



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

## ANILCA Implementation Program

OFFICE OF PROJECT MANAGEMENT & PERMITTING

550 West Seventh Avenue, Suite 1430

Anchorage, Alaska 99501

Main: 907.269.8690

Fax: 907.269.5673

May 31, 2013

Andy Loranger, Refuge Manager  
Kenai National Wildlife Refuge  
PO Box 2139  
Soldotna, Alaska 99669

Dear Mr. Loranger:

The State of Alaska reviewed the Draft EA for the Apache Alaska Corporation's (Apache) proposed 3-D seismic survey of Cook Inlet Region Inc. (CIRI)-owned oil and gas subsurface resources located within the boundaries of the Kenai National Wildlife Refuge. The following comments represent the consolidated views of the State's resource agencies.

Continued hydrocarbon production from the Cook Inlet oil and gas basin is of critical importance to the State of Alaska. Oil and gas developments have been occurring in the Cook Inlet for over fifty years and the industry has been a cornerstone for jobs and energy supply in Southcentral Alaska since statehood. The U.S. Geological Survey estimates that Cook Inlet holds approximately 19 trillion cubic feet (TCF) of undiscovered, technically recoverable natural gas, which is almost three times the 7.8 TCF that has been produced in the Inlet since 1958.

While Cook Inlet gas production is often associated with large offshore platforms, much of the underexplored and unexplored areas with potential to contribute significant amounts of hydrocarbons are onshore. As detailed in the EA, Apache is utilizing the latest in high-resolution, low-impact equipment and survey designs to maximize data capture and minimize surface disturbance.

Section 1110(b) of the Alaska National Interest Lands Conservation Act established a right of access to state and private inholdings – including subsurface resources - within conservation system units, and assures “*adequate and feasible access for economic and other purposes.*” The State supports the issuance of a Special Use Permit authorizing Apache to conduct a 3D seismic survey, which allows CIRI access to high-quality imagery of its subsurface resources located within the boundaries of the Kenai Refuge. Unfortunately, data acquisition has been constrained by the Refuge unnecessarily limiting activities to the surface footprint above the subsurface resources; however, the permit will allow Apache to image the majority of its leaseholdings within the refuge.

### Page-Specific Comments

Page1-12, last sentence of Section 1.7.2. For clarity, we recommend the following revision:

Access to inholdings is subject to regulations ~~at 43 CFR Part 36~~ needed to protect natural and other values of the Kenai NWR, ~~as defined in ANILCA Section 1107(a).~~

Pages 1-12 through 1-13, Section 1.7.4.2; Map 3. This discussion does not appear relevant since the proposed activities are limited to areas where the CD does not apply. To the extent it is relevant or applicable to the proposal; the 1999 CD regarding oil and gas exploration and development is significantly out of date. The CD was explicitly valid “for 10 years unless re-evaluated sooner.” Further, the CD’s brief discussion of seismic activities dwells on dozer trails and lost habitat from archaic practices as well as spill problems, litter and wildlife disturbances from 3-D seismic practices in use at the time the CD was written. The justification for the incompatibility finding describes “measurable . . . intrusive and long lasting” impacts. The seismic program Apache is proposing and the draft stipulations in Appendix B proactively mitigate and avoid these hazards in a novel and responsible manner. Technology and survey designs are new and state-of-the-art. Perceived and potential impacts are minor and temporary.

The discussion indicates oil and gas “cannot lawfully be permitted within the Kenai National Wildlife Refuge except within currently held Federal lease areas and areas where subsurface rights to coast, oil and gas are not within Federal ownership;” however, compatibility regulations contemplate CD revisions when “significant new information regarding the effects of the use” are presented (such as new low-impact technology) and also provide for CD revisions regarding incompatible uses “at any time.” (50 CFR 25.21(g)).

Page 1-14. The EA appropriately recognizes that the project requires authorization from the Alaska Department of Fish and Game (ADF&G). Ginny Litchfield is the ADF&G Division of Habitat contact for the project and can be reached at [gabby.litchfield@alaska.gov](mailto:gabby.litchfield@alaska.gov) or 714-2477.

Page 2-4, Section 2.1.2, 2<sup>nd</sup> to last sentence; Page 3-63, Section 3.8.4, 6<sup>th</sup> sentence; Page 4-15, Section 4.7.1, last sentence; Page 7-1, last paragraph. The EA inaccurately describes the proposed project as applying to federal surface lands above private subsurface leases. Apache is not “imaging,” “leasing,” or “exploring” federal lands, it is accessing a valid inholding using federal lands.

Page 3-2, Section 3.2, 3<sup>rd</sup> paragraph. Under the 2010 Comprehensive Conservation Plan, the traditional land management category was eliminated. The project area does not include any areas of traditional management and instead includes areas of minimal management.

Thank you for this opportunity to comment. Please contact me at (907) 269-7529 if you have any questions.

Sincerely,

/ss/

Susan Magee  
ANILCA Program Coordinator