



ALEUTIANS EAST BOROUGH

OIL & GAS LAND USE PERMIT

Authority Aleutians East Borough Municipal Code Title 40

Mail Permit Application to:
Aleutians East Borough
P.O. Box 349
Sand Point, Alaska 99661
907-383-2699

AEB Use Only	
Permit No.	OGP: 20 __-__-__
Date Received:	___/___/___
Date Approved:	___/___/___

Section No. 1: Permit Applicant Information

Type of Application (check all that apply)

- | | | |
|--|--|--|
| <input type="checkbox"/> Onshore | <input type="checkbox"/> Offshore | <input type="checkbox"/> Seismic Exploration |
| <input type="checkbox"/> Oil Exploration Drilling | <input type="checkbox"/> Gas Exploration Drilling | <input type="checkbox"/> Oil Pipelines |
| <input type="checkbox"/> Oil Production Drilling | <input type="checkbox"/> Gas Production Drilling | <input type="checkbox"/> Gas Pipelines |
| <input type="checkbox"/> Oil Production Facilities | <input type="checkbox"/> Gas Production Facilities | <input type="checkbox"/> Loading Terminal |
| <input type="checkbox"/> Oil Transportation | <input type="checkbox"/> Gas Transportation | <input type="checkbox"/> LNG Facility |
| <input type="checkbox"/> Oil Distribution | <input type="checkbox"/> Gas Distribution | <input type="checkbox"/> Refinery |
| <input type="checkbox"/> Support Facilities (list) _____ | | |
| <input type="checkbox"/> Other (list) _____ | | |
| <input type="checkbox"/> Other (list) _____ | | |
| <input type="checkbox"/> Other (list) _____ | | |

- New Permit
 Permit Renewal
 Permit Amendment
 Reason: _____
 Permit Amendment will not increase impact (minor)
 Permit Amendment will increase impact (major)

Name of Operator: _____

Business Name: _____

Address: (Street) _____ (City) _____ (State) _____ (Zip) _____

Contact Person: (name) _____ (title) _____

Office Phone: (____) - ____ - ____ Cell Phone: (____) - ____ - ____

Satellite Phone: (____) - ____ - ____ Office Fax: (____) - ____ - ____

Email Address: _____@_____._____ Webpage Address: www._____.

Number of Years in Business: _____

State of Alaska Business License No.: _____ Issue Date: _____ Expiration Date: _____

Federal Tax Identification EIN No. _____

Section No. 2: Oil and Gas Operations Description, Location and Timing

Township: _____, Range: _____ Section: _____, Meridian: _____

Property Address : _____

Brief description of planned oil and/or gas operations and location: _____

Hours of Operation: _____ Start Date: _____ End Date: _____ Reclamation Date: _____

Days of Operation: Monday Tuesday Wednesday Thursday Friday Saturday Sunday

Months of Operation: January February March April May June
 July August September October November December

Map(s) of Location Attached to Application (required) Routes of Access Shown on Map(s) (required)

Section No. 3: Property Ownership and Access

Land Owned by Applicant AEB Land State Land Federal Land

Private (Name): _____ Other (Name): _____

Contact Name: _____ Phone: _____

For properties not owned by the Applicant, describe the instrument used to obtain legal access to land.

Lease Contract Permit License Other

Name of legal document: _____

Date of Agreement/Issue: _____ Expiration Date: _____

Does the instrument used to obtain legal access allow for the type, location, amount and extent of oil and gas operations described in this permit application? Yes No

If you answered "yes," are there any limitations placed on your operations? Yes No

If you answered "yes," please describe the limitations _____

Existing Facilities: Legal Access Granted to Use/Operate Existing Facilities on Property: Yes No

Access Granted to These Existing Facilities: Building/Structure Runway Road Port/Dock

Other: _____

New Facilities: Legal Access Granted to Construct/Operate New Facilities on Property: Yes No

Access Granted to These Existing Facilities: Building/Structure Runway Road Port/Dock

Other: _____

Construction/Installation Date: _____ All Required Permits Obtained? Yes No

Section No. 6: Certification of Accuracy and Agreement to Comply, Indemnify and Hold Harmless

I certify that the information given by me in this land use permit application is true, complete, and correct. I agree to comply with local, state and federal laws, regulations and requirements pertaining to my business operations and land use. I agree to comply with all permit stipulations placed on this permit. I have reviewed the AEB penalty schedule and agree to immediately notify AEB of any potential violations, remedy any violations on the schedule required by AEB and pay penalties within 30 days. I hereby defend, indemnify, and hold the Aleutians East Borough harmless from any and all claims, damages, law suits, losses, liabilities and expenses related to the death or injury of persons and for the damage to or loss of property arising out of or in connection with the entry on and use of the property within the Aleutian's East Borough boundaries by me, the company I represent, and all contractors, subcontractors, guests, clients and their employees.

Applicant Name (printed): _____ Title: _____

Applicant Signature: _____ Date: _____

Section No. 7: Permit Decision [AEB Use Only]

Fee Paid: Yes No Check No.: _____ Amount: _____

Minor Amendment or Renewal Eligible for AEB Administrator Approval?: Yes No

Approved Approval Date: _____ Expiration Date: _____

Additional Permit Stipulations Attached (in addition to Section No. 9 Permit Stipulations) Yes No

AEB Administrator or Designee Name (printed): _____

AEB Administrator or Designee Signature: _____

New Permit, Major Amendment or Renewal Not Eligible for AEB Administrator Approval?: Yes No

Pre-Application Meeting Held Date: _____

Application Meeting Held Date: _____

Final Complete Application Submitted Date: _____

90 Day Application Review Period Start Date: _____ End Date: _____

Note: 90 day review period includes 30 day written public review that must be completed within that 90 day period.

30 Day Public Review Period Start Date: _____ End Date: _____

90 Day Application Review Period Extended No Yes New End Date: _____

Administrator Recommendation to PC Date: _____

60 Day PC Application Review Period Start Date: _____ End Date: _____

Note: 60 day review period includes one meeting of Planning Commission (PC) with opportunity for public comment

60 Day Application Review Period Extended No Yes New End Date: _____

PC Recommendation to Assembly Date: _____

30 Day Assembly Decision Period Start Date: _____ End Date: _____

Note: 30 day review period includes one meeting of Assembly with opportunity for public comment

30 Day Assembly Decision Period Extended No Yes New End Date: _____

Denied: Reason: _____

Additional Permit Stipulations Attached (in addition to Section No. 8 Permit Stipulations) Yes No

Mayor or Designee Name (printed): _____

Mayor or Designee Signature: _____

Section No. 8: Land Use Permit Stipulations

- ✦ **Permit Term:** This land use permit is issued for the period specified in the permit; a period not to exceed five years. Permittee shall have an approved permit prior to conducting any oil and/or gas operations. An approved permit must be maintained by the oil and/or gas Operator until the operations and Reclamation Plan are completed. The permit is not a property right; it is revocable at the discretion of the Aleutians East Borough (AEB), at any time upon notice.
- ✦ **Compliance with Requirements:** Permittee shall not conduct any operations that are not specifically described in the permit application and supporting documents submitted and approved as part of this permit. Permittee shall comply with all local, state, and federal laws, regulations, rules and orders, and requirements and stipulations included in this authorization. Permittee shall inform and ensure compliance with these stipulations by his agents, employees, clients and guests. This authorization is revocable immediately upon violation of any of its terms, conditions, and stipulations or upon failure to comply with any applicable laws, statutes, or regulations.
- ✦ **Land Owner Authorization:** Permitted activities on private, local, state, or federal land may not commence without land owner approval (this includes travel across lands and use of lands). The AEB reserves the right to request a copy and verify all land owner authorizations related to this permit. Land owner approval to access lands described in this permit shall be maintained during the permit term or this permit is null and void. No permanent facilities may be constructed or placed on AEB lands without obtaining a lease or contract with the AEB. This permit does not authorize permanent facilities on AEB lands.
- ✦ **Indemnification:** Permittee assumes all responsibility, risk and liability for all activities of the Permittee, its employees, agents, clients guests, contractors, subcontractors or licensees directly or indirectly conducted in conjunction with this permit, including environmental and hazardous substance risks and liabilities, whether occurring during or after the term of this permit. Permittee shall defend, indemnify and hold harmless the AEB, its employees and agents from and against any and all suits, claims, actions, losses, costs, penalties and damages of whatever kind of nature including all attorney fees and litigation costs, arising out of, in connection with or incident to any act or omission by the Permittee, its employees, agents, clients, guests, contractors, subcontractors or licensees. This indemnification shall survive the expiration or termination of this permit.
- ✦ **Damages and Claims:** Permittee shall pay the AEB for any damage to permitted property resulting from use. This permit is subject to valid adverse claims heretofore or hereafter acquired.
- ✦ **Reservation of Rights:** The AEB reserves the right to grant additional authorizations for compatible uses on or adjacent to the land covered under this authorization. Authorized concurrent users of lands within the AEB; their agents, employees, contractors, subcontractors and licensees shall not interfere with the operation or maintenance activities of each user.
- ✦ **Licenses, Permits and Authorizations:** Permittee shall maintain its State of Alaska Business License, City Business License (or business registration as required), and any other private, local, state or federal license, permit or authorization required during the entire permit term or this permit will be null and void. The AEB reserves the right to request a copy of all licenses, permits, or authorizations.
- ✦ **Conflict Avoidance Plan (Fisheries and Subsistence Use):** Permittee must adhere to its approved Conflict Avoidance Plan. The plan requires that Commercial Fishing, Subsistence Use, and Sport Harvest Conflicts will be avoided. Commercial fishing, subsistence use, and sport harvest have priority. Permittee's uses of land and wildlife habitat shall minimize adverse impacts on subsistence activities and resources. Noise shall be mitigated to avoid disruption to subsistence activities and nearby communities.
- ✦ **Compliance with Approved Plans:** Permittee must adhere to its approved Project Scope and Schedule, Study & Project Monitoring Plan, Local Economic Development Plan, Field Office Plan, Infrastructure Support Plan, Transportation Plan, Historical and Cultural Resources Protection Plan, Good Neighbor Plan, Pollution Prevention Plan, Hazards Assessment Plan, Reclamation Plan, and Emergency Plan.
- ✦ **Site Disturbance:** All activities shall be conducted in a manner that will minimize the disturbance of soil and vegetation and changes in the character of natural drainage systems to protect local habitat, except for those areas specifically authorized for oil and gas operations. Particular attention shall be paid to prevent pollution and siltation of streams, lakes, ponds, seeps and marshes, and to prevent disturbances to fish and wildlife populations and habitats.
- ✦ **Fish Habitat Protection:** Permittee's operations shall not adversely affect spawning, rearing, migrating, or over wintering areas for anadromous fish. Oil and gas operations shall not be conducted in locations which have been documented to provide spawning, rearing or over wintering habitat for anadromous fish. Permittee's operations shall avoid causing increases in sedimentation, siltation and the resulting turbidity that could have a significant adverse impact to aquatic productivity and habitats, marine fish, shellfish, or anadromous fish populations in marine, estuarine, and freshwater environments. In streams and their floodplains which provide habitat for anadromous fish, operations shall minimize clearing of riparian vegetation and disturbance of natural banks and areas required for permitted operations shall be shaped to blend with physical features and surroundings to provide for diverse riparian and aquatic habitats.
- ✦ **Explosives:** To protect fish, explosives shall not be detonated within, beneath, or adjacent to marine, estuarine, or fresh waters that support fish unless 1) the detonation of the explosives produces an instantaneous pressure change in the water body of no more than 2.7 pounds per square inch, and a vibration of no more than 0.5 inches per second or 2) the water

body, including its substrate, is frozen, or 3) fish and marine mammals are not present.

- ✦ **Stream Alteration:** Operations shall not adversely affect natural stream hydraulics by channelization, diversion, spur dike construction, or other activities. Operations in stream floodplains shall be located and designed to avoid adverse changes to channel hydraulics and the potential for channel diversion. A stable bank and bed profile shall be maintained and is one that will not alter river currents or change erosion and deposition patterns downstream.
- ✦ **Water Appropriation:** Operations shall not withdraw surface waters at a withdrawal rate or timing which adversely affects anadromous fish habitat, particularly spawning or overwintering areas.
- ✦ **Water Quality:** Operations shall not adversely impact water quality and natural productivity of streams, rivers, and lakes within the Borough and shall significantly increase water turbidity or rate of sediment deposition above natural levels. Toxic/harmful effluents shall not be discharged into the Borough watersheds or water bodies.
- ✦ **Zero Water Pollution Discharge:** should be achieved whenever technically feasible unless the Applicant proves to the Borough that it is not technically feasible.
 - ✦ Drilling Fluids, Drilling Cuttings, and Cement shall not be discharged to onshore or offshore waters, during exploration or production operations. Drilling waste must be collected and disposed of by injecting the waste into a wellbore annulus or disposal well. Top-hole muds and cuttings may be discharged, if the operator demonstrates to the Borough that it is not technically feasible to collect this waste.
 - ✦ Produced Water shall not be discharged into onshore or offshore waters and must be collected and disposed of by subsurface injection.
 - ✦ Sanitary and Domestic Wastes shall not be discharged from onshore or nearshore terminals or pipeline facilities into onshore or offshore waters. Sanitary and domestic waste from onshore or nearshore facilities shall receive tertiary treatment prior to discharge, or be collected and injected into a disposal well. Offshore sanitary or domestic waste shall receive the highest level of treatment technically feasible (no less than primary treatment) and if a disposal well is available, this waste shall be collected and injected along with the other platform waste.
 - ✦ Non-Contact Cooling Water shall only be discharged into fresh or marine waters if there is technical and scientific proof provided to the Borough that the thermal impact will not harm the ecosystem.
 - ✦ Well Test and Well Work-Over Fluids including (produced oil, produced water, acids, frac sands, proppant material and other well stimulant materials) shall not be discharged into onshore or offshore waters.
 - ✦ Un-segregated Ballast Water shall not be discharged into onshore or offshore waters during exploration or production operations. Waste must be collected and disposed of by subsurface injection.
 - ✦ Disposal Wells shall be designed to ensure protection of drinking water sources, by injecting waste several thousand feet below any known drinking water sources.
 - ✦ All other wastes shall be treated to remove oil and grease prior to discharge. No waste shall be discharged containing toxic compounds.
 - ✦ Ballast Water Exchange shall be conducted no less than 200 nautical miles from any Aleutian Island coastline. Sufficient volumes of water shall be used to purge ballast water tanks to ensure non-indigenous species removal. Ballast water exchange must be conducted by all foreign and domestic vessels prior to discharge at a terminal facility or platform. If ballast water exchange is not possible due to foul weather, or other reasons, ballast water treatment must be conducted prior to discharge. If ballast water exchange is not possible, ballast water must be treated to remove non-indigenous species prior to discharge into the Aleutian Island coastline and treatment methods must ensure non-indigenous species.
- ✦ **Air Quality:** Operations shall not adversely impact air quality or human health.
 - ✦ Best Available Air Emission Control Technology: shall be installed for criteria air pollutants (including oxides of nitrogen and sulfur, carbon monoxide, particulate matter, volatile organic compounds) and hazardous air pollutants.
 - ✦ Fuel/Power Selection: The lowest air pollution impact fuel sources shall be used. Solar, wind and other alternative power sources must be considered when technically feasible. Where alternative energy options are not technically feasible, natural gas fired combustion systems shall be used whenever possible. Ultra-low sulfur diesel fuels shall be used.
 - ✦ Vapor Controls: All equipment and facilities must install vapor recovery systems to reduce volatile organic compounds (VOCs) and Hazardous Air Pollutants (HAP) by at least 98%. Direct venting of VOCs and HAPs to the atmosphere is prohibited.
 - ✦ Flaring: All flaring shall be limited to safety and emergency use only.
- ✦ **Human Health and Socioeconomics:** Oil and Gas projects must be sited, designed and operated in a manner that protects human health from adverse impacts. Oil and gas projects must improve the quality of life for local residents and must not have adverse socioeconomic affects.
- ✦ **Transportation routes and methods:** used to bring equipment and supplies to the site and to transport recovered oil and/or

gas from site shall not adversely impact biological resources or community lifestyle. Any damage to road systems, docks or other public transportation infrastructure shall be repaired by the Permittee at its cost.

- ✦ **Transportation, Utility Corridors and Infrastructure Siting:** Transportation routes, utility corridors and infrastructure shall be carefully sited and constructed to allow for the free passage and movement of fish and wildlife, to avoid construction during critical migration periods for fish and wildlife. Pipelines shall be buried wherever possible. The siting of facilities, other than docks, roads, utility or pipeline corridors, or terminal facilities, is prohibited within one-half mile of the coast, barrier islands, reefs and lagoons, fish bearing waterbodies and 1,500 feet from all surface water drinking sources.
- ✦ **Offshore Loading Facilities:** No offshore LNG or oil loading facilities will be permitted. Loading facilities must be located onshore.
- ✦ **Bering Sea Transportation:** All oil and gas produced in the Bering Sea must be transported by subsea pipeline across the Aleutian Peninsula to an onshore loading facility on the Pacific Ocean side. No oil or LNG tankers shall be allowed to operate in the Bering Sea.
- ✦ **Tankers:** No single hull tankers will be allowed to transport oil or LNG. Double hull tankers with redundant navigation and safety systems are required.
- ✦ **Vessel Traffic and Communication System:** must be developed. Designated shipping lanes must be established for LNG and oil tanker traffic on the Pacific Ocean side, to reduce tanker collision risk, and eliminate interference with the fishing industry. Designated traffic routes must be established for vessel traffic related to platform operations (construction, operation, crew changes, resupply, etc.) to eliminate interference with the fishing industry. Vessel traffic for seismic surveys or other studies must select a route and season that will not interfere with fishing activities. A radio communication notification and reporting system must be established to enhance communication between fishing vessels and oil and gas vessel traffic and enhance safety for both industries. The communication system must monitor traffic in the Bering Sea and Pacific Ocean.
- ✦ **Onshore Facilities:** Onshore facilities must be sited to limit impact on fish, shellfish, wildlife and their habitat. LNG Facilities must be designed to in a way that does not impact fish and shell fish and its habitat, including cooling water facilities.
- ✦ **Docks, Ports and Loading Facilities:** Docks, ports and loading facilities must be sited to limit impact on fish, shellfish, wildlife and their habitat. Docks and ports must be added to accommodate oil and gas facility needs. Fisherman and local vessels must be allowed safe harbor. Dredging must not adversely impact fish or shellfish resources.
- ✦ **Hydrographic Surveys:** shall be completed to accurately survey and select the safest designated tanker shipping lanes and designated traffic routes to platform operations, as well as selecting the least damaging pipeline route through fisheries habitat.
- ✦ **Seismic Design:** The North Aleutian Basin is ranked the highest seismic risk category (Zone IV). All onshore and offshore facilities must be designed to the Seismic Zone IV, Uniform Building Code design standard for the Aleutian Chain to mitigate the risk to human health and the environment.
- ✦ **Offshore Pipelines:** Offshore pipeline construction and operation must not adversely impact fish, shellfish, wildlife and their habitat, especially during migration and spawning to minimize impacts to survival and reproduction.
- ✦ **Offshore oil and gas facilities, transportation and utility corridors:** must be consolidated, sited and constructed to allow for the free passage and movement of fish and wildlife. Construction must not occur during critical migration periods for fish and wildlife.
- ✦ **Offshore Pipelines** must be buried under the seabed floor at a depth sufficient to protect the pipeline from damage from ice or other hazards. The offshore to onshore pipeline transition must be designed to take into account coastal erosion. Pipelines must be designed and constructed to:
 - ✦ Assure integrity against climatic conditions (including high winds), coastal erosion and geophysical hazards.
 - ✦ Corrosion prevention systems must be installed and corrosion monitoring systems must be operated. Pipeline inspection pigs and maintenance pigging systems must be installed and used routinely. Pipelines must be inspected at least annually.
 - ✦ Pipeline leak detection systems must be installed and operated. Pipeline valves must be installed to shut down the pipeline, isolate hydrocarbon flow and limit the amount of hydrocarbon discharge. Tanks must be placed on and offshore to evacuate the pipeline system in case of pipeline damage.
- ✦ **Onshore Pipelines & Facilities:** Onshore facilities must be sited to meet the following requirements:
 - ✦ Wildlife and their habitat shall not be impacted particularly during migration. Calving and over-wintering areas shall be protected to minimize impact to the survival or reproduction of caribou, moose and bear.
 - ✦ Fish, shellfish and their habitat shall not be impacted particularly during migration and spawning to minimize impacts to survival and reproduction.

- ✦ Onshore oil and gas facilities, transportation and utility corridors shall be consolidated, sited and constructed to allow for the free passage and movement of fish and wildlife.
- ✦ Construction shall not occur during critical migration periods for fish and wildlife.
- ✦ Onshore oil and gas facilities (other than docks, roads, utility or pipeline corridors, or terminal facilities) shall be sited at least one-half mile away from the coast, barrier islands, reefs and lagoons and all fish bearing water bodies and at least 1,500 feet away from all current surface drinking water sources. Additionally, siting of such facilities is prohibited within one-half mile of the banks of the Igushik, Naknek, Egegik, King Salmon (tributary to Egegik), David, Milky, Ugashik, King Salmon (tributary to Ugashik), Cinder, Meshik, Ilnik, Muddy, Sandy, Bear, Nelson, Caribou, Sapsuk and Dog Salmon Rivers, Black Hills, Steelhead, Painter and Pumice Creeks, Becharof and Ugashik Lakes and Franks Lagoon.
- ✦ Road, utility, and pipeline crossings shall be consolidated and aligned perpendicular to water courses.
- ✦ Pipelines shall utilize existing transportation corridors and be buried.
- ✦ Pipeline gravel pads shall be designed to facilitate the containment and cleanup of spilled fluids. Pipelines shall be designed and constructed to assure integrity against climatic conditions and geophysical hazards.
- ✦ Pipelines and facilities shall be designed and constructed to:
 - ✦ Assure integrity against climatic conditions (including high winds), coastal erosion and geophysical hazards.
 - ✦ Corrosion prevention systems must be installed and corrosion monitoring systems must be operated.
 - ✦ Pipeline inspection pigs and maintenance pigging systems must be installed and used routinely. Pipelines must be inspected at least annually.
 - ✦ Pipeline leak detection systems must be installed and operated. Pipeline valves must be installed to shut down the pipeline, isolate hydrocarbon flow and limit the amount of hydrocarbon discharge.
- ✦ Tanks must be placed onshore to evacuate the pipeline system in case of pipeline damage.
- ✦ **Timber Use:** Permittee shall not cut any timber on lands or remove other resources from the land without prior written permission of the land owner.
- ✦ **Fires:** Permittee shall take all reasonable and prudent precautions to prevent and suppress forest, brush, and grass fires. Open burning of hazardous or contaminated material is strictly prohibited. Black smoke is prohibited.
- ✦ **Solid Waste:** Prior to removal, all garbage and debris that are subject to decomposition shall be stored in bear-proof containment. All solid waste, debris and hazardous substances generated from short-term (portable) camp use or other activities conducted in accordance with this authorization shall be removed to a facility approved by the Alaska Department of Environmental Conservation (ADEC). Permittee shall keep the operating areas and facilities used in a neat, orderly, and sanitary condition.
- ✦ **Watershed Protection:** Watershed areas shall be protected. All operations shall be conducted to minimize or eliminate siltation, road and surface runoff and pollution of the water supply. No stationary or mobile equipment may be transported over, refueled on, or operated on a public drinking water supply.
- ✦ **Grey Water and Human Waste Disposal:** Portable or permanently installed sanitation systems shall be provided at the operation for workers use. All grey water and human waste shall be collected and disposed of at an ADEC approved disposal site.
- ✦ **Fuel and Chemical Storage:** All fuel and chemical storage containers shall be clearly marked with the contents and the Permittee's name. The Permittee is responsible for preventing spillage and contamination of contiguous land and water as well as cleaning up any oil or other pollutants that result from activities associated with this permit. Drip pans and absorbent pads shall be available to contain and clean up spills from any transfer or handling of fuel.
- ✦ **Oil, Chemical and Fuel Spill Prevention:**
 - ✦ Tanks: All hydrocarbons, hazardous materials and hazardous chemicals shall be stored in tanks located in secondary containment systems holding 110% of the tank capacity. Tanks must be equipped with cathodic protection, leak detection systems and overfill alarms.
 - ✦ Pipelines: Pipelines shall be equipped with tank and pump systems capable of evacuating the pipeline, cathodic protection systems, and redundant leak detection systems.
 - ✦ Drilling Rigs: Blowout prevention systems shall be installed prior to drilling into over-pressured or hydrocarbon bearing zones.
 - ✦ Tankers: No single hull tankers shall be allowed to transport oil or LNG. Double hull tankers with redundant navigation and safety systems are required.
 - ✦ Supply/Fuel Vessels: Double hull vessels are required in the presence of ice.

- ✦ **Oil Spill Response:** Operator must own, or have under contract, state-of-the-art oil-spill response equipment, sufficient to respond to the worst-case discharge as well as protect fisheries, subsistence use areas and other environmentally sensitive areas. The Operator must consult with the AEB to determine the optimal spill response equipment staging location. Equipment must be staged to rapidly respond to drilling platform and pipeline spills, to respond to onshore tank, pipeline, and processing and terminal facility spills, and to respond to tanker spills. The Operator must hold contracts with a sufficient number of fishing vessels to support a rapid oil spill response. Dispersant may not be used without AEB approval.
- ✦ **Geographic Response Strategies (GRS):** The Operator must ensure oil spill response equipment is pre-positioned for immediate deployment to protect fisheries, subsistence use areas and other environmentally sensitive areas in the event of a spill. The Operator must develop geographic response strategies (in consultation with AEB), field test them, train staff and pre-position the equipment to implement the GRS, prior to start of operations.
- ✦ **Well Control Equipment & Personnel:** The Operator must own, or have under contract well control equipment to control a well blowout, including well capping equipment and access to a relief well rig. The Operator must employ, or have under contract, a well control expert. Well blowout control, well capping equipment, and the well control expert must be located in the project area while wells are drilled.
- ✦ **Spills:** All spills of fuels or chemicals shall be reported to AEB (907) 383-2699 and ADEC (800) 478-9300 within 24 hours and be cleaned up immediately and thoroughly to the AEB's satisfaction.
- ✦ **Alaska Historic Preservation Act:** The Alaska Historic Preservation Act (AS 41.35.200) prohibits the appropriation, excavation, removal, injury, or destruction of any state owned historic, prehistoric (paleontological) or archaeological site without a permit from the commissioner. Should any sites be discovered during the course of field operations, activities that may damage the site will cease and the Office of History and Archaeology in the Division of Parks and Recreation (907) 269-8721 and the appropriate coastal district shall be notified immediately.
- ✦ **Removal of Temporary Equipment and Facilities:** All temporary equipment and facilities, supplies, waste, and fuel shall be removed before the end of each authorized term of use, or on or before permit termination.
- ✦ **Permanent Facilities, Structures and Access Routes:** This permit does not grant the Permittee the right to construct any road, dock, port, or runway or erect, construct or place any building, structure, or other fixture on lands within the AEB boundaries. The Permittee shall obtain legal access and authorization from the land owner prior to these activities. A separate lease or contract is required to construct permanent facilities, structure and access routes on AEB lands.
- ✦ **Reclamation:** Lands shall be restored to meet the Reclamation Plan submitted and approved as part of this permit.
- ✦ **Surety Bond.** A surety bond in the amount required by AEB must be provided to AEB prior to conducting any operations under this permit, and must be maintained until AEB has determined in writing that all requirements under this permit have been met, including site reclamation to AEB's satisfaction.
- ✦ **Permit Evidence and Inspection:** Permittee, and Permittee's employees shall carry a copy of this permit at all times or a copy should be posted at each operational site in a location visible to all employees and the public. Authorized representatives of the AEB have the right to enter and inspect the operations approved under this permit at any time to ensure that the activity is being or has been accomplished in accordance with the terms and conditions of this permit.
- ✦ **Permit Assignment:** This permit is not transferable and cannot be assigned or subleased, in whole or in part, to another party. If the operations permitted under this authorization are purchased by another owner, this permit is no longer valid. A new permit application shall be submitted by the new owner, and approved by AEB.
- ✦ **Amendments:** Permittee shall immediately notify AEB of any change of information submitted in this application. Permittee is only authorized to conduct the operations described in this permit application and approval. Any change to the operation will require a permit amendment application to be submitted and approved prior to conducting those activities.
- ✦ **Violations and Enforcement:** Pursuant to AEB Municipal Code (AEBMC) Chapter 1.24, a person who violates a provision of this permit is subject to any action available to the AEB for enforcement and remedies, including revocation of the permit, civil action for forcible entry and detainer, ejection, trespass, damages, and associated costs, or arrest and prosecution for criminal trespass in the second degree. The AEB may seek damages available under a civil action.
- ✦ **Additional Stipulations:** AEB reserves the right to modify the stipulations attached and made a part of this permit or to attach additional stipulations when deemed necessary. If stipulations are added or modified by AEB, the permit will be reissued with the revised permit stipulations. The Permittee will have 60 days to come into compliance with the new requirements.
- ✦ **Communication with AEB about the Permit:** All communication regarding activities and reports required under this permit must be clearly marked with the AEB permit number on the front page of the document and submitted to the AEB at P.O. Box 349, Sand Point, Alaska 99661.
- ✦ **Recordkeeping:** Permittee shall keep and preserve all records of business activities conducted in AEB for at least 5 years after the site has been remediated to the AEB's satisfaction and the permit has been discontinued.

- ✦ **Complaints:** Permittee shall notify the AEB of any written or verbal complaint received within 48 hours by contacting the AEB at (907) 383-2699. The AEB will also notify the Permittee of any complaints received at the AEB Offices. Within seven (7) calendar days of receiving a complaint or being notified of a complaint by the AEB, the Permittee shall provide a written response to the AEB explaining the steps taken to resolve the complaint, or explain why it is not a valid complaint. This permit may be revoked if the AEB receives and validates a complaint regarding impact to subsistence use, trespass, human health, excessive noise, or safety.
- ✦ **Quarterly Report:** By January 15th, April 15th, July 15th and October 15th of each calendar year, the Permittee shall submit a letter to the AEB at P.O. Box 349, Sand Point, Alaska 99661, confirming that it is complying with all AEB approved plans, permit stipulations and requirements.
- ✦ **Final Report:** Within 180 days after this permit expires, the Permittee shall submit a letter to the AEB at P.O. Box 349, Sand Point, Alaska 99661, confirming that all permit stipulations and requirements have been met and that the area used is clean and restored as required in the approved Reclamation Plan.

General Permit Instructions

- ✦ **Who needs a permit?** Title 40 of the Aleutians East Borough Municipal Code (AEBMC) requires Oil and Gas Mining Operators to obtain a land use permit within the Aleutians East Borough Resource Development District, excluding the municipal lands where AEB has delegated land use planning authority to an AEB municipality (see AEBMC § 40.01.020). Oil and Gas Operations may only occur, if permitted by AEB within the Aleutians East Borough Resource Development District.
- ✦ **Do I need a permit if I plan to conduct Oil and Gas Operations within an AEB Municipality that has delegated land use planning authority under AEBMC § 40.01.020?** You may be required to obtain a local business license, register your business and/or obtain a municipal land use permit. Please contact the AEB Municipality for more information on their requirements.
- ✦ **Is this a new requirement?** No. In 2006, AEB's Assembly revised the AEBMC to require Oil and Gas Operators to obtain a land use permit within the AEB boundaries. In 2013, AEB updated its land use permitting requirements for oil and gas operations, to streamline and clarify the permit application process and develop this specific permit application. The main elements of the 2006 requirements and permit approval criteria were retained.
- ✦ **How do I complete the Application? Is there an electronic version of this form?** An Adobe Acrobat, PDF fillable version of the application can be found at <http://www.aleutianseast.org/> under the Permitting Page. Please save a copy to your computer, rename the file, and fill it in electronically on the computer. Please note that you must print and sign a final hard copy of the application and mail the completed application, along with a check for the fees and all required information to AEB at P.O. Box 349, Sand Point, Alaska 99661.
- ✦ **Can I submit a handwritten application?** No. This application must be typed.
- ✦ **Where do I send my Permit Application?** Please mail a completed copy of the permit application, a check for the Resource Development Fee Fund and all required information to the AEB at P.O. Box 349, Sand Point, Alaska 99661.
- ✦ **Who do I call if I have a question?** Please contact the AEB Clerk/Planner at (907) 383-2699.
- ✦ **What is the permit fee?** Oil and Gas Permit Applicants must submit an initial Oil and Gas Permit Fee Fund payment of \$50,000 which AEB will use to pay for the cost of reviewing and approving the proposed application (See AEBMC Chapter 40.20.050). The Oil and Gas Permit Fee Fund payment must be provided to the AEB at the pre-application meeting. If the permit is approved the fund will also be used by the AEB to monitor mine operations for compliance with permit requirements. A minimum balance of \$25,000 must be maintained in this fund at all times. Depending on the complexity of the permit application, need for experts, and the cost of inspection and oversight once the project is in operation, the AEB may not require this entire fund, or may require additional funds. Unused funds will be returned to the Applicant at the completion of the project, or if an application is withdrawn from consideration.
- ✦ **How long will it take to obtain a permit?** Permit approval timelines will vary based on permit application complexity, completeness and degree of public interest; however, you should plan for at least a period of one year. Your first step should be to meet with the AEB for a Pre-Application Meeting to discuss your permit application and goals, this meeting will give the AEB a better understanding of your project proposal and will provide AEB with the opportunity to identify and fund resources to assist on the project.
- ✦ **Is a Pre-Application Meeting required?** Yes. You must meet with the AEB for a pre-application meeting at least 180 days period to submitting the application for approval.
- ✦ **When is my permit application due?** Your permit application should be submitted at least 180 days prior to the time you need an approved permit. Most permit approvals should be issued within 180 business days; however, delays can occur during peak work periods or during holidays.

- ✦ **How long is the permit valid?** Approved permits are valid for the period specified in the permit; a period not to exceed five years. The permit remains valid, provided applicant complies with permit terms and conditions. Once the permit is issued, the permit may be amended. An amended permit is only valid for the remaining term on the originally issued permit.
- ✦ **What happens if my application is incomplete?** Submittal of an application does not guarantee that it will be accepted. Only applications that are determined to be entirely complete, (including permit fee payment) will be accepted. Incomplete applications will be returned to the applicant for additional information and revision.
- ✦ **Who assigns new permit numbers?** The AEB will assign a permit number when your application is received. Please refer to this number in all future correspondence.
- ✦ **How do I renew an existing permit?** Approved permits are valid for the period specified in the permit; a period not to exceed five years. A renewal application must be submitted at least 180 days before your permit expires. Permittees that have operated in compliance for the prior permit term (with no violations), may be eligible for an expedited renewal process if the renewal application does not increase impact over the original permit approval. Renewal applications that meet these criteria will be processed in 30 days by the Administrator without public review.
- ✦ **How do I amend an existing permit?** A permit amendment may be submitted at any time during the period that the existing permit is valid. The permit applicant must explain the reason for the permit amendment. Minor amendments are approved by the Administrator within 30 days. Major amendments require Assembly approval and can take 3-6 months.
- ✦ **What is the difference between a major and minor amendment?** A minor amendment includes administrative, scope or timing changes that do not increase impact over the original permit approval. Major amendments increase impact over the original permit approval.

Section No. 1 Instructions

Please fill out all the required information in Section No. 1. Check all boxes that apply.

- ✦ **What if I don't have a State of Alaska Business License?** All businesses operating in the State of Alaska are required to have a business license. See http://www.commerce.state.ak.us/occ/home_bus_licensing.html. You must obtain a license before submitting your application.
- ✦ **What if I don't have a Federal Tax ID?** All businesses operating in the State of Alaska are required to have a Federal Tax ID. See [http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Employer-ID-Numbers-\(EINs\)](http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Employer-ID-Numbers-(EINs)). You must obtain a federal Tax ID before submitting your application.

Section No. 2 Instructions:

Please fill out all the required information in Section No. 2. Check all boxes that apply. Please provide a brief description of your operations and location. You are also required to provide a Plan of Operations with your permit application where you can provide more detail.

Section No. 3 Instructions:

Please fill out all the required information in Section No. 3. Check all boxes that apply.

- ✦ **Why do I have to provide information on property ownership and access?** The AEB needs you to provide sufficient information to verify that you either own the property that you plan to conduct business on, or that you have obtained legal access to that land for the period that this permit will be valid, before issuing you a permit. The AEB will not issue permits to applicants that cannot demonstrate that they own or have secured legal access to use private, local, state or federal lands for commercial purposes. Please provide a contact name and phone number that can verify your legal agreement.

Section No. 4 Instructions:

Please provide all the required information in Section No. 4.

- ✦ **Is there a specific format that must be used for maps?** Yes, please consult with the AEB at your pre-application meeting. Maps must be submitted electronically for incorporation into the AEB's Geographic Information System, in Adobe acrobat pdf, and at least two hard copies.
- ✦ **What information must be included the Project Scope and Schedule?** The Project Scope and Schedule shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060:
 1. Information on proposed Applicant (Operator) and any partners in the planned Oil and Gas project;
 2. Proposed Oil and Gas operations, location and timing;

3. Size and purpose of the operation;
4. Landownership and legal agreements that allow Oil and Gas operations on the property and any past mining operations at this site;
5. A list and description of the required equipment, facilities, infrastructure and personnel;
6. Area of Oil and Gas operations, including a map showing the topography, vegetation, distance to waterbodies, wetlands, residential areas, and other private structures or operations;
7. Amount and type of oil, fuel, and chemicals that will be used and stored at the project site and oil spill prevention measures that will be used;
8. The actions to be taken to minimize detrimental effects to fish and wildlife;
9. Environmentally or culturally sensitive areas at or near the project (e.g. fish spawning habitat, subsistence use area, nearby residential properties or schools);
10. Water and fish habitat protection measures that will be used;
11. Water requirements (i.e., intended use of appropriated waters, sources and methods of obtaining water, rate of acquisition, design of wastewater treatment systems, and in stream requirements);
12. Location and size of camp facilities and overland transportation;
13. Anticipated restrictions on other surface uses of the lease area, including public access;
14. Noise, visual and dust suppression mitigation measures that will be implemented to lessen impacts on surrounding neighbors and properties;
15. Plans to comply with AEB's Coastal Zone Enforceable Policies if Oil and Gas is planned in the coastal lands and waters of the Borough;
16. Safety and security that will be used at the site; and,
17. A summary of all required local, state and federal permits and the status of those permits. If the permits have been obtained please provide the permit number and date of expiration. If permits are in the process of being issued please provide information on the date you applied for the permit and the expected date of issue.

✚ **What information must be included in the Conflict Avoidance Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060 and must demonstrate that Commercial Fishing, Subsistence Use and Sport Harvest Conflicts will be avoided. Commercial fishing, subsistence use and sport harvest have priority. You may propose alternative site locations, transportation routes, and other mitigation measures to avoid conflict.

✚ **What information must be included in the Study and Project Monitoring Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060. The plan must be comprehensive and collect sufficient baseline and periodic monitoring data to ensure protection of human health and the environment is being achieved. The plan must be reviewed and approved by the Borough Scientific Advisory Council or an expert designated by the Borough.

✚ **What information must be included in the Local Economic Development Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060 and must include a local hire manpower plan, local business contracting plan, training program, and mentoring program for both construction and operation phases of the resource extraction project.

✚ **What information must be included in the Field Office Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060 and must explain how a field office will be set up and manned at the project site to provide project oversight, monitoring, address local concerns, and ensure compliance.

✚ **What information must be included in the Infrastructure Support Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060 and must include a joint tribal, local community and Applicant agreement approved by all parties, and submitted to the AEB Borough that agrees on whether it will be beneficial to expand community infrastructure to include resource extraction needs, or whether it would be more appropriate to institute enclave development requirements.

✚ **What information must be included in the Transportation Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060 and must describe existing and new transportation infrastructure needed, anticipated haul routes, and points of ingress and egress to the project site (including a map of these routes).

✚ **What information must be included in the Historical and Cultural Resources Protection Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060 and must demonstrate that traditional, historical, and cultural sites will not be disturbed or adversely impacted during construction or operation.

- ✦ **What information must be included in the Good Neighbor Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060. It must include a plan to ensure surrounding residential properties are not adversely impacted by excessive noise, fumes, odors, pollution, contamination, glare, smoke, light, vibration, dust, litter or interference with media reception and should include charitable or in-kind contributions to support local education, art, and charities, and provide employment training programs to maximize local hire. This program should provide a funds and systems for impact assistance if adverse impacts are realized by the community or individual residents.
- ✦ **What information must be included in the Pollution Prevention Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060 and must include best management practices for protecting drinking water, air, and local food sources from pollution, including and a recycling program.
- ✦ **What information must be included in the Hazards Assessment Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060 and must include an evaluation of all potential hazards to the project including, but not limited to, geophysical hazards, fire, flood, landslides, erosion, earthquake, coastal storms, and ice.
- ✦ **What information must be included in the Reclamation Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060. The Reclamation Plan shall include a description of your reclamation plans including a timeline and plans to comply with AEB's Coastal Zone Enforceable Policies if oil and gas operations are planned in the coastal lands and waters of the Borough.
- ✦ **What information must be included in the Emergency Plan?** The plan shall include, at a minimum, a description of the information required by AEBMC Chapter 40.20.060 and must provide for adequate medical, rescue, fire, spill response, and other emergency services. The plan should preferably include proposals to fund expansion of existing Borough emergency services to support increased demands created by the new Resource Development project.
- ✦ **How do I determine the amount of Surety Bond required?** You must meet with the AEB and discuss the amount of Surety Bond required for your project. AEBMC Chapter 40.20.060 requires that the surety bond be sufficient to fund: (1) Environmental clean-up and restoration requirements; (2) Compensate residents for any adverse human health impacts; (3) Compensate commercial fisherman and subsistence users for adverse impacts; and (4) Dismantle, remove, and restore the Resource Development site to its original condition prior to development.
- ✦ **What if my EIS or EA is not complete?** You should discuss the status of any federally required EIS or EA for your project with AEB at your pre-application meeting. Preferably, your permit application should be submitted after the EIS or EA is complete. If your application is submitted while the EIS or EA decision is pending, the AEB will hold your permit application decision in abeyance until the EIS and EA decision is complete, unless this requirement is waived by the AEB.
- ✦ **What if state and federal permit applications have been submitted, but decisions are pending?** You should discuss the status of any state or federal permits for your project with AEB at your pre-application meeting. Preferably, your permit application should be submitted after the state and federal permits are complete. If your application is submitted while the permit decisions are pending, the AEB will hold your permit application decision in abeyance until permits are approved, unless this requirement is waived by the AEB.
- ✦ **How do I find a copy of the AEB's Coastal Zone Enforceable Policies?** A copy can be found at <http://www.aleutianseast.org/> under the Permitting Page.
- ✦ **Who do I make the permit fee check out to?** The Aleutians East Borough.
- ✦ **Can I pay for the permit fee using a credit card?** No. The AEB does not accept credit card payment at this time.
- ✦ **Can I pay for the permit fee using cash?** No. You must pay by check.

Section No. 5 Instructions:

Please fill out all the required information in Section No. 5. Check all boxes that apply. The AEB will take into consideration any currently pending enforcement action, or prior revocations in making its decision on whether or not to approve the permit.

Section No. 6 Instructions:

Please sign and date Section No. 6. Applications that are not signed will not be accepted.

Section No. 7 Instructions:

Section No. 7 is for AEB administrative use only. This section of the permit allows AEB to track the permit approval process.

Section No. 8 Instructions:

Section No. 8 is a list of standard permit stipulations that will be applied to your permit approval. Additionally, AEB reserves the right to add additional site-specific, operator-specific stipulations to this list. Your final permit may include an additional addendum listing any additional permit stipulation that you must comply with for your operation.