, 56013, 56285, 64352, 225184, 225193, 229279. (DETAILS IN FILES)

Legal Description

APPLICATION AND ISSUED LEGAL DESCRIPTION 12-19-1967

RIGHT-OF-WAY 50 FEET IN WIDTH AND 43.8 MILES IN LENGTH, LOCATED WITHIN SECTIONS 5, 6, 7 AND 18, TOWNSHIP 6 NORTH, RANGE 16 WEST; SECTION 13, TOWNSHIP 6 NORTH, RRANGE 17 WEST; SECTIONS 2, 3, 9, 10, 16, 20, 21, 29 AND 32, TOWNSHIP 7 NORTH, RANGE 16 WEST; SECTIONS 5 AND 6, TOWNSHIP 8 NORTH, RANGE 14 WEST; SECTIONS 3, 4, 8, 9, 16, 17, 19, 20 AND 30, TOWNSHIP 8 NORTH, RANGE 15 WEST; SECTIONS 25, 35 AND 36, TOWNSHIP 8 NORTH, RANGE 16 WEST; SECTIONS 5, 7, 8, 18, 19, 30, 31 AND 32, TOWNSHIP 9 NORTH, RANGE 14 WEST; SECTIONS 25, 35 AND 36, TOWNSHIP 9 NORTH, RANGE 15 WEST; SECTIONS 5 AND 6, TOWNSHIP 10 NORTH, RANGE 13 WEST; SECTIONS 1, 10, 11, 12, 15, 16, 20, 21, 29 AND 32, TOWNSHIP 10 NORTH, RANGE 14 WEST; SECTIONS 19, 20, 28 AND 29, TOWNSHIP 11 NORTH, RANGE 12 WEST; AND SECTIONS 24, 25, 26, 27, 32, 33 AND 34, TOWNSHIP 11 NORTH, RANGE 13 WEST, SEWARD MERIDIAN, CONTAINING APPROX. 265.7 ACRES.

PERMIT IS CONDITIONAL UPON TITLE BEING VESTED IN THE STATE.

LANDS CONVEYED TO CIRI

NOTIFICATION DATE 5-23-1979 EFFECTIVE DATE 12-27-1978

*LOCATED WITHIN SECTION 20, TOWNSHIP 11 NORTH, RANGE 12 WEST, SERWARD MERIDIAN, CONTAINING APPROX. 3.42 ACRES.
TOTAL ACRES REMAINING UNDER THIS AUTHORIZATION 262.28 ACRES*

LANDS CONVEYED TO THE KENAI PENINSULA BOROUGH

NOTIFICATION DATE 05-20-1982 EFFECTIVE DATE 05-27-1968

*SURVEY OF STATE LAND ADL 37596 WITHIN THE FRACTIONAL NE1/4 OF SECTION 6, TOWNSHIP 8 NORTH, RANGE 14 WEST, SEWARD MERIDIAN.
CONTAINING APPROX. 3.21 ACRES
TOTAL ACRES REMAINING UNDER THIS AUTHORIZATION 259.07 ACRES*

LANDS CONVEYED TO THE KENAI PENINSULA BOROUGH

NOTIFICATION DATE 06-21-1982 EFFECTIVE DATE 06-10-1966

*LOCATED WITHIN SURVEY OF STATE LAND ADL 32613 ON FILE IN THE ANCHORAGE RECORDING DISTRICT UNDER PLAT NO. 66-99, TOWNSHIP 6 NORTH, RANGES 16 AND 17 WEST, SEWARD MERIDIAN.
TOTAL ACRES REMAINING UNDER THIS AUTHORIZATION 259.07 ACRES*

LANDS CONVEYED TO THE KENAI PENINSULA BOROUGH
NOTIFICATION DATE 06-28-1982 EFFECTIVE DATE 01-31-1969

LOCATED WITHIN THE SE1/4 NW1/4 NW1/4 AND THE NE1/4 SW1/4 NW1/4
OF SECTION 28, TOWNSHIP 11 NORTH, RANGE 12 WEST, SEWARD MERIDIAN.
TOTAL ACRES REMAINING UNDER THIS AUTHORIZATION 259.07 ACRES

AMENDMENT EFFECTIVE DATE 6-8-1993

ROW PERMIT AMENDED TO EXTEND THE ROW AT THE MONTANA BILL SLOUGH
CROSSING FROM 100 FT TO 200 FT, 100 FT EACH SIDE OF THE CENTERLINE
OF THE PIPE. THE EXTENT OR LENGTH OF THE ADDITIONAL WIDTH WILL BE
LIMITED TO NOT MORE THAN 660 FT. FROM THE LEFT AND RIGHT BANKS OF
MONTANA BILL SLOUGH TO ALLOW FOR EROSIONAL CONTROLS TO BE PUT IN PLACE.

AMENDED 10-24-1993

PERMIT AMENDED TO WIDEN ROW BETWEEN MONTANA BILL CREEK AND SLOUGH AN
ADDITIONAL 110 FEET ON THE EAST SIDE OF THE EXISTING PIPELINE ROW.
THIS AMENDMENT ADDED AN ADDITIONAL 4.441 ACRES TO THE EXISTING ROW.
TOTAL AUTHORIZED ACRES FOR THE ENTIRE ROW 263.51 ACRES.

AMENDED 7-21-1995

PERMIT AMENDED TO WIDEN ROW AT THE KUSTATAN RIVER CROSSING AN
ADDITIONAL 60 FEET ON THE SOUTHEAST SIDE OF THE EXISTING PIPELINE ROW
FOR EROSIONAL CONTROL MEASURES. THIS AMENDMENT ADDS AN ADDITIONAL
2.423 ACRES TO THE ROW AUTHORIZATION.
TOTAL ACRES AUTHORIZED FOR THE ENTIRE ROW IS 265.93 ACRES.

LANDS CONVEYED TO MENTAL HEALTH TRUST LANDS 12-3-1996

APPROXIMATELY 3.44 ACRES OF LAND LOCATED WITHIN SECTIONS 28 & 29 OF
TOWNSHIP 11 NORTH, RANGE 12 WEST, SEWARD MERIDIAN WERE CONVEYED BY
STATE PATENT 1306 AS PART OF THE MENTAL HEALTH TRUST SETTLEMENT.
TOTAL ACRES REMAINING UNDER THIS AUTHORIZATION IS 262.49 ACRES.

End of Case Abstract

Exhibit
B

CONFIDENTIAL

Decommissioning, Removal
and Restoration Plan for the
Drift River Terminal
Facilities and Cook Inlet
Pipeline

Exhibit C

**NOTICE OF APPLICATION OF COOK
INLET PIPE LINE COMPANY FOR APPROVAL TO
PERMANENTLY DISCONTINUE USE OF AND ABANDON DRIFT RIVER
TERMINAL AND TANK FARM, CHRISTY LEE PLATFORM, AND DRIFT
RIVER SEGMENT, AND FOR APPROVAL TO ACCESS DR&R FUND**

The REGULATORY COMMISSION OF ALASKA (Commission) gives notice that an application has been filed by COOK INLET PIPE LINE COMPANY, a Delaware corporation (referred to as Applicant), for a Commission order permitting Applicant to permanently discontinue use of and abandon certain of its pipeline infrastructure on the west side of Cook Inlet south of Trading Bay Junction, including the Drift River Terminal and Tank Farm, the Christy Lee Platform, and that portion of pipeline designated the Drift River Segment. Docket No. P-18-[number] was opened to address this matter.

The proposed transaction is part of CIPL's greater "Reconfiguration Plan" to extend and modify its existing oil transportation system to provide an undersea pipeline path from the west side of Cook Inlet to the east side of Cook Inlet. The Commission has not assessed the completeness of the Application. The Commission may determine whether the application is complete by [date], 2018.

You may obtain more information about this filing by contacting either Rich Novcaski, Vice President, Cook Inlet Pipe Line Company, c/o Hilcorp Alaska, LLC, 3800 Centerpoint Drive, Suite 1400, Anchorage, Alaska 99503 whose telephone number is (907) 777-8300, or Michael S. McLaughlin, Guess & Rudd P.C., 1029 West Third

NOTICE OF APPLICATION OF COOK INLET PIPELINE COMPANY FOR APPROVAL TO
PERMANENTLY DISCONTINUE USE OF AND ABANDON DRIFT RIVER TERMINAL AND
TANK FARM, CHRISTY LEE PLATFORM, AND DRIFT RIVER SEGMENT, AND FOR
APPROVAL TO ACCESS DR&R FUND

Avenue, Suite 400, Anchorage, Alaska 99501 whose telephone number is (907) 793-2200. The complete filing is also available for inspection at the Commission's office, 701 West 8th Avenue, Suite 300, Anchorage, Alaska, 99501; Phone: (907) 276-6222, or may be viewed at the Commission's website, www.rca.alaska.gov by typing Docket P-18-[number] in the *Find a Matter* search box.

To comment on this filing please file your comments by 5:00 PM, [date 21 days from date of publication] 2018, at the Commission's address given above or via our website at <https://rca.alaska.gov/RCAWeb/WhatsNew/PublicNoticesComments.aspx>. Please reference the docket number and include a statement that you have filed a copy of the comments with Cook Inlet Pipeline Company, attn: Rich Novcaski and Guess & Rudd P.C. attn: Michael S. McLaughlin, at the addresses given above.

Individuals or groups of people with disabilities who require special accommodations, auxiliary aids or service, or alternative communication formats, please contact Joyce McGowan at (907) 276-6222; toll free 1-800-390-2782, or TTY: (907) 276-4533, or send a request by email to rca.mail@alaska.gov by [date], 2018.

Dated at Anchorage, Alaska, this ____ day of _____, 2018.

REGULATORY COMMISSION OF ALASKA

Stephen McAlpine
Chairman

NOTICE OF APPLICATION OF COOK INLET PIPELINE COMPANY FOR APPROVAL TO PERMANENTLY DISCONTINUE USE OF AND ABANDON DRIFT RIVER TERMINAL AND TANK FARM, CHRISTY LEE PLATFORM, AND DRIFT RIVER SEGMENT, AND FOR APPROVAL TO ACCESS DR&R FUND

Exhibit D

Sarah Tillman

From: jstepetin@adn.com on behalf of ANC Legal Ads <legalads@adn.com>
Sent: Monday, June 04, 2018 12:48 PM
To: Sarah Tillman
Cc: Mike McLaughlin
Subject: Re: Proof of Publication without Prepayment

Hello!

Guess & Rudd has a billable account with Anchorage Daily News and will accept the ad submitted by RCA without prepayment.

Thanks,



Joleesa Stepetin

Legal Advertising Specialist

legalads@adn.com | 907-257-4584

Anchorage Daily News | adn.com

300 W. 31st Ave.
Anchorage, AK 99503



**** please keep all correspondence for legal advertising addressed to legalads@adn.com, to assure best service and tracking. The legal advertising deadline is 4 p.m. Anything sent in after 4 p.m. may not be addressed until the next business day. Thank you, Legal Advertising Dept.**

On Mon, Jun 4, 2018 at 11:28 AM, Sarah Tillman <stillman@guessrudd.com> wrote:

Attached please find the Form of Public Notice of the Application of Cook Inlet Pipeline Company for Approval to Permanently Discontinue Use of and Abandon Drift River Terminal and Tank Farm, Christy Lee Platform, and Drift River Segment, and for Approval to Access DR&R Fund, which Guess & Rudd P.C. intends to file with the RCA.

Please confirm, via response to this email, that the ADN will publish without prepayment by Guess & Rudd P.C., the final versions of the attached draft notice. The final notice for publication will be submitted to the ADN by the RCA.

Thank you for your attention to this matter.

Sarah Tillman

Legal Secretary

Guess & Rudd P.C.
1029 W. 3rd Avenue, Suite 400
Anchorage, AK 99501
(907) 793-2200 -phone
(907) 793-2299 -fax

stillman@guessrudd.com

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