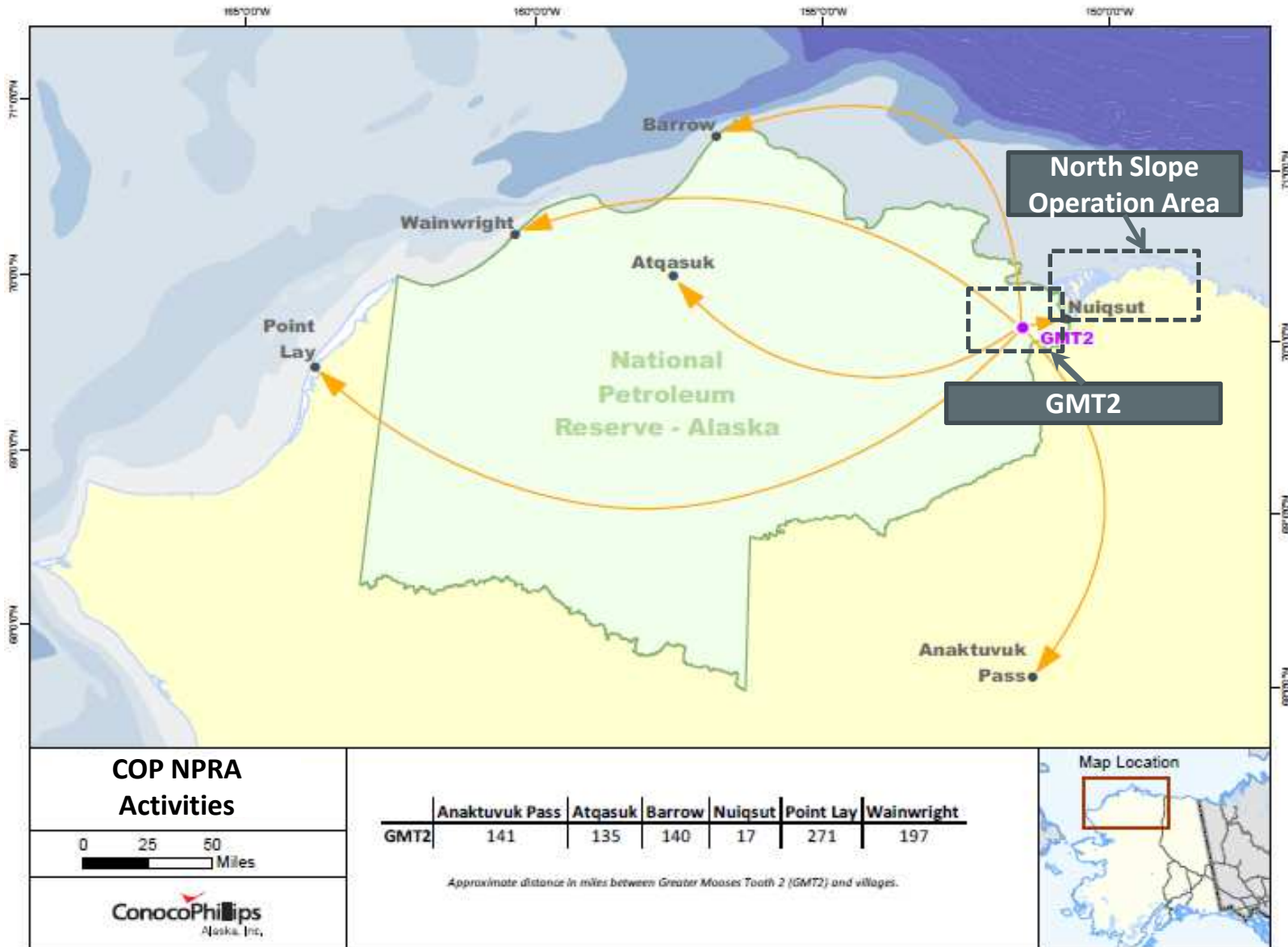


# Greater Mooses Tooth 2 Project

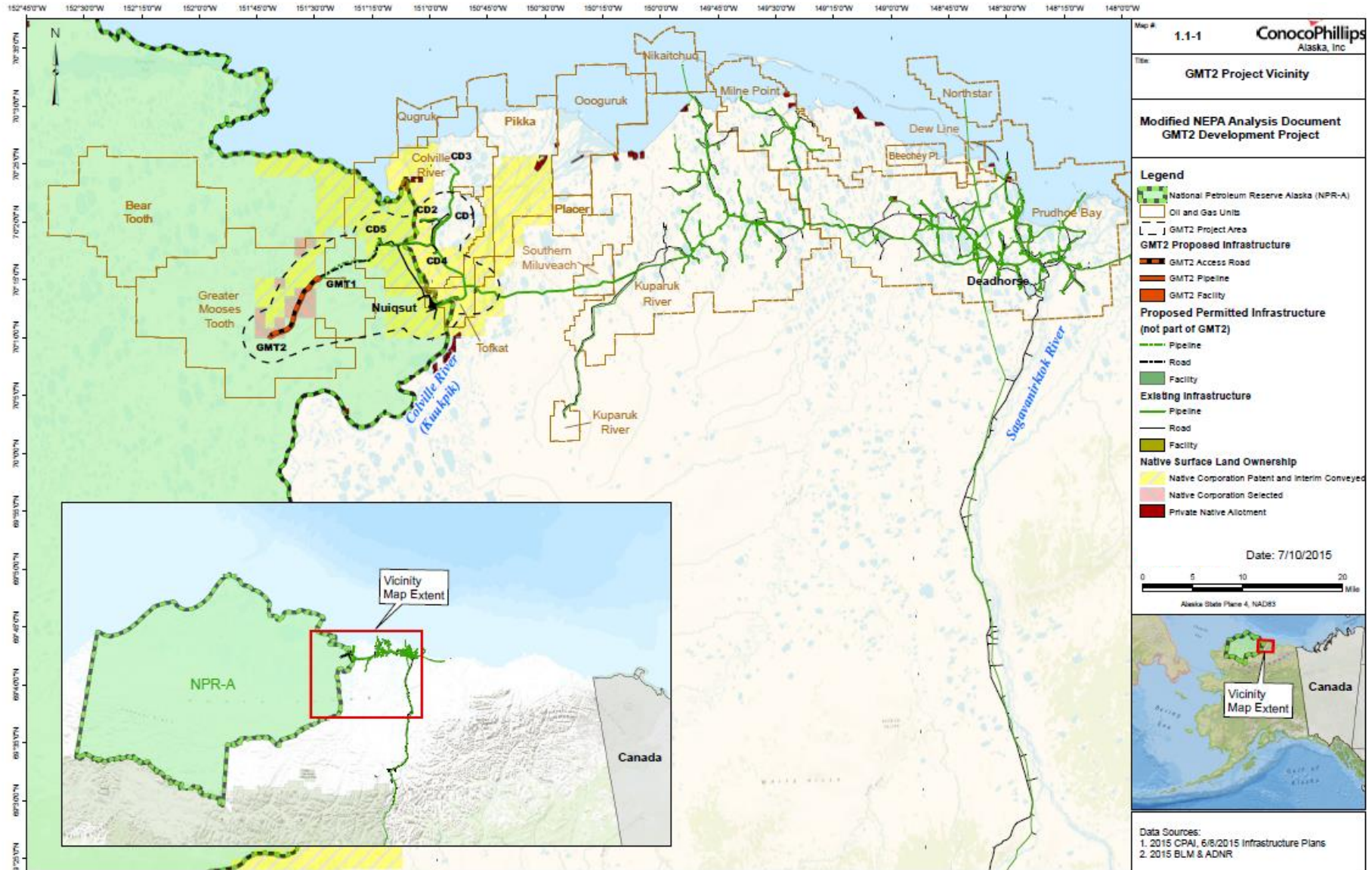


Rusty Creed Brown  
ConocoPhillips Alaska  
November 28, 2017

# GMT2 Location on North Slope

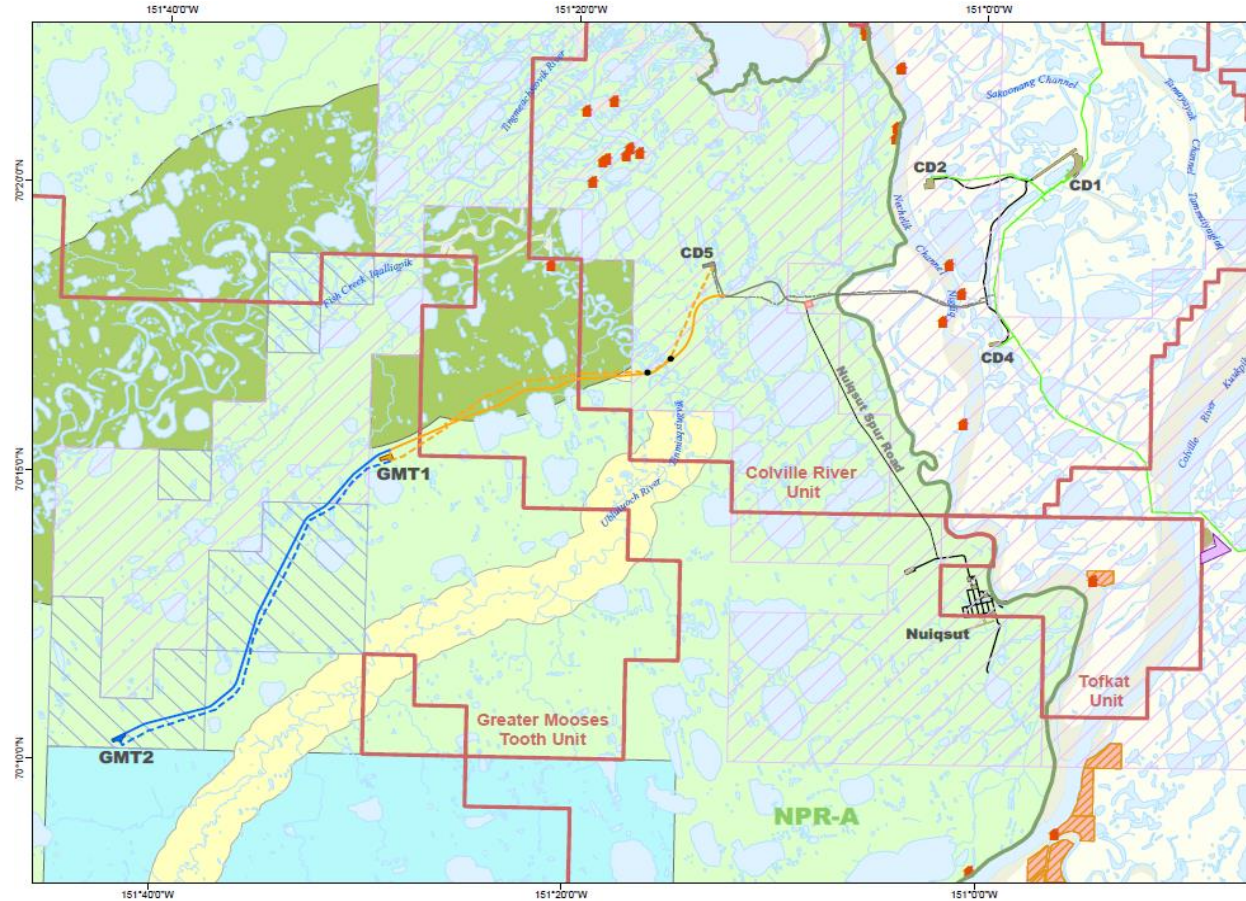


# Greater Mooses Tooth Unit in NPR-A



# GMT2 Project Description

- GMT2 located ~16 miles west of Nuiqsut, and over 20 miles from Alpine Central Facility
- 8.2 mile gravel access road, 14.0 acre gravel pad with 48 well capacity
- 8.6 miles of pipeline south of proposed road
- 4th Quarter 2017: Draft SEIS Available for comment
- ~March 2018: Final SEIS
- 2nd Quarter 2018: Record of Decision (ROD)
- No construction during 2016-2017 season
- Production schedule depends on permitting



[https://www.blm.gov/programs/planning-and-nepa/plans-in-development/alaska/GMT2\\_SEIS](https://www.blm.gov/programs/planning-and-nepa/plans-in-development/alaska/GMT2_SEIS)

# Mitigation Programs and Economic Benefits

Revenue Source	Program Purpose/Benefit	Funding Flow	Funding Use	GMT1/GMT2 Contributions (2018-2050)
<p>Federal Revenue Sharing (50% to State of Alaska)</p>	<p>Priority: Provide Impacted Municipalities with Grants to Help Plan for and Mitigate Adverse Impacts Related to Oil and Gas Development in the NPRA. (Per 42 U.S.C. Chapter 78 Section 6506a and AS 37.05.530)</p>	<p>COP to BLM to State of Alaska to impacted NPRA communities submitting grant applications (Nuiqsut, Barrow, Ataqsuk, Wainwright, Anaktuvuk Pass, NSB).</p>	<p>Example Past Mitigation Grant Projects: City Operations for NPRA Communities, Nuiqsut Natural Gas System, Youth Programs, NSB Police Officers, Wildlife Studies, Gravel for Colville River Access Road, Barrow Rec Center Addition, Search and Rescue Equipment.</p>	<p>~\$500<sup>a</sup> MM</p>
<p>Kuukpik Subsistence Mitigation Payments</p>	<p>Offset Potential Impacts to Nuiqsut Subsistence Hunters Related to COP Operations.</p>	<p>COP to City of Nuiqsut; Local committee determines how it will be distributed.</p>	<p>Payments to date have been used to provide fuel vouchers to hunters and payments to households and elders.</p>	<p>\$5.2<sup>b</sup> MM (\$10.5 MM w/CDS)</p>
<p>USACE 404 Permit Compensatory Mitigation</p>	<p>Offset Impacts to Wetlands as Determined by USACE.</p>	<p>COP to approved mitigation bank or project directed by USACE.</p>	<p>Conservation easements, land purchases, or remediation projects directed by USACE.</p>	<p>\$2<sup>c</sup> MM GMT1 (GMT2 TBD)</p>
<p>Potential BLM Mitigation Compensation</p>	<p>Compensate for "Some of the Unavoidable Adverse Environmental and Sociocultural Impacts" (Per Conceptual RMS April 2016).</p>	<p>COP to BLM? Payment process undefined.</p>	<p>Voluntary GMT1 payment partially used by BLM to prepare RMS (\$1 MM) and use of remainder funds (\$7 MM) for village of Nuiqsut</p>	<p>\$8 MM (GMT1)</p>
<p>Monitoring, Studies and Stipulations</p>	<p>Baseline Studies, Required Monitoring Studies, and BLM Oversight.</p>	<p>COP to contractors conducting studies and annual funding to BLM.</p>	<p>Labor, equipment and travel to support study work for compliance with permits; oversight monitoring by BLM</p>	<p>~\$50 MM</p>
<p>NSB Property Taxes/City of Nuiqsut Taxes</p>	<p>Tax Payments Fund Municipal Government Services to North Slope Borough and Nuiqsut</p>	<p>COP to NSB. Nuiqsut: Bed taxes to City of Nuiqsut.</p>	<p>NSB: Schools, health clinics, village public works (water, sewer, waste, roads), wildlife, planning, emergency response, etc.). City of Nuiqsut: local operations.</p>	<p>~\$460<sup>d</sup> MM</p>
<p>ANCSA Corp Royalties</p>	<p>Revenue to ASRC and Kuukpik Corporation; 7i/7j<sup>e</sup> Sharing.</p>	<p>COP payments to ASRC and Kuukpik. ASRC revenue sharing per 7i/7j to other ANCSA Corporations.</p>	<p>Dividends to ANCSA corporation shareholders, corporation operations, shareholder benefits, scholarships, etc.</p>	<p>~\$700<sup>a</sup> MM (ASRC/Kuukpik payments) ~\$475<sup>e</sup> MM (7i/7j sharing)</p>
<p>Project Spending and Economic Impact Multiplier</p>	<p>Statewide Direct and Indirect Benefits - Jobs for Alaskans, Work for Alaska Businesses, Severance Taxes, TAPS Benefits, etc.</p>	<p>COP contracts and subcontracts to Alaska businesses. Severance taxes: COP to State of Alaska.</p>	<p>Supports the State of Alaska Economy and State Government.</p>	<p>Hundreds of Million \$</p>

# Comments and Questions



Quyanaqqak!

