Support for Willow Project Development

Alaska stands at an economic crossroad. The state faces a multi-billion-dollar deficit, historically low oil prices, and declining oil production; yet oil and gas development is essential to its economy. With more than one-third of Alaskan jobs directly tied to the oil industry—roughly 110,000 jobs and \$6 billion in public and private sector wages—the benefits of developing oil and gas resources in Alaska cannot be ignored. These opportunities particularly impact Alaska's native groups, who remain dependent on the oil and gas industry.

Mayor John Hopson, Jr., of Wainwright, Alaska— Hopson, whose community is predominantly lñupiat, a large native Alaskan contingency, specifically stated, "The oil and gas industry is the source of many jobs for the Native shareholders of our Alaska Native corporations. We need those jobs to truly sustain our communities."

By judiciously balancing environmental responsibilities with reasonable exploration and development, both objectives can be met while also ensuring Alaska's future economic capability to provide essential services to the residents. Alaska's economy is at a critical juncture and whether the state continues to move in harmony as it has done for decades depends on whether BLM and other agencies will allow for developments like Willow to move forward. If projects like Willow do not receive support, it moves to deprive Alaskans of their opportunity to ensure a stable and secure economy for themselves and future generations.

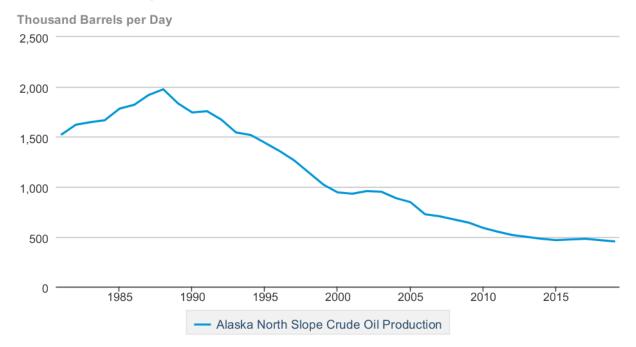
ConocoPhillips Alaska is the largest lease holder in NPRA with 170 leases and total acreage of 1,114,916. They have several decades of proven development on the North Slope that is environmentally sound and sensitive to the local needs of affected communities.

Willow Project Benefits

The Willow project could create more than 2,000 construction jobs and 300 permanent jobs. The proposed \$5-\$6 billion project would provide benefits to local & state economies through local hire for jobs created during construction & operations, tax revenues, federal revenue sharing from royalties and lease rentals/bonuses, and new resources to help meet domestic energy demand. BLM estimates that Willow could generate more than \$10 billion dollars in federal, state, and North Slope Borough revenue. Production from Willow would also serve to help maintain the integrity of the Trans-Alaska Pipeline System (TAPS), a critical link to America's energy distribution. Production from Willow would help meet the purpose of NPR-A, which is to develop America's energy resources.

Alaska's oil production is on a steady decline and with peak production from Willow estimated at 100,000 bpd it will have a significant positive impact.

Alaska North Slope Crude Oil Production





eja Source: U.S. Energy Information Administration

Mitigation

A key aspect of mitigation is local involvement. This is accomplished by a world class approach utilizing the NPRA working group. Tis group is the true and only representation of the local communities affected by NPRA development.

NPR-A WORKING GROUP

To provide for meaningful, regular input by local communities to the on-going implementation of the NPR-A Integrated Activity Plan/Environmental Impact Statement (IAP/EIS) and based on comments from the NPR-A Draft IAP/EIS, the BLM established the NPR-A Working Group consisting of representatives of North Slope local governments, Native corporations, and tribal entities in accordance with the February 2013 NPR-A IAP/EIS. In consultations with the Department of Interior and BLM conducted following publication of the Final IAP/EIS, local governments, Native corporations, and tribal entities expressed concerns on how local residents and entities would be involved in on-going management decisions and proposed activities (e.g. oil and gas leasing) and developments (e.g. pipelines) in the NPR-A.

The NPR-A Working Group meets on a regular basis and provide BLM information and recommendations on a range of issues associated with future implementation of the IAP/EIS, including oil and gas leasing, land use conflicts, exploration, and infrastructure projects supporting onshore and offshore oil and gas development, such as production facilities and pipelines. The NPR-A Working Group also will be a forum to collect additional scientific information and traditional knowledge about wildlife populations and needs, and it can inform potential adjustments to the boundaries of special areas including, for example, potential future adjustments to the southernmost boundary of the Teshekpuk Lake Special Area. Similarly, if wildlife migration patterns are altered by future development in the NPR-A, the Working Group could provide important feedback on areas where additional protection of surface values should be considered.

NATIONAL PETROLEUM RESERVE IN ALASKA NPR-A WORKING GROUP

BYLAWS and OPERATING PROCEDURES

- 1. Official Designation: The Working Group is designated the NPR-A Working Group.
- 2. Objectives and Scope of Activity:
- 2.1. The objective of the working group is to ensure that BLM's land managers, and other federal, State, and local agencies engage in a continuing dialogue with North Slope residents in order to: Understand North Slope resident's economic, subsistence, and other local concerns in activities in the NPR-A; Gather scientific and traditional ecological knowledge related to key issues that arise during development and implementation of BLM planning documents; Provide recommendations from local residents and institutions, along with recommendations of other permitting agencies with relevant expertise, on an ongoing basis. 2.2. The Working Group will consist of representatives of North Slope local governments, Native corporations, and tribal entities as well as a non-voting representative of the State of Alaska. The Working Group is expected to exist into the foreseeable future.
- 3. Official to Whom the Working Group Reports: The Working Group reports to the Authorized Officer (AO) of the Bureau of Land Management. For purposes of the NPR-A Working Group, the Authorized Officer is defined as the Field Manager, Arctic Field Office or his/her designated representative.
- 4. Support Services: Administrative support for the activities of the working group will be provided by the BLM. The BLM will work to secure long-term funding to support the activities of the working group. It is anticipated that BLM will develop contracts or agreements to provide support for the working group such as meeting space, audio-visual support, telecommunications support, travel, lodging and meals for participants. The contracts may also provide for working with the group membership and AO to create the agenda, typing minutes and notes, and providing other information requested by the Working Group on an as-needed basis.

- 5. Duties of the Working Group: The Working Group will perform the following duties:
- 5.1. Discuss local concerns relevant to project development and implementation of BLM planning decisions with the BLM and other entities working on the North Slope;
- 5.2. Review scientific research or monitoring projects in the NPR-A and provide recommendations on ways to maximize the value of research and monitoring to local residents and institutions while mitigating impacts to industry, as well as to federal, State, and local regulators;
- 5.3. Identify and discuss recommendations by local residents and institutions regarding mitigation measures that BLM can apply to minimize impacts to resources, resource use and habitat;
- 5.4. Identify and discuss recommendations by local residents and institutions regarding areas where additional protection of surface values should be considered; and,
- 5.5. Identify and discuss recommendations by local residents and institutions regarding potential amendments to BLM planning documents.

NPR-A Working Group Entity Primary Representative and Designated Alternate Representative(s)

North Slope Borough Mayor Harry Brower, Jr. David J (DJ) Fauske, Jason Bergeson, Iñupiat Community of the Arctic Slope Frederick Brower George Edwardsen Arctic Slope Regional Corporation - Rex Rock, Sr. Crawford Patkotak (Current NPR-A Working Group Co-Chair)

City of Point Hope - Christina Tippin Phyllis Frankson

Tikigak Corporation - Herbert Kinneeveauk, Jr. Sayers Tuzroyluk

Native Village of Point Hope - Eva Kineeveauk

Cully Corporation - Marty Awalin

Native Village of Point Lay - Lupita Henry

City of Wainwright - Raymond Nashookpuk

Native Village of Wainwright - BlairPatkotak Rose Panik

Olgoonik Corporation - Hugh Patkotak Oliver Peetok, Moire Dugan

City of Atgasuk - Doug Whiteman

Atqasuk Corporation - Margaret Angasuk Fanny Akpik

City of Anaktuvuk Pass - Esther Hugo

Nagsragmiut Tribal Council Thomas Rulland Bass Gordon

Nunamiut Corporation Wallace Nay

City of Kaktovik Amanda Kaleak

Kaktovik Inupiat Corporation Matthew Rexford

Native Village of Kaktovik Edward Rexford, Sr.

City of Barrow Fanny Suvlu

Native Village of Barrow Charles Brower

Ukpeaġvik Iñupiat Corporation Anthony Edwardsen Delbert Rexford
City of Nuiqsut =Vernon Bennet Martha Itta
Native Village of Nuiqsut Margaret Pardue NVN Council Members and Admin. Assistants
Kuukpik Corporation Joe Nukapigak Mark Major
State of Alaska Faith Martineau

As a result of groups like the NPRA working group there has been mush success in the protection of the subsistence harvests of all key resources in Nuiqsut. The have remained strong since the construction of Alpine. Caribou harvests have exceeded the average over the past few years and since the construction of CD5, GMT1, and GMT2; Nuiqsut hunters are increasingly using roads to hunt year-round. The industry has made great strides in responsibly designing projects in the Arctic with minimal impact on the environment, wildlife, and subsistence activities. The project proponent has collected extensive biological and engineering data since 2017 to inform the Willow EIS process. Extensive mitigation and engineering design features are incorporated into the Willow project. The industry employs rigorous standards to protect the environment and subsistence resources. Industry has an excellent track record and a long history of operating responsibly and working with stakeholders on the North Slope and in the Arctic.

Reducing Surface Impacts on Alaska's North Slope

Oil production on the North Slope of Alaska began in 1977. The developed area is focused on a narrow coastal strip running about 100 miles east to west in the vicinity of Prudhoe Bay (see map). In the 1970s and 80s, access roads, well sites, oil and gas processing facilities, and support facilities were constructed using gravel. By the early 2000s, roughly 9,200 acres were under gravel. More recent exploration reduces the surface impact by using ice roads and ice drilling sites that are constructed each winter, and small gravel production sites with multiple wells per site. For example, the Alpine field, which was discovered in 1994 to the west of the older oilfields, uses about 100 acres of gravel drill pads, facilities, and roads to tap a 25,000-acre oil reservoir — as of early 2018, the field had produced 465 million barrels of oil. In 2018, Greater Mooses Tooth-1, a field located in NPRA, west of Alpine, will begin producing oil from a single 12-acre gravel drill pad designed to support 33 wells. Eight miles of gravel road and parallel above-ground pipeline, including two bridges, will connect the pad to existing Alpine field facilities, for a total gravel footprint of 73 acres. The Willow development will continue the reduction in footprint compared to the size of the reservoir.