



POINT THOMSON

ENVIRONMENTAL IMPACT STATEMENT

Point Thomson Scoping Meeting Verbatim Transcripts

Individual Community Scoping Meeting Comment Summaries

Final Scoping Summary Report

And

Caribou Meeting Minutes

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

PROPOSED POINT THOMSON GAS CYCLING PROJECT

TRANSCRIPT OF SCOPING MEETING PROCEEDINGS

BEFORE TED ROCKWELL, Hearing Officer

Loussac Public Library

Anchorage, Alaska

November 7, 2002

5:30 o'clock p.m.

PANEL:

MR. MICHAEL BARKER, ExxonMobil

MR. DICK LEFEBVRE, State of Alaska Department of
Natural Resources

MR. DAVE BUNTE, CH2M Hill

MR. STEVE BRAUND, Anthropologist

MR. BRIAN LAWHEAD, ABR

MR. JIM ZELENAK, U.S. Fish and Wildlife Service

MS. KELLEY HEGARTY, Hegarty & Associates, Community
Planner and Policy Analyst

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1 PROCEEDINGS

2 (On record; 5:30 p.m.)

3 MR. ROCKWELL: Thank you for being here this evening.
4 My name is Ted Rockwell. I work for the Environmental
5 Protection Agency with the office here in Anchorage. This is
6 the last of the series of scoping meetings that we're having on
7 the Point Thomson EIS that we're beginning to prepare.

8 The trigger for this EIS is a proposal made by
9 ExxonMobil for a gas cycling project in the Point Thomson area
10 which is along the coast of the Beaufort Sea just west of the
11 Canning River. We're beginning to prepare the EIS and having
12 scoping at this point.

13 We have invited federal and state agencies to
14 participate with us and to work together. The Army Corps of
15 Engineers, Ms. Terry Carpenter, is a cooperating agency with
16 us. The U.S. Fish and Wildlife Service is also a cooperating
17 agency and Mr. Richard Hanna is with Fish and Wildlife Service
18 and is in the audience at the moment. The North Slope Borough
19 is participating with us and working together, not as a
20 cooperating agency but as a participating agency so that we can
21 draw on their expertise and they can draw on whatever they
22 might need from us as well. The State of Alaska has a number
23 of permits and authorizations that they're going to need to
24 make decisions on for this project to go forward and we're
25 working together with them. Mr. Dick LeFebvre to my right is

1 the State of Alaska point of contact for our EIS team.

2 The way that we're proceeding with the EIS is through
3 the use of a third-party EIS contractor. And the third-party
4 EIS contractor is CH2M Hill. The project manager for CH2M Hill
5 is Mr. Dave Bunte, to my far right. A third-party EIS contract
6 is one in which EPA controls the contractor, we direct the
7 work, and ExxonMobil provides the funding. And we have a very
8 rigid firewall, if you will, that assures the objectivity of
9 the EIS. The EIS is the responsibility of the EPA and the
10 federal agencies and will be our document when we're done with
11 it. There will be more about that as we proceed.

12 As I said we're at the scoping point of the project
13 which is the point where we're looking for the identification
14 of issues, concerns, alternatives. We're trying to figure out
15 the scope of the EIS. We're trying to figure out what it is
16 that we need to include in the EIS and what things we don't
17 need to include in the EIS and we're in need of that
18 information from, as well as the agencies, the public, which is
19 why we have the public meetings.

20 The applicant has been invited. We invited ExxonMobil
21 to participate in the meetings with us so that they could
22 present their project description, their proposed project. We
23 feel that it is important that the public have an accurate
24 depiction of what is being proposed and we wanted the company
25 to have the opportunity to provide that.

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1 We have Mike Barker with ExxonMobil. There's some
2 others here as well but I'm not sure where they are at the
3 moment, I can't see. Larry Harmes over here. Suffice it to
4 say, there are some other folks here. What I'd like to do at
5 this point is ask Mike Barker if he would give us a
6 presentation of the project description.

7 MR. BARKER: Ted, we appreciate the opportunity to be
8 here to describe the project to the public and appreciate the
9 opportunity.

10 My name is Mike Barker. I work for ExxonMobil. This
11 is the seventh time that I've done this now in the last couple
12 of weeks so I ought to get it right. I think tonight's a test
13 for me. All my bosses are here in the room.

14 I appreciate the opportunity to be here. I'm glad
15 you're here. If you have any questions as I'm going along and
16 you think that they're going to be rather brief, feel free to
17 just kind of jump in there if you want. I know they're going
18 to want you to come up, state your name so that it goes on the
19 record. There are project descriptions on the table out in
20 front, if you didn't grab one I encourage you to get one. I
21 think there are plenty of copies. It's about a four-page
22 document and it will cover many of the materials that I'm going
23 to cover here this evening.

24 There are some maps on the wall that I'll also point
25 out now. I'll start over here on your right. The first being

1 a map kind of of the northern section of Alaska. It shows
2 where the Point Thomson project is relative to most of the
3 communities that we've been visiting over the last couple of
4 weeks: Kaktovik, Nuiqsut, Barrow, Arctic Village and Venetie.
5 The map that's to the right of it that's kind of elongated is a
6 map that shows the area between the Prudhoe Bay Oil Field over
7 to the Staines River and encapsulating the Point Thomson Unit.
8 The larger map over on the left side on this wall actually goes
9 further west and covers everything between the Colville and the
10 Canning River to give you a broader picture of where roads and
11 pipelines and facilities are currently located on the Slope and
12 how the Point Thomson project will fit in relative to the rest
13 of the infrastructure that's up there. And then the last I'll
14 point out is the photo mosaic on the right, which is more of a
15 close up of the area in the Point Thomson area with an outline
16 of the unit and then we've imposed on that where our proposed
17 roads and pipelines and well pads would be located.

18 Feel free, if you need to take a closer look at them,
19 to just get up and walk up and take a look at them as I'm going
20 along or even afterwards.

21 Well, this is a map showing where the Point Thomson
22 Unit is located relative to some of the other fields that are
23 on the North Slope. It's located roughly 60 miles east of
24 Prudhoe Bay, about the same distance west of the village of
25 Kaktovik. It's bounded on the east side by the Staines River

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1 which forms the western boundary of the Arctic National
2 Wildlife Refuge. It's 22 miles from the closest other oil
3 field, the Badami field; it's just to the east of Badami.
4 There are 43 oil and gas -- state oil and gas leases in the
5 Point Thomson Unit. They comprise an area of roughly 116,000
6 acres. The companies that hold those leases include
7 ExxonMobil, the largest holder of leases and the operator of
8 the unit, BP, ChevronTexaco and ConocoPhillips. And then there
9 are minor interests that are held by another 20 or so parties
10 in the area.

11 There's been a lot of work done over the years in the
12 Point Thomson area with the first wells drilled in the 1972
13 time frame. Since then there have been 19 wells drilled in the
14 Point Thomson Unit. Fourteen of those wells have penetrated
15 into the Thomson Reservoir. That's a lot of wells in advance
16 of a proposed project. Everyone was looking for oil. No one
17 ever really found an oil leg and what we're really talking
18 about is more along the lines of a gas project but extracting
19 fluids that are contained in that gas, and I'll talk more to
20 that later.

21 None of those existing wells out there will be
22 incorporated and used in this project. We propose drilling 21
23 new wells all from onshore locations. The footprint for the
24 project is going to be on the order of about 225 acres, and
25 that represents about two-tenths of one percent of the total

1 area of the Point Thomson Unit.

2 Reserves: Our estimate is in the area 8 trillion feet
3 of gas. That's a large gas reservoir. By cycling that gas we
4 hope to produce in excess of 400 million barrels of condensate.
5 Condensate is, I'm going to call it a high quality crude, much
6 like kerosene. During peak production we hope to produce on
7 the order of 75,000 barrels a day on kind of an annual average
8 basis. Certainly we hope there are going to be days that we do
9 better than that, but over a year's time in the first year
10 that's our targeted production for the Point Thomson project.

11 This is a little detailed map of the area. There are a
12 number of surface facilities that I'll talk about all onshore
13 with the exception of a short dock. We propose building a 750
14 foot dock that extends off of the central pad located in that
15 area right there. At that central pad, there will be wells
16 drilled and then to the east and the west of it, roughly six or
17 seven miles, there will be two other well pads where there will
18 be producing wells located with a pipeline and a road
19 connecting those three pads to one another.

20 I'm going to show you some close ups of some of these
21 pads and I'm also going to show you some photos of what those
22 locations look like today. So I'll first start with the first
23 photo that I have here and if you want you can later come up
24 and look at them closer or you can walk up now and look at them
25 closer. This is a photo taken relatively from the Badami area

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1 looking east along the proposed pipeline right-of-way. The
2 right-of-way would run almost through the middle of that photo.
3 The Beaufort Sea is located right here in the upper left-hand
4 corner of the photo.

5 This is a photo of the location where the central
6 production pad will be. Right now it's the location of the
7 Point Thomson No. 3 exploration well that was drilled in the
8 early '80s. So there's a gravel pad there now, 10 acres in
9 size. We plan to roughly a little more than triple the size of
10 that pad. Drill injection wells at that pad that would inject
11 the dry gas back into the formation. Our production facilities
12 would be located south of the existing gravel pad and there
13 would be camp facilities, warehouses, shops and other
14 facilities like that.

15 This is a diagram of what the central pad will look
16 like once constructed. You can see the dock reaching about 750
17 feet out into the Beaufort on the upper end of this drawing.
18 You can also see kind of a brown section there on the edge of
19 this, that's part of the existing gravel pad that's there today
20 with the rest of the newly proposed pad overlaying it. So that
21 newly proposed pad is going to measure about 1900 feet by about
22 1100 with the wells located on the north end and the production
23 facility located more towards the southern end.

24 I mentioned the east well pad and the west pads, these
25 will be the pads where the producing wells will be drilled at.

1 Seven wells on one; six wells on the other. You have a
2 pipeline coming off the pad, along with a road connecting back
3 to the central pad. There will be a drilling rig on the pad,
4 drill pipe, cement, various things that are needed to go along
5 with the drilling activity. This pad is between a mile and a
6 mile and a half from the Staines River. During the first years
7 there would be a drilling rig and other facilities like that
8 located at that pad. But once the initial wells are drilled,
9 most of those facilities will be removed from that pad and then
10 there would just be wells there with some small well houses
11 located over on -- not much in the way of rotating equipment.
12 So over the majority of the life of the project this would be a
13 relatively quiet pad with relatively few taller structures that
14 are located on the pad.

15 This a photo of the way the east pad looks today;
16 gravel pad would be located in that area right there. And then
17 this is a photo of the west well pad, as it looks today with
18 that gravel pad being located in that area right there. And
19 then a close up of the west well pad as we propose to construct
20 it. Both the east and the west well pad will be something on
21 the order of five to six acres in size. Well spacing would be
22 about 40 feet.

23 I mentioned the dock. In addition to the dock we
24 propose to do some dredging. This shows the extent under the
25 limits of the channel that we would dredge off the end of the

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1 dock. The dock gets us out to seven feet of water, we're
2 proposing to bring in some rather large modules. Those modules
3 need nine feet of water so we're proposing to dredge to achieve
4 that nine feet rather than extend the dock out further.

5 The last diagram I'll show you is of the gravel mine.
6 It's to the south of the central production facility. This
7 would be developed in the very initial stages of construction.
8 It would supply all the gravel needed for the pads, the roads,
9 the airstrip. There would be no road linking this project back
10 to the Dalton Highway or back to the Deadhorse area. All
11 access to the project site would be by air or by water. Runway
12 is going to be roughly a mile in length, a couple hundred, 150,
13 maybe 200 feet wide sized for aircraft up to a C-130 or a 737.

14 This is a photo taken roughly at the central pad
15 looking south in the area where the gravel mine and the
16 airstrip would be located. You can make out the Brooks Range
17 to the south of the project site, just to give you a general
18 feel for the lay of the land there where the gravel mine would
19 be located and where the airstrip would be located.

20 I'd like to talk a little bit about gas cycling. Most
21 folks are going to think this is new, but it's really not that
22 new. At Prudhoe Bay we cycle a lot of gas. Eight billion feet
23 a day, plus or minus. Along with that gas are a lot of liquids
24 that as the pressure is dropped on that gas and it's brought
25 down to atmospheric pressure those liquids drop out or

1 condense, hence the term condensate. So Prudhoe Bay, today,
2 produces something on the order of 100,000 barrels a day of
3 condensate that we never see as a unique set-off to the side
4 fluid because it mixes right in with the crude oil in the
5 process and goes right into TAPS and ends up going down to
6 Valdez.

7 We're proposing to drill wells that will produce on the
8 order of rates in excess of a million cubic feet a day. So
9 these are very prolific gas wells. Condensate, as I stated,
10 will be separated, will be cooled and once it's separated it
11 will be put in a 22 mile pipeline that will run over to the
12 Badami pipeline connecting up to the rest of the pipeline
13 infrastructure on the Slope over to Pump Station 1 and then
14 down to Valdez. The gas that the condensate has been removed
15 from, which we call dry gas or lean gas, is then sent to the
16 wells of the central pad and then it's reinjected back into the
17 reservoir. The reservoir is at about 10,000 pounds per square
18 inch. So the gas is going to have to be injected at a pressure
19 slightly higher than that. So the dry gas will be injected in
20 the wells in the center of the reservoir pushing wet gas or
21 rich gas out to the wells on the east and western flanks of the
22 reservoir flowing up through those producing wells back into
23 the central production facility where the gas would be cooled
24 and the condensate would be separated out from that gas; hence
25 the term, gas cycling.

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1 I'll mention here, too, one of the things that's made
2 Point Thomson feasible today is the ability for us to handle
3 gases at these pressures and to reinject them in the reservoir.
4 The other thing that's given us the ability to propose this
5 project is extended reach drilling. Because we can extend our
6 drilling targets out, we can now get onshore and from three
7 pads we can pretty much cover the reservoir. Sometimes
8 reaching out on the order of 15,000 feet away from the surface
9 locations of these wells. So if these three pads, these wells,
10 these 21 wells are going to reach out like the roots of a tree
11 out into that reservoir, they'll be going down several thousand
12 feet, angling out. The reservoir's down at about 13,000 feet
13 in depth.

14 ExxonMobil and its partners have been working on the
15 Point Thomson project for a long time. As I mentioned, the
16 first well was drilled in the area in the early '70s. The
17 first well drilled into the Thomson Sand was in 1977, so we've
18 had a lot of time to get familiar with the area. We've been
19 learning a lot about the oceanography, the meteorology; all of
20 the critters that live out there. The mammals and birds and
21 fish, the polar bears, caribou, muskoxen, whales, Arctic Cisco,
22 Arctic char, broad whitefish, stellar eiders, spectacled
23 eiders, common eiders, longtail ducks, the loons and the swans.
24 We've mapped the vegetation. We've gone on and we've looked
25 for archeological sites.

1 We've taken all of that information, plus everything
2 that the industry has learned over the last several decades of
3 operating on the Slope and we've taken those best practices and
4 we've incorporated them into this project. All of that
5 information was compiled into a roughly 400 page environmental
6 report that was submitted along with our original application
7 to the Corps of Engineers and to the other agencies that are
8 seated at the table behind me. That was done in August of
9 2001.

10 As I've said a couple of times, we've been out there a
11 long time and we've really studied this. And over that period
12 of time and purchasing the leases and drilling the 19 wells,
13 the owners of the Point Thomson leases have spent roughly 800
14 million dollars. Going forward, if we're successful in
15 permitting this project and being able to make that decision to
16 move forward, we estimate the expenditures to build it will be
17 in excess of a billion dollars.

18 A gas cycling project like this with a 30-year life,
19 which is what we believe to be roughly the life of this
20 project, would generate revenues for the North Slope Borough
21 and the State of Alaska on the order of 2.5 billion dollars.

22 The project also means some jobs during the
23 construction phase. We're going to conservatively estimate 450
24 jobs. Once we were to go into production, something on the
25 order of 50 full-time jobs where people would be employed at

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1 this project. So we see a lot of opportunities for Alaskans,
2 competitive Alaska businesses, and Native corporations.

3 I mentioned that we submitted the environmental report
4 in our initial permit application in August of 2001. We're in
5 the permitting phase. We hope to complete the permitting phase
6 by very early 2004 at which time we would be able to make a
7 decision to move forward with this project and begin to
8 purchase the long items, large turbines, begin making
9 modifications on drilling rigs that would be needed to drill
10 these wells at Point Thomson, and begin designing the
11 facilities and building those facilities. It's our hope to
12 begin in late 2004 building ice roads out to the area, hauling
13 excavation and hauling equipment out there and building the
14 gravel pads and roads and airstrip. 2005, we hope to be able
15 to mobilize the rigs out there. And in late 2005 begin
16 drilling the 21 wells. In the summertime of 2006, we hope to
17 be able to bring by sea lift our facilities in, land them at
18 the dock and get them installed in time to begin production by
19 early 2007.

20 That's all I had. I really appreciate your time.

21 Thanks.

22 MR. ROCKWELL: Thank you, Mike. As I said before we're
23 at the beginning of a process and at this time I'd like to ask
24 Kelley Hegarty who is working with CH2M Hill to explain the
25 process that we're going through and the opportunities for

1 public input and public participation in the process. Kelley.

2 MS. HEGARTY: The first thing we want to share with you
3 is a question that was raised when we were speaking with the
4 residents of Venetie the other day. They saw all of the
5 Environmental Protection Agency and other agency folks here and
6 they said to us, does EPA's presence here in our village mean
7 that EPA is promoting the applicant's project. The answer to
8 that is no; neither are the agencies detracting from the
9 project. The National Environmental Policy Act, as most of you
10 probably know, requires that there be a professionally
11 objective analysis done of the potential impacts of projects
12 like this and that's what the EIS is. That's what our project
13 is about.

14 And one of the other questions that comes up on this
15 kind of a project is the role of the third-party contractor, so
16 we've tried to make that a little bit clearer as well. The
17 applicant on projects like this does, in fact, pay for the
18 Environmental Impact Statement and they pay for the work of the
19 consultants. However, the funding comes through EPA to the
20 contractor, the contractor that is doing -- the scientists,
21 engineers and planners that work with EPA at their direction to
22 identify all viable alternatives and all of the potential
23 impacts and we also evaluate whether or not the existing
24 baseline data is adequate, whether or not it needs to be
25 supplemented, et cetera.

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1 So we are the firewall that was talked about here. We
2 get technical information from the applicant. Mike Barker,
3 from Exxon, talked about the studies that they've done. Those
4 will all go through rigorous review by the third-party
5 contractor working at EPA's direction.

6 If you have any questions about this, please ask them
7 and now is a very good time to ask them, this evening, later
8 when we get into questions and comments, at the beginning of
9 the process.

10 And that's where we are, right here at the beginning of
11 the process. A Federal Notice of Intent to prepare an EIS was
12 published in the Federal Register in April of 2002 and now
13 we're doing scoping. And scoping, as Ted mentioned, we've been
14 to Kaktovik, Nuiqsut, Barrow, Arctic Village, Venetie,
15 Fairbanks last night, and now Anchorage to ask residents there,
16 once they've heard the applicant's proposed project
17 description, to share with us the issues that they would like
18 to see addressed in the Environmental Impact Statement. So
19 that's our goal tonight. We would like to get the issues that
20 you would like to make sure are included in the scope of the
21 EIS identified.

22 The second goal is to hear from you if you know of or
23 think there may be alternatives to the different components
24 proposed by the applicant that should be explored in the EIS
25 process as well.

1 There will be other opportunities to comment, certainly
2 through the process. We'll come back to you. Once we've
3 completed scoping, we'll finalize the scope of work for the EIS
4 and we'll come back to you with a Draft Environmental Impact
5 Statement. That will be widely available for your review and
6 we'll ask you to comment on that.

7 But it's very important now before the November 30
8 deadline of the scoping period for us to get your initial
9 thoughts. So understandably some folks, I'm only one of them,
10 would not be able to absorb this this quickly tonight and
11 comment tonight so we do have other opportunities down the
12 road, between now and November 30th and those include -- and
13 they're all in the newsletter that we had at the front table
14 when you came in. But they include a web site, direct e-mail
15 to the Point Thomson EIS project team. We have a toll free
16 line that has been getting quite a few calls and we do have
17 snail mail.

18 Tonight we'll be recording your comments as we have
19 been at all the other communities in two methods. One of them
20 will be a verbatim transcript by a court reporter and that is
21 available should anyone want copies of the verbatim transcript.
22 It will be part of the administrative record on this project.
23 In addition, we'll be doing a public policy summary and that's
24 what I'll be doing on the laptop and I would just like to point
25 out at the outset that unfortunately I'm a public policy

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1 analyst and I am not a typist. I want to apologize for my
2 typing before we even begin. But I would more importantly like
3 to -- well, we'll fix the typing later, but I would like to
4 invite you to, please, if we get anything wrong, if you see in
5 the comments up on the screen here that do not accurately
6 reflect the point that you're trying to make or the question
7 that you're wanting to be answered in the EIS, please let me
8 know tonight and we'll fix it. That's important because these
9 summaries will be posted on the web site.

10 Thank you very much for coming tonight.

11 MR. ROCKWELL: Thank you, Kelley. So let me reiterate
12 that work that we have in front of us. As part of the EIS we
13 need to identify the affected environment. We're going to need
14 to assess the impacts from the proposed project. We're going
15 to need to take the scoping comments, the issues, concerns that
16 have been identified in scoping as well as what comes out of
17 our assessment of the proposed project, and we're going to need
18 to develop alternatives that are responsive to the scoping
19 comments and to issues and to the impacts that have been
20 identified from the proposed project. We're then going to need
21 to assess and compare the alternatives that are developed. And
22 going beyond that, we're going to need to look at cumulative
23 impacts of the proposed project and other projects that are
24 already in existence or are about to come into being. All of
25 that gets combined into the Final EIS and we're hoping to be

1 able to identify an environmentally preferred alternatives and
2 an agency preferred alternative.

3 So the task that we have in front of us is fairly
4 large. The portion that we're asking for help with today is
5 for you to help us identify the issues and concerns that we
6 need to be sure that we include in our EIS and if you have any
7 alternatives to the components, as Kelley suggested, that you
8 share them with us at this time.

9 So with that having been said, I would ask you to come
10 to the microphone at the podium up here, push the button so
11 that the little red light comes on so that we're sure to get
12 your comments recorded and we'll start. Thank you.

13 MR. MALONEY: Are we live?

14 MR. ROCKWELL: You've got it.

15 MR. MALONEY: Well, thanks for having us all here
16 tonight. My name is Tom Maloney. I work here in Anchorage for
17 Veco Corporation. We are an engineering, construction and
18 operations and maintenance company headquartered here in
19 Anchorage.

20 We have done many major North Slope installations over
21 the past 20 years including those outstanding, underutilized
22 facilities at Badami which is where the pipeline would go into.
23 Most recently we have worked on NorthStar and a few other
24 projects that I consider to be much more technologically
25 challenging than this particular project. I think Alaska needs

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1 this project to go forward for a number of reasons. One, is it
2 creates a lot of high tech engineering and design jobs, not
3 just for consultants like what's going on right now. Drilling
4 and related support, modular construction opportunities, and
5 installation opportunities for Alaskan companies. I think a
6 lot of people forget that this particular project -- a lot of
7 the proposed gas line was going to utilize gas that originated
8 at Point Thomson. So we'd actually like to see that gas going
9 down a pipeline in the not too distance future. It is a huge
10 gas reserve. It is a huge oil reserve. And usually when
11 you're drilling and doing things in a particular area you find
12 more of it.

13 We have worked with Exxon personnel on a number of huge
14 gas handling facilities, including the largest gas handling
15 facility in the world which was GHX2, which, as Mike mentioned
16 earlier, is fully operational up at Prudhoe Bay right now. We
17 have also worked with them on Mix and other jobs including some
18 front-end gas studies. We have total confidence that Exxon has
19 world class expertise in this area and they will utilize all of
20 their cumulative experience that they have gathered in the last
21 30 years working up here. I didn't even know until tonight
22 it's been 30 years at Point Thomson. But they have a lot of
23 cumulative knowledge that they've demonstrated to people in the
24 industry.

25 I believe that the EIS should take into account all of

1 the good reviews and reports and things that multiple parties
2 have used. Exxon has spent a lot of -- invested a lot of money
3 in this area. I'm sure that the Corps of Engineers and other
4 government agencies have also. I think all of that information
5 should be reviewed and taken into account to complete this work
6 in a timely manner. I think that the EIS should be based on
7 good science and related to this particular development and not
8 extend eastward or southerly for other possible developments
9 that may be the point of another EIS in the future.

10 I'd like to see us get Alaska and the USA rolling
11 again. You know, time delays cost money. This job has been on
12 the shelf for a long time and I think it's a little sad that
13 companies have spent 800 million dollars and we're still
14 talking about it. It's time to get going and doing it. Thank
15 you very much.

16 MR. ROCKWELL: Thank you.

17 MR. TAPP: Thank you for this opportunity. My name is
18 Meynard Tapp. I have a small company named Hawk Construction
19 Consultants and we supply project management and project
20 control people to the oil industry. ExxonMobil's proposal for
21 the Point Thomson field for the gas recycling is an absolutely
22 wonderful idea.

23 And I can tell you from personal experience, I worked
24 for Bechtel in 1977 when Mobil, which is now ExxonMobil -- and
25 did a project in Indonesia and it was roughly the same kind of

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1 technology. So this is not earth breaking or earth shattering
2 technology; it's been done before. They know how to do it.
3 They know how to take care of the environment. Even back in
4 those days when things were maybe slightly more lax and we were
5 in Northern Sumatra, they were very careful, they worked with
6 the local indigenous people. They worked to build an economy
7 to help that part of the world gain the wealth of the resources
8 that they had. It was also a condensate project and a gas
9 project and they used that condensate which is almost like
10 diesel oil. You could actually take it right off one of the
11 scrubbers and put it in your truck and drive it away, it's that
12 kind of clean fuel. I don't know the quality of this but that
13 was the condensate that they had there.

14 This also creates wonderful job opportunities. There's
15 so many opportunities potentially in the future of Alaska and
16 this is just another opportunity to extend the life of the
17 field up north which adds to the wealth of this state, the
18 wealth of the nation, and the security of the nation. The
19 Environmental Impact Statement is 400 pages in length and I'm
20 sure covers most all of the instances that you'll need to study
21 and I know that this area has been studied many, many times
22 before. And in order to make it economically and timely, not
23 reinventing the wheel, not restudying or not creating new
24 studies outside of the scope of this particular project would
25 add to the quick turnaround and quick approval and benefit both

1 Alaska and the United States. Thank you.

2 MR. ROCKWELL: Thank you.

3 MS. RAYMOND-UKOBIAN (ph): Hi. My name is Julie
4 Raymond-Ukobian and I'm here representing myself. I came up
5 with a few concerns and comments after listening to the
6 presentation.

7 The first is the proximity of this project to the
8 Arctic Refuge and the potential impacts that the project would
9 have on things like air quality and water quality, aesthetics.
10 I think we need a substantial buffer between the refuge and
11 this project. Also concerned about potential impacts on
12 recreation within the refuge even if this project has, like was
13 noted, a supposedly low noise level and that the height of the
14 structures will be lower once the rigs were removed. It could
15 have a significant impact on the recreational guiding business,
16 I guess, and people wanting to travel in that area, being able
17 to see or hear or smell a project like this outside of the
18 refuge. I know the Canning River is widely used for rafting
19 trips and is fairly close to the boundary of the refuge and
20 this project.

21 Another concern I had looking at some of these maps was
22 how this project would result in a continuous pipeline
23 basically from the Prudhoe field all the way over to the
24 boundary of the refuge and what the potential cumulative
25 impacts on wildlife would be with that continuous line for tens

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1 of miles.

2 Another concern is the caribou populations in the area.
3 I know that this project is in the post-calving ground for the
4 Porcupine Caribou Herd and impacts that the project may have on
5 their use of this area.

6 The dock facilities, I'm not sure what kind of impacts
7 the dock may have on fish in the area and migrating whales and
8 with the increased water traffic in the area, if that would
9 have, potentially, impacts also resulting in negative impacts
10 to subsistence in the area.

11 The impacts of the water use, the water extraction and
12 gravel extraction necessary for these pads and pipeline
13 construction and its impacts on migratory and resident wildlife
14 in the area.

15 And also, I guess, the need for this project when
16 there's other known gas fields in Prudhoe and other places on
17 the North Slope. I'm not an economist or anything like that
18 but it seems like we've been having so many problems putting
19 this proposed gas line through because the market isn't able to
20 sustain it. And it seems like that's something that needs to
21 be addressed in-depth in the EIS. Thanks.

22 MR. ROCKWELL: Thank you.

23 MR. OWENS: Good evening. My name is Tad Owens. I'm
24 the Executive Director of the Resource Development Council. I
25 appreciate the opportunity to participate this evening.

1 On behalf of RDC I'd like to express our strong support
2 for ExxonMobil's proposal. RDC is a private nonprofit trade
3 association. We represent individuals and companies from all
4 of Alaska's leading basic industries: oil and gas, mining,
5 timber, fishing, tourism. Our members include Native regional
6 and village corporations, support industry firms, organized
7 labor and local communities. And our mission is to grow
8 Alaska's economy through the responsible development of the
9 state's natural resources.

10 Exxon's proposed gas cycling project at Point Thomson
11 is good for Alaska. It means jobs for local residents. It
12 means revenue to state and local governments and it means a
13 host of secondary economic benefits that will be felt
14 throughout the state.

15 In a time of stable to declining North Slope oil
16 production, the Point Thomson project is critically important
17 to Alaska. Unnecessary delays and costs cannot be allowed to
18 hinder the project. We're in the process of reauthorizing the
19 TAPS line for another 30 years. It's a line that proved its
20 merit here just a few short days ago withstanding one of the
21 largest earthquakes in the last couple of decades. And when
22 you reauthorize arguably the state's greatest economic asset
23 for 30 years, it begs the question: What's going to be flowing
24 through that pipeline and Point Thomson can go a long way
25 towards putting condensate and putting fluids down that

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1 pipeline and continuing Alaska's economic strength based on
2 that asset.

3 ExxonMobil's proposal for the Point Thomson project
4 incorporates some of the best practices, many of the best
5 practices that have been developed through over 30 years of
6 operations on the North Slope. These mitigation practices that
7 have been built into Exxon's proposal limit the project's
8 environmental impact and I thought that the statistic that Mike
9 brought earlier, we're talking about a 225-acre footprint in a
10 120,000-acre unit, it's less than two-tenths of one percent.
11 That alone really stands to show the commitment that Exxon has
12 made to keeping the environmental impacts at a minimum.

13 All of the state and federal agencies that are here
14 tonight have a wealth of experience reviewing and evaluating
15 North Slope oil and gas projects. We really stress that the
16 EIS team should make full use of your experience, take full
17 advantage of the work that was done on the TAPS EIS, take full
18 advantage of the work that has been done on similar projects
19 adjacent to the Point Thomson project and get on with business.
20 This isn't the time to expand the scope of the review or to
21 reinvent the wheel. It's time to use the resources that you
22 all have been a big part of developing over the years and get
23 this project moving forward.

24 As the project is currently designed, Exxon has been
25 noted as giving the project team a great deal of information.

1 There's a great deal of information that has been developed
2 through other projects in the area. And I think it's really
3 going to be critical that the scope of this project be limited
4 to what Exxon has proposed and the EIS team is going to be
5 pressured, probably both externally and internally, to widen
6 that scope. The previous commentor mentioned buffer zones
7 around an adjacent wilderness area. That's a slippery slope
8 and we would certainly urge the project team to avoid the
9 temptation to expand the scope of this review whenever
10 possible. Alaska has done the lion's share of the country's
11 protecting of wild areas and that's a good thing, but when we
12 start talking about buffer zones around those areas, the lands
13 available to develop our resources disappear rather quickly.

14 In closing, I'd just like to reiterate our strong
15 support for the proposal. ExxonMobil has been a member of RDC
16 as long as the organization has existed, almost 30 years. They
17 have an excellent track record on projects up on the North
18 Slope and we look forward to seeing this project move forward.
19 Thank you.

20 MR. ROCKWELL: Thank you.

21 MR. CLARDY: Good evening. My name is Gary Clardy.
22 I'm the engineering manager for the Nachedi Companies (ph). We
23 are an Alaska Native owned corporation. I'd like to give a bit
24 of testimony regarding the scope of the EIS document. My
25 testimony covers four issues.

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1 1. The public records already indicate that ExxonMobil
2 has expended considerable time and care in executing a thorough
3 environmental study in their preparation for this permitting
4 process. I would suggest that the EIS reparation team maximize
5 the use of this information and existing data and other recent
6 EIS reports like the TAPS renewal. Nothing can be served by
7 starting over or rehashing this information.

8 2. Secondly, it appears that ExxonMobil is allowed
9 more than enough time in their project schedule to secure
10 required permits without any relaxation of the environmental
11 standards. Not having the EIS process completed by early 2004
12 would have a very chilling effect on other producers
13 considering further investments on the North Slope.

14 3. I suggest that the Environmental Impact Statement
15 be based only on sound and proven scientific evidence, not on
16 perceptions, not on emotions and not on unfounded opinions.

17 4. I feel that the Point Thomson Environmental Impact
18 Statement should be confined to the project currently proposed
19 by ExxonMobil. It would be inappropriate and serve no purpose
20 to expand the EIS to address the broader or future agenda of
21 some unrelated agency or organization.

22 Thank you for this opportunity.

23 MR. ROCKWELL: Thank you.

24 MR. CONNOLLY: My name is Steve Connolly. I'm here on
25 behalf of myself.

1 I think this proposal, ExxonMobil's proposal for Point
2 Thomson, is a responsible plan for developing the hydrocarbon
3 resource there. It's good for Alaska which will benefit by job
4 opportunities and government revenues. I think the EIS should
5 be based upon sound science and not perception or emotions.
6 Any mitigation measures should undergo a thorough cost benefit
7 analysis before being recommended. And I also agree with what
8 a number of the other speakers have said, that the maximum use
9 should be made of ExxonMobil's environmental review which has
10 already been prepared and any of the other information that is
11 out there so we aren't starting over from stage one on this
12 project. Thank you.

13 MR. ROCKWELL: Thank you.

14 MR. RAYMOND-UKOBIAN: Hi. My name is Brendan Raymond-
15 Ukobian and I'm here representing myself. I wanted to note for
16 the preparation of the EIS that NEPA requires cultural
17 resources to be equally considered along with the other
18 ecological factors being considered and cultural resources
19 includes more than just archaeological and historic resources.
20 Those are only parts of cultural resources.

21 And I heard that earlier it was mentioned that part of
22 the environmental review that has been done today has only
23 involved archeological resource surveys. And so more needs to
24 be done to cultural resources as well. Cultural resources,
25 under NEPA, can include landscapes, symbols, place names,

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1 things like that.

2 And one thing that I would mention along with that is
3 that the Arctic Refuge would validly be considered a cultural
4 resource to people all over the United States, not just locals
5 and NEPA doesn't dictate that local input necessarily has a
6 predominance over nonlocal input for considering cultural
7 resources. And so just as one couldn't propose something that
8 would have drastic negative impacts ecologically to a
9 neighboring area, whether or not you're actually developing in
10 that neighboring area, be it the Arctic Refuge, the same is
11 true for cultural resources as well. So aesthetic impacts
12 would have to be considered, I would argue, under potential
13 impacts on the Arctic Refuge. So, for example, building
14 something that would detract from the recreation values of the
15 neighboring area would constitute a valid concern over
16 impacting the Arctic Refuge as a cultural resource.

17 And I don't think it would be ridiculous, therefore, to
18 pay close attention to the requests of environmental and
19 conservation groups in that regard since their concerns are
20 essentially a statement on what they perceived as the value of
21 the Arctic Refuge as a cultural resource. So requests for a
22 two-mile buffer around the Arctic Refuge, which doesn't seem to
23 be overly burdensome especially give the information presented
24 earlier that drilling can be conducted 15,000 feet out from a
25 pad, it doesn't seem like it would take, to steal a phrase

1 that's been used frequently here, it wouldn't take reinventing
2 the wheel to shift an additional 700 feet to provide a two-mile
3 buffer around the Arctic Refuge if you're already a mile and a
4 half away. That's everything. Thanks.

5 MR. ROCKWELL: Thank you.

6 MR. KENNY: Good evening. My name is Mike Kenny. I'm
7 representing the Alaska Petroleum Joint Crafts Council, which
8 is five unions that do work up on the North Slope and on the
9 Pipeline: the Operating Engineers, Teamsters, Laborers,
10 Electricians, Pipefitters, Welders and Laborers. I appreciate
11 the opportunity to be here and make these comments.

12 Unfortunately I just found out about it an hour ago so
13 we'll be e-mailing our comments in. But I wanted to go
14 publicly on record as our strong support for this ExxonMobil
15 project.

16 MR. ROCKWELL: Thank you.

17 MR. HOWELL: Good evening. My name is Larry Howell.
18 I'm the general manager of the Alaska Support Alliance. The
19 Alliance is a statewide nonprofit trade association and our
20 contractors derive their livelihood in the Alaska oil and gas
21 industry.

22 At any given time our membership of 420 contractors and
23 companies and professions represent a work force of 25,000 to
24 30,000 Alaska residents. The Point Thomson project, estimated
25 to cost in excess of a billion dollars represents over 400

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1 construction jobs at peak employment and there are 50 ongoing
2 maintenance jobs as a result of this project. These jobs are
3 contractor opportunities not only for Alaska residents but
4 Alaska Native corporations as well. Over the 30-year project
5 life it is estimated that over two billion in royalties and
6 taxes will be paid to the state of Alaska and given today's
7 fiscal gap that certainly looks good to me as a resident.

8 The gas recycling project proposed by ExxonMobil will
9 incorporate the best practices learned from over 30 years of
10 experience on Alaska's North Slope. The proposed project is an
11 onshore project. It will apply proven state of the art
12 technologies to a gas condensate project that is really nothing
13 new. It's a rather simple project technologically.

14 Environmental Impact Statements that have been
15 completed from surrounding areas, as has been mentioned
16 earlier, from Liberty, from TAPS renewal, from NorthStar, from
17 the MMS lease sales, those Environmental Impact Statements need
18 to be incorporated into the research done for this EIS. A
19 duplication of efforts in this area is nothing more than
20 government waste and a potential delay for the project so we
21 really would like to see those other EIS statements considered.

22 Without compromise to the environment and to safety
23 standards, the EPA as the lead agency for this EIS must adhere
24 to specific and reasonable time lines and time tables for
25 completion. The focus must remain on the Point Thomson project

1 and not expand beyond an attempt to address any broader agenda
2 that's out there. The EIS must be based on sound science and
3 certainly not on emotions, assumptions or perceptions.

4 In summary, this project is good for Alaska. It
5 provides good job opportunities for Alaska residents. It's an
6 increase of government revenues to the state and the Native
7 corporations and it certainly is a domestic energy production
8 for the good of America. Thank you very much.

9 MR. ROCKWELL: Thank you.

10 MR. AKERMAN: Good evening. I'm Jeff Akerman, the
11 district representative for the Operating Engineers here in
12 Anchorage. I started out working in the oil field in 1975.
13 Since then I've noticed construction techniques and engineering
14 have really reduced the footprint that the oil companies need
15 on the North Slope for development of facilities. The
16 techniques and everything have been proved to the point where
17 wintertime construction is very short in scope. It produces --
18 not produces, but the development is done from a smaller and
19 smaller footprint in the oil field; the gravel pads, the
20 production facilities are a lot more efficient than they were
21 in the past.

22 The other thing I've seen is cleanliness in the oil
23 field industry. The last time I was in Prudhoe was last winter
24 and I do have to say that from what I've seen in the drilling
25 and the production end, the oil companies are good corporate

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1 neighbors. They have done a lot to improve their care of the
2 environment, I guess you could say.

3 MR. ROCKWELL: Thank you.

4 MS. MILLER: My name is Pamela A. Miller. I'm a small
5 business owner with Arctic Connections. I have over 20 years
6 experience in the Arctic Coastal Plain, some of it in this
7 area. I've traveled this area by boat. I've visited and seen
8 the national historic site at Flaxman Island. I've seen the
9 birds in the area. I've flown over it and seen that there is
10 already damage from the exploratory pads, from the seismic
11 exploration and other of this past 20 -- almost 20 wells that
12 have already been drilled in the area.

13 I'm glad to see that there's an EIS for this project.
14 It's the first for a project where there are quite a few
15 facilities on land that we've had for state lands and it's
16 fully warranted due to this major dock going into the Beaufort
17 Sea for this major expansion of infrastructure to this eastern
18 part of the state lands. It is a major expansion.

19 The size of this airstrip, from what I have heard here,
20 sounds like it's much bigger than what they have at Alpine. I
21 think I heard you say that it could hold 727s or 737s. That is
22 a huge airport; it's not some small facility.

23 This area is on the doorstep of the Arctic National
24 Wildlife Refuge. I've been to the area, the Canning River,
25 quite nearby. I know for a fact that in other areas you can

1 hear the facilities' just normal drilling pad-type operations
2 from many, many miles away, dozens of miles. Gas handling
3 plants are among the noisiest facilities. So clearly a look at
4 what that major gas handling plant is going to mean needs to be
5 looked at.

6 Because this area is so close to the Arctic National
7 Wildlife Refuge, special things need to be taken into
8 consideration. And from the materials that were on the web
9 site and, I guess, sent to some people through the mail, one of
10 the values that was not mentioned that needs to be taken into
11 account is the wilderness values. These are very important for
12 the refuge itself. You will also be losing wilderness values
13 in the Point Thomson area itself, regardless of whether there's
14 development in the refuge. You will have impacts take place to
15 the refuge, to the value of this edge of the Porcupine Caribou
16 Herd's post-calving area in some years. They've calved that
17 far to the west. You also would affect recreational values and
18 just the intrinsic wilderness value of the refuge.

19 There also could be activities that take place in the
20 refuge itself or pressure for activities to take place in the
21 refuge, fly-overs, activities along the coastline. And
22 certainly if there was an oil spill, condensate spill or a fuel
23 spill from your various supply vehicles or the transport
24 vehicles, those would have the potential to affect the refuge.

25 The polar bear denning population in the refuge could

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1 be affected by activity. This is an important polar bear
2 concentration area along the coast and the activities could
3 affect that.

4 It's kind of hard to say exactly what will happen from
5 the information I've seen so far because we don't have the
6 complete project description. About a year ago I was able to
7 look at what's called an environmental report. I'm not aware
8 that that's available anywhere for the public to see it, such
9 as at the library, but in the past we've seen with the
10 NorthStar project, with the Badami project, especially, the
11 project engineering and really what the project was going to be
12 was not done when the environmental review began and here we
13 face that same situation again.. So I think -- I've heard some
14 talk here tonight about the possibility of a delay because of
15 the EIS. Well, it seems like the delay might really be because
16 the full project description is not done. And it would be
17 helpful for the public to have access to a copy of what project
18 description there is in the library before the end of this
19 comment period on this scoping.

20 I question whether this is the full field development
21 for Point Thomson, for this unit. It appears that this is just
22 partial development for the condensate part of it and certainly
23 you need to look at this is just the first stage. What's going
24 to come next with natural gas development from Point Thomson,
25 you can't separate those things. Even if the product is

1 somewhat different, you're launching the facilities into this
2 area and it's going to grow from there.

3 I'm a little disturbed to hear about how the
4 "footprint" is described. I doubt that that includes all the
5 water source lakes, the gravel mine, the past gravel mines, all
6 the past facilities that are out there. All those wells that
7 were already drilled, they're part of this project. You
8 couldn't be doing your development if you hadn't drilled those
9 exploratory wells. And where the gravel is placed on the
10 ground is really not where this project is affecting; the
11 impacts are well beyond that limited -- not limited, but beyond
12 that area.

13 I am concerned about disturbance to wildlife from the
14 noise of the aircraft, from the jets, from the boats and from
15 the gas handing facility.

16 There have been impacts from causeway to fish habitat
17 and to fish movements along the coast. These have affected the
18 subsistence harvest in Nuiqsut and other places. And really
19 good baseline information needs to be done of that oceanography
20 as well as of the fish. And while the dock itself may not be
21 very long out from the shore, it may not matter how far out
22 from the shore it is depending on how the fish are using that
23 habitat. It is a narrower estuary zone in this area of Point
24 Thomson than, say, over at Endicott or West Dock and there were
25 very significant impacts from the West Dock causeway.

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1 I'm concerned about coastal erosion because a place
2 like Flaxman Island, the island itself eroded so much that
3 20-year old reserves were going into the ocean and Exxon spent
4 many millions of dollars cleaning that up just recently. Why
5 it took 20 years to clean up that site is a little bit beyond
6 me, but when you look at the cost spent to date on this project
7 it does include the fact that there was a contaminated mess
8 that needed to be cleaned up at that site.

9 A few other wildlife issues. I'm concerned about the
10 Bowhead whale migration, polar bears, the Porcupine Caribou
11 Herd, the Central Arctic Herd.

12 As far as the research for this area, I know from
13 reading the Minerals Management Service Environmental Impact
14 Statements that they wait until later to do any site specific
15 research. There was no site specific information in any depth
16 for this site in the TAPS EIS. There needs to be good site
17 specific information for this site and if new research needs to
18 be done and hadn't been scoped out before, this project's been
19 around for 20 years and I can't understand why all of a sudden
20 it's hurry up.

21 This is Exxon's first project on the North Slope. I
22 think the fact that these drilling wastes were sitting out on
23 Flaxman Island for 20 years, not cleaned up -- they did clean
24 them up finally and they probably did a good job. I haven't
25 seen the site since it's cleaned up. But I'm skeptical.

1 They're a new operator in the North Slope. They've done
2 drilling of these exploratory wells, but their real presence in
3 Alaska, other than that, has been shipping oil and we know the
4 track record there. Why should we trust Exxon in this
5 situation? There's still lasting impacts from the oil spill
6 and it gives me pause.

7 I appreciate this opportunity to comment. I think
8 you've got a good process going. I would encourage you to do a
9 little bit better job to reaching out to the public, in both
10 villages as well as with the environmental groups and with
11 people who have been active with oil and gas issues in the
12 past. I didn't receive any formal contact to be involved in
13 scoping on this process and I certainly would have liked to
14 have not had to find it on my own. Thank you.

15 MR. ROCKWELL: Thank you.

16 MR. ANDERSON: Okay. I'm just going to have one quick
17 comment because I didn't have much time to prepare, I just
18 found this in the paper. That.....

19 MR. ROCKWELL: Could I have your name please?

20 MR. ANDERSON: My name is Mike Anderson. Well, I'm on
21 leave from Fish and Game and I work for a small consulting
22 company, but I don't work for everyone -- I'm not representing
23 anyone right now. It's just a comment about everyone's
24 referred to the amount of science that's been done on the
25 project so far. And, you know, as we all know, to maintain

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1 scientific objectivity, you're going to have to do some
2 independent research, the company doing the EIS on their own,
3 so I mean we're going to have to be patient with that fact;
4 that we just can't accept what's been done before. It's a
5 little difficult to come in and try to determine what's good
6 science and what isn't good science but I'm sure they can do a
7 little bit of both and maybe some proofing of what's already
8 been done. That's all I had to add.

9 MR. ROCKWELL: Thank you.

10 MS. SHOGUIN: Hi. My name is Cindy Shoguin. I'm the
11 Executive Director of the Alaska Wilderness League. We have
12 12,000 members in the Lower 48 and Alaska. Our number 1
13 priority is permanent protection for the coastal plain of the
14 Arctic National Wildlife Refuge.

15 As you know, there is legislation in Congress to
16 designate this area as wilderness in both the House and the
17 Senate and legislation will be reintroduced next Congress again
18 to designate this area as wilderness.

19 So at this time I only have one question, and I'd like
20 to know what guarantees ExxonMobil will make to the public and
21 to Congress that this project will not impact the wilderness
22 qualities of the coastal plain of the Arctic Refuge? Thank
23 you.

24 MR. ROCKWELL: Thank you.

25 MS. WRENCH: Good evening. My name is Elizabeth Wrench.

1 I represent Analytic Alaska Environmental Laboratories here in
2 Anchorage. I'm not quite sure how this discussion has led
3 toward a discussion on opening or closing ANWR, but I'd like to
4 get the discussion back on track in terms of why we're all here
5 and that's to talk about the EIS scoping.

6 I represent also Resource Development Council which
7 I've been a member and past president for the last 13 years.
8 Actually past president and member for 13 years.

9 This project represents a lot of things, but I think
10 the most important comment I'd like to make today is that it
11 does represent job opportunities in Alaska, which increase
12 government revenues and many following benefits. Not only for
13 Alaskans but for people in the Lower 48, providing jobs as it
14 relates to parts, labor, supplying -- providing supplies to the
15 North Slope.

16 I've lived in Alaska for 20 years. Been in the
17 environmental testing business for 10 plus years. I've worked
18 with all oil and gas companies, including ExxonMobil, and have
19 never yet seen them shirk from their environmental
20 responsibilities on the Slope or anywhere else in the state.
21 So from a professional standpoint, I would like to state for
22 the record that ExxonMobil has been more than a good steward to
23 the land as it relates to Alaska.

24 Through this effort, I also would like to reiterate
25 that I think it is very sad that we have looked at this project

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1 for 30 years or have been discussing the issues for 30 years
2 and not been able to move forward.

3 Their clean-up efforts, as commented in past comments,
4 on the Slope, in my opinion have been exemplary. They've been
5 pragmatic and very thorough. And so that's what I have to say.
6 Thank you.

7 MR. ROCKWELL: Thank you. As I said in Fairbanks last
8 night, I was told if you wait 15 seconds, if anyone has
9 something to say they probably will stand up and say it. I
10 just counted to 16 so that's why Dick is starting to shake,
11 which happened last night as well. This suggests to me that
12 perhaps we're nearing the end. Are there any other comments
13 that you'd like to bring forward?

14 If not then I guess we're done for the evening with
15 regard to the formal part of the meeting. I thank you very,
16 very much for your participation.

17 I'd like to reiterate the intent to include you all, to
18 keep everyone involved just as much as possible. The web site
19 is up and running now and we'll be changing as rapidly as we
20 get things that need to go on to it and that will change. So
21 the intent of the web site is for it to be a place that we can
22 all go to, including me, to find out where we are on bits and
23 pieces of the process and what the current state of information
24 is as we're developing the EIS and it's a place for you to
25 provide comments.

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C E R T I F I C A T E

1 UNITED STATES OF AMERICA)
2)

3 STATE OF ALASKA) ss.
4)

5 I, Elizabeth D'Amour, Notary Public in and for the
6 State of Alaska, residing at Fairbanks, Alaska, and court
7 reporter for Liz D'Amour & Associates, Inc., do hereby certify:

8 That the annexed and foregoing PROPOSED POINT THOMSON
9 GAS CYCLING PROJECT SCOPING MEETING PROCEEDINGS was taken
10 before Nathaniel Hile on the 7th day of November, 2002,
11 beginning at the hour of 5:30 o'clock p.m., at Anchorage,
12 Alaska;

13 That this hearing, as heretofore annexed, is a true and
14 correct transcription of the testimony of said SCOPING MEETING,
15 taken by Nathaniel Hile electronically and thereafter
16 transcribed by Selena Hile;

17 That the hearing has been retained by me for the
18 purpose of filing the same with the U.S. Environmental
19 Protection Agency, 222 West Seventh Avenue, #22, Anchorage,
20 Alaska, 99501, as required by law.

21 That I am not a relative or employee or attorney or
22 counsel of any of the parties, nor am I financially interested
23 in this action.

24 IN WITNESS WHEREOF, I have hereunto set my hand and
25 affixed my seal this 27th day of November, 2002.

Notary Public in and for Alaska
My commission expires: 12/28/02

S E A L

1
2 UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
3
4 PROPOSED POINT THOMSON GAS CYCLING PROJECT
5
6 TRANSCRIPT OF SCOPING MEETING PROCEEDINGS
7 BEFORE TED ROCKWELL, Hearing Officer
8 Arctic Village Council Office
Arctic Village, Alaska
9 November 4, 2002
1:30 o'clock p.m.

10
11 PANEL:
12 MR. MICHAEL BARKER, ExxonMobil
MR. MICHAEL TODD, ExxonMobil
13 MR. DICK LEFEBVRE, State of Alaska Department of
Natural Resources
14 MR. DAVE BUNTE, CH2M Hill
MR. STEVE BRAUND, Anthropologist
15 MR. BRIAN LAWHEAD, ABR
MR. JIM ZELENAK, U.S. Fish and Wildlife Service
MS. KELLEY HEGARTY, Hegarty & Associates, Community
Planner and Policy Analyst

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1 P R O C E E D I N G S

2 (On record; 1:30 p.m.)

3 MR. PETER: All right. I think we're going to get the
4 meeting underway. This is a meeting, a public meeting for
5 anyone from the community who wants to come here and make
6 comments. And Ted has been -- is the man in charge of the
7 bunch as far as holding the meeting, and so I'll go ahead and
8 let them explain why they're here and what the project is about
9 and guide us through this scoping.

10 MR. ROCKWELL: Thank you, Evon. Thank you for being
11 here. My name is Ted Rockwell and I'm with the Environmental
12 Protection Agency in Anchorage, and we are working on an
13 Environmental Impact Statement as required under the National
14 Environmental Policy Act. ExxonMobil has proposed an oil and
15 gas development on the Beaufort Sea coast just to the west of
16 the Canning River in the Point Thomson area, which there are
17 several maps around the room. That's it right there. And, as
18 a result of that, there's a host of permits that federal and
19 state agencies are going to need to give and make decisions on.
20 So we're together on that.

21 The federal agencies have gotten together and we're --
22 EPA is leading the effort on writing the Environmental Impact
23 Statement. We have two cooperating agencies, formally
24 cooperating agencies: one of them is the Fish and Wildlife
25 Service and Mr. Jim Zelenak is the representative of the Fish

1 and Wildlife Service of Fairbanks, and the Corps of Engineers
2 is also a cooperating agency. Ms. Terry Carpenter is their
3 representative and is unable to join us and sends her
4 apologies. We have a court reporter with us who will be
5 providing a verbatim transcript of everything that we say here.
6 So Terry will have the opportunity to at least read everything
7 that we say. She will not have been able to hear it, but
8 she'll be able to read it.

9 In addition to my cooperating agencies, the State of
10 Alaska is also as I said in a position needing to make permit
11 decisions and Mr. Dick LeFebvre is the representative from the
12 State of Alaska for the Point Thomson EIS. We have chosen a
13 third party contractor to help EPA write the Environmental
14 Impact Statement and that contractor is CH2M Hill. There is a
15 poster on the wall over there that sort of lays out the
16 relationship between EPA and the contractor. The contractor
17 works directly for EPA. ExxonMobil pays for the contract, so
18 it's not EPA funds; it's ExxonMobil funds that pay for the
19 contractor.

20 The project manager for CH2M Hill is with us, Dave
21 Bunte, and we also have Kelley Hegarty who is going to help us
22 this afternoon on the poster board and be writing things down
23 as well, trying to capture our thoughts. And I'd ask, as she's
24 doing that, if she has not captured your thought, if she hasn't
25 captured what it was that you were saying, let her know.

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1 Interrupt right away and we want to make sure that we're
2 capturing everything accurately.

3 We also have Steve Braund who is with us here and Steve
4 is going to be responsible for writing cultural resources.....

5 MR. SAM: Can.....

6 MS. HEGARTY: I'm sorry, Edward has a.....

7 MR. SAM: Sir, can we have an introduction of people
8 that -- at this meeting? Can you stand up and -- what
9 organization that you're representing, your name.....

10 MR. ROCKWELL: Sure.

11 MR. SAM:together with.....

12 MR. ROCKWELL: Sure. I was working around that, but we
13 can do that just simply standing up and doing that as well.

14 MR. SAM: Sure.

15 MR. ROCKWELL: Okay. Again, Ted Rockwell with EPA.

16 MR. LEFEBVRE: Dick LeFebvre. I'm the state project
17 manager and I will be coordinating all the state's permits on
18 this project and I'm with the Department of Natural Resources.

19 MR. BUNTE: I'm Dave Bunte. I'm with CH2M Hill. We're
20 the third party contractor working for EPA. We'll actually be
21 writing the EIS, the Environmental Impact Statement for the
22 project.

23 MR. BRAUND: I'm Steve Braund. I'm an anthropologist.
24 I'm going to be addressing cultural resources and subsistence
25 and I have a subcontract to CH2M Hill.

1 MR. ZELENAK: I'm Jim Zelenak with the Fish and
2 Wildlife Service out of Fairbanks, and I'll be working with Ted
3 and the EPA as well as Terry Carpenter with the Corps of
4 Engineers and commenting on permits that go through those two
5 agencies.

6 MS. HEGARTY: I'm Kelley Hegarty -- oh, I'm sorry. And
7 I'm a community planner and public policy analyst and that's
8 what I'll be doing here in summary, so please do stop me if I'm
9 not getting it right. A lot of times people read the shorter
10 notes and not the longer transcripts. And Liz D'Amour is a
11 court reporter that's working for me to make sure she gets
12 every word that you say.

13 MR. LAWHEAD: I'm Brian Lawhead. I work for a company
14 in Fairbanks called ABR and we're subcontracted to CH2M Hill
15 and we're writing the biology sections of the EIS and I'll be
16 working on caribou information.

17 MR. BARKER: My name is Mike Barker. I live in
18 Anchorage and I work for ExxonMobil and I'm working on the
19 Point Thomson project.

20 MR. TODD: And my name is Mike Todd. I'm the public
21 affairs manager for ExxonMobil based out of Anchorage.

22 MR. SAM: Edward Sam, Arctic Village. I'm a village
23 member and I'm glad to be here to listen to all the comments.

24 MR. VAN HOOMISSEN: I'm Tom Van Hoomissen and I'm just
25 one of the pilots that brought you folks up here.

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1 MS. JAMES: I'm Sarah James. I'm from Arctic Village.
2 I sit on the Gwitch'n Steering Committee and I also sit on
3 International Indian Treaty Council Committee and I work for
4 Energy System. An organization called Energy System.

5 MS. JOHN: My name is Margaret John and I work for the
6 Native Village of Venetie Tribal Government.

7 MS. GARNETT: My name is Lillian Garnett and I live
8 here in Arctic Village.

9 MR. PETER: Fred Peter. I'm from Nulato. Just
10 curious.

11 MS. GARNETT: My name Tanya Garnett. I work here at
12 the council office.

13 MS. GILBERT: Annette Gilbert, council member.

14 MS. CHRISTIAN: Mabeleen Christian, council member.

15 MR. JAMES: My name is Gideon James. I'm from Arctic
16 Village. I also work for the Native Village of Venetie Tribal
17 Government as tribal services director.

18 MR. PETER: I'm Evon Peter, first chief of Arctic
19 Village.

20 MR. ROCKWELL: Thank you. Thank you, Edward. I had
21 invited ExxonMobil to attend these meetings with us so that
22 they can provide to you a description of their project. In
23 order for us to get good comments and your concerns and issues,
24 you need to know as much as possible about what ExxonMobil is
25 proposing so that we can keep you informed and we can include

1 your issues and concerns in our EIS process.

2 The EIS process involves beginning meetings like this
3 one. This is called scoping. We will be preparing something
4 called a Responsiveness Summary, which will identify what we
5 have heard in our scoping process and what we've done with what
6 we've heard. In other words, how have we addressed the issues
7 and concerns that we've heard. When we are done with the
8 Responsiveness Summary, we will be sending information back to
9 you to see if what we heard is what you actually said. Did we
10 get it right or did we make a mistake? Did we not hear
11 something correctly?

12 So that will be another opportunity that we'll have to
13 discuss things with you. We'll be moving towards developing a
14 Draft Environmental Impact Statement and then following the
15 Draft Environmental Impact Statement, once again we'll be
16 coming back to you and asking you what your comments are on
17 that document. That document will also involve the development
18 of alternatives to the project that Exxon is proposing to see
19 if there are ways that we can offset any impacts, any issues,
20 any concerns that come as a result of the analysis of their
21 project.

22 Following that set of comments, we'll develop a Final
23 EIS and following the Final EIS, then, the agencies will make
24 their decisions. So we intend to have a fair amount of
25 discussion and interaction and meetings with you folks and

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1 we're very interested in making sure that your issues and
2 concerns are included in our decision-making and we move
3 forward in as timely a manner as we can.

4 With that, what I would like to do is I would like to
5 ask Mike Barker from Exxon to give you a presentation on what
6 their project description is, unless you have any questions of
7 what I just outlined.

8 MS. JAMES: Do you have that outline.....

9 MR. ROCKWELL: What.....

10 MS. JAMES:written up?

11 MR. ROCKWELL: What I just said?

12 MS. JAMES: Uh-huh.

13 MR. ROCKWELL: No.

14 MS. HEGARTY: Well, there's this.

15 MR. ROCKWELL: There's -- yeah.

16 MS. HEGARTY: That's the agenda.

17 MS. JAMES: But there's no names on it.

18 MR. ROCKWELL: No.

19 MS. HEGARTY: No, but I'll give you a copy of the
20 sign-in sheet if that would be helpful. That will have
21 everyone's name on it. Is that good? Did you leave your fax
22 number with us on the sign-in sheet?

23 MS. JAMES: Unh-unh.

24 MS. HEGARTY: Because I can fax all of that to you if
25 you'd like.

1 MR. BARKER: As Ted said, I'm Mike Barker with
2 ExxonMobil and I really appreciate the opportunity, thanks to
3 the agencies, for allowing us to be here to describe the -- our
4 Point Thomson project to the folks in Arctic Village. It's
5 really nice to be here. This is my first time here and you
6 live in a beautiful place. The scenery is very beautiful here.
7 And I'd like to just take a few minutes and tell you a little
8 bit about the Point Thomson Gas Cycling Project that we're
9 proposing.

10 I'm going to be using overhead transparencies and it
11 may be hard to read if you're a little further away. If you
12 want to move in closer and be able to see what I'm showing,
13 please feel welcome to do that.

14 As Mr. Rockwell pointed out, the Point Thomson project
15 is just to the east of Prudhoe Bay about 55 miles and just west
16 of the Canning River. The Point Thomson Unit is comprised of
17 43 oil and gas leases and it covers roughly 116,000 acres. The
18 primary owners of the leases in the Point Thomson Unit are
19 ExxonMobil, BP, ChevronTexaco, and ConocoPhillips. Can
20 everybody see that okay? We -- we're proposing -- well, to
21 start off with, there are a number of wells that have already
22 been drilled in the Point Thomson area. Starting in the early
23 1970s to date, there have been 19 wells drilled in the area to
24 try and delineate the Point Thomson Reservoir and of those
25 wells 14 of them penetrated the Thomson Sand, which is the

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1 geologic formation that we're proposing to develop. As we move
2 forward with development on this project, we're proposing to
3 drill 21 new wells in the area. And I'll tell you more about
4 those wells and where they will be drilled here in a few
5 minutes.

6 We're proposing to place gravel on the tundra to build
7 some roads in the area and to build an airstrip and some well
8 pads and a place for our central facilities and our camp, and
9 that will cover about 225 acres, which is roughly two-tenths of
10 one percent of the area within the Point Thomson Unit. There
11 is a lot of gas in the Thomson Sand. We estimate approximately
12 8 trillion cubic feet of natural gas. We're proposing to
13 produce a liquid hydrocarbon that's in association with that
14 gas that's referred to as condensate. Condensate is a lot like
15 kerosene. It's a -- it would be a very high-quality crude.
16 And we're -- we're thinking that we're going to be able to
17 produce something on the order of 400 million barrels of
18 condensate over the project life. Our peak production on
19 average would be somewhere in the vicinity of about 75,000
20 barrels a day.

21 This is a map showing the general Point Thomson area
22 and I apologize for it being so small for you, but it shows the
23 extent of the roads and the pipelines that would be in the
24 area. And you can see where I'm pointing here, that would be
25 our western well pad and that would be our eastern well pad

1 there; the distance between the two being something on the
2 order of about 13 miles. All of the facilities that we would
3 be building for the Point Thomson project would be on shore
4 with the exception of a dock approximately 750 feet in length.
5 Everything else would be onshore. And I'll tell you a little
6 bit about some of these on shore facilities. The first I'll
7 talk about is the Central Production Facility and I have some
8 overheads here that would give you an idea of what that
9 central -- the gravel pad itself would look like.

10 This gravel pad with a Central Production Facility
11 would be -- is roughly 35 acres in size and I have some photos
12 of what that area looks like right now. I'll come over here.
13 I'll hold these up so that most of you in the room can see
14 this. This first photo is looking from the west towards the
15 Point Thomson area and that's where our pipeline would be.
16 Sorry about that. And that's -- that's currently what that
17 looks like.

18 MR. ROCKWELL: How about if I do that?

19 MR. BARKER: Thanks, Ted. So this is taken from a
20 helicopter and you can see the Beaufort coastline there along
21 that edge of the photo and that's looking along the pipeline
22 right-of-way over into the Point Thomson area. This next photo
23 is a photo of an old exploration well pad that's located where
24 the Central Production Facility that you see in the overhead on
25 the wall will be built. And so you can see that gravel pad

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1 there. That is Point Thomson and we're looking north offshore
2 out towards the Barrier Islands in that photo. That gravel pad
3 is roughly six or seven acres in size.

4 And then this is a larger drawing of what that central
5 pad would look like after constructed and you can see there are
6 two colors on that. The pink is what we're hope -- we're
7 planning to build and then the brown color that's underneath it
8 is the gravel pad that exists there today and then extending to
9 the north you can see the engineer's portrayal of the dock that
10 reaches out into the Beaufort 700 feet. Thanks, Ted.

11 At that central pad, there will be some wells that will
12 be drilled there and this is a little closer-up sketch of some
13 of what the central pad will look like, giving you a sense of
14 kind of the northern part of it where there would be a drilling
15 rig and I believe there will be eight wells drilled on that
16 pad. And those wells will be wells that will be injecting gas
17 back into the reservoir after the condensate has been removed
18 from the gas. And so we refer to that as "lean gas" or "dry
19 gas."

20 This is another transparency of more of the southern
21 part of that central pad where you can see on the lower end of
22 it where the camp would be and then where the processing
23 facilities would be. As I mentioned earlier, we would also
24 have an east pad and a west pad and I'll tell you a little bit
25 more about those two well pads. The first that I'll show you

1 here is the east well pad. The east well pad is roughly six
2 acres in size and there would be seven wells drilled on that
3 pad. And this is a photo of the area today and the general
4 vicinity of where the east well pad would be. The wells that
5 are drilled on -- that we're planning to drill on the east pad
6 are what we call -- would call a producing well and I believe
7 there would be six wells drilled on the east pad. And then the
8 next photo is of the area where the west well pad would be
9 built and I have a transparency of it here as well.

10 In addition to the well pads, we're going to have, as I
11 mentioned, a dock. The dock will be about 750 feet long, about
12 100 feet wide. We'll also have an airstrip. The airstrip
13 would be about 5,000 feet long and I believe the width on it is
14 going to be about 150 feet. So it would be similar to the
15 airstrip that you have here in Arctic Village. And I have a
16 photo of that area where the airstrip and the gravel mine that
17 we'll mine the gravel from. This is looking -- in that photo,
18 at the bottom of the photo, you would be about where the
19 Central Production pad would be, looking south towards where
20 the airstrip and the gravel mine would be, and then you can see
21 the Brooks Range to the south in the distance there in that
22 photo. I think I have a transparency of what the airstrip
23 would look like. Roughly a mile long and about 150 feet wide.
24 And then I also have a transparency of the dock that I
25 mentioned and then you can also see that offshore of the

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1 dock -- the dock will take us out to about seven feet of water
2 and to bring our modules in for the Central Production Facility
3 we need nine feet of water and so we would be dredging about
4 30,000 cubic yards of material to open up a deeper channel to
5 get us out to nine feet of water there. And then the last
6 transparency I have of our facilities is of the gravel -- the
7 gravel mine and I believe the gravel mine, it covers something
8 on the order of 40 acres. And that would be -- after we mine
9 the gravel, that would be our fresh water source for all the
10 camp water and the water that we would use for drilling the
11 wells and so forth.

12 I'll take a few minutes and try and describe to you a
13 little bit about the gas cycling process. It's all gas when
14 it's in the ground and it's at a very high pressure. Ten
15 thousand pounds per square inch is the pressure of the
16 reservoir. The wells that we're going to drill will flow
17 roughly 100 million cubic feet of gas a day. That's a lot of
18 gas. And as the gas comes up to the service, it's going to
19 enter our processing facility where we'll begin to drop the
20 pressure and we'll cool that gas and as the gas cools, the
21 condensate that was a gas becomes a liquid so at room
22 temperature and at ambient pressures it's a liquid. But, as I
23 said earlier, it resembles kerosene.

24 That condensate then is separated from the gas and it's
25 put in a pipeline and we would build a 22-mile pipeline from

1 our project over to another project to the west called Badami
2 where they have a pipeline. Our condensate would go in that
3 pipeline with the oil from Badami and then it would go on over
4 to Pump Station 1 and it would mix with all the rest of the
5 crude oil that's produced at Prudhoe Bay and Kuparuk and the
6 other fields, and then it would travel the 800 miles down to
7 Valdez.

8 After we've separated out the condensate, then, we take
9 that dry gas and then we reinject it. The dry gas is
10 reinjected in the central portion of the reservoir at the
11 central pad and the wet gas, or the gas that has condensate in
12 it, is then produced back to the surface at the east and the
13 west pads. So it's kind of cycled in a way from the middle out
14 to the edges and then back to the surface and, as we do that,
15 we continue to drop out the condensate from the gas and then
16 take the dry gas and reinject it back into the formation.

17 We've been working in the Point Thomson area for a
18 number of years. The first wells were drilled in the area in
19 1972-73 and the first well that discovered the Thomson Sand was
20 drilled in '77 and since that time we've been studying the
21 area, trying to learn more about the oceanography and the
22 weather in the area, the animals that live in the area:
23 caribou, muskoxen, polar bears, the whales and the seals and
24 the fish. A lot of fish migrate back and forth along the
25 coastline in that area: Cisco and white fish and Arctic char.

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1 And then also trying to study a lot of the birds in the area.
2 There are a lot of migratory waterfowl in the area: longtail
3 ducks and eiders and loons and swans. And then also we've
4 mapped the vegetation and we've also done archeological
5 surveys.

6 We've taken all of that information and then also
7 everything that we've learned from the 30-plus years of
8 developing oil and gas on the North Slope and we've used all of
9 that information to design the Point Thomson project so that we
10 can minimize our impacts to the area. Some of the things that
11 we're proposing to do are -- we're not building a road to Point
12 Thomson. This would be a roadless development. We're going to
13 develop it all from onshore so that we won't have offshore
14 gravel islands. We'll be minimizing the amount of dredging
15 that we do by building a short dock out. And so there are a
16 number of things that we're trying to do to minimize the
17 impacts from this development.

18 So far, ExxonMobil and its partners in bidding on these
19 leases and drilling the 19 wells that I told you about and
20 doing all of these studies, we've spent about
21 800 million dollars trying to develop the Thomson Reservoir.
22 If we're successful in moving forward with this project and we
23 get all of our permits and the project is still economic and we
24 move forward, we would invest roughly an additional
25 one billion dollars in this project. And then we estimate over

1 a 30-year project life, through taxes and royalties, there
2 would be about 2.5 billion dollars paid to the state and the
3 North Slope Borough. During construction of the project, we
4 estimated roughly 450 jobs and then once we went into
5 production and we were producing condensate there would be
6 approximately 50 full-time jobs there at the Point Thomson
7 project and we believe there are a lot of opportunities for all
8 Alaskans and Native corporations.

9 My last slide is a schedule for the project. The phase
10 that we're in right now we refer to as permitting and we're
11 hoping to complete permitting by late 2003, very early 2004 and
12 then being able to make a decision on whether or not to proceed
13 further with the project. We would begin, if we moved forward
14 with the project, in building ice roads in very late 2004,
15 placing gravel and building our well pads and starting to build
16 pipelines. And beginning in 2005 drilling the 21 wells that I
17 mentioned earlier and then in late 2006 -- in the summer of
18 2006, we would plan to bring in the modules on barges and land
19 them there at the dock and then begin bringing them onshore and
20 begin construction at the end of 2006 or by very early 2007.

21 That's all I have on the project. I appreciate the
22 opportunity to be here and I thank you for your time.

23 MR. ROCKWELL: Are there any questions?

24 MR. JAMES: I have -- I have a couple questions. When
25 you pointed out that 2.5 billion dollars for the, you know,

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1 royalty, that's a 30-year span of the project.....

2 MR. BARKER: Yes, sir.

3 MR. JAMES:is what I understand. Okay. And
4 another question that I have related to that is that all your
5 projects -- you were saying that you're putting back all the
6 gas that you took out, but you've actually taken some of the
7 condensed form of gas that was just kerosene.

8 MR. BARKER: Yes.

9 MR. JAMES: Is it -- is it -- is that a feasible
10 project or just are you making -- are you making plans for more
11 expansion in a different area next to that?

12 MR. BARKER: At this.....

13 MR. JAMES: Because where I see.....

14 MR. BARKER: That's a good question.

15 MR. JAMES:your map here, that you already have a
16 pipeline to a different area and then you're just expanding it
17 over to the west -- I mean to the east. And are you really
18 saying that 400 million barrel is a feasible project?

19 MR. BARKER: Yes.

20 MR. JAMES: Huh?

21 MR. BARKER: There are other fields on the North Slope
22 today that are being developed that are.....

23 MR. JAMES: I mean I'm not talking about other fields.

24 MR. BARKER: No. The 400.....

25 MR. JAMES: That one particular project that you're

1 saying, the Thomson's -- whatever that area is.

2 MR. BARKER: Yes.

3 MR. JAMES: That Point Thomson area. Are you saying
4 that that 400 million barrel of whatever fuel you're able to
5 take out is a feasible project for your company or for you?

6 MR. BARKER: Yes, sir, that's a very big project.

7 MR. JAMES: Huh?

8 MR. BARKER: Four hundred million barrels of condensate
9 over 30 years is a very good project. We've held these
10 leases -- some of these leases for 30 years trying to figure
11 out -- we kept looking for oil in the area and we kept finding
12 gas and there isn't a gas pipeline and there isn't a gas
13 project that's economic today. And so -- but we do believe we
14 have an economic gas cycling project that would yield 400
15 million barrels of condensate. That's a project that has great
16 value to our company and to the people in the State of Alaska.
17 Four hundred million barrels is a lot of condensate.

18 MR. JAMES: Just a minute. Yeah. You know, for people
19 of Alaska, you know how much we pay for gas here?

20 MR. BARKER: My understanding is that gasoline is four
21 dollars a gallon here.

22 MR. JAMES: That's right. It's four dollars a gallon.
23 It hasn't changed for -- you know, for many years here, you
24 know, and when you say, you know, for the people of Alaska,
25 maybe it's for people in California, but, you know, not for

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1 people in Alaska. But I want -- yeah, I think my question is
2 not partly -- was not fully answered, you know, because the
3 reason is that I just don't think that 400 million barrels is
4 only -- the only thing that you are after. I'm pretty sure
5 there's going to be a connecting project later on in years.
6 You're making that -- you know, you're making a footprint up
7 there where, you know, you want to be -- that's something
8 that's going to be tapping something else.

9 MR. BARKER: Well, if someone has those plans I'm
10 unaware of them. We don't hold any other oil and gas leases in
11 the area that have any resources of commercial value. And our
12 company is only proposing a gas cycling project at this time.

13 MR. SAM: I've just got one question. On your mapping
14 here, you indicated that you'll be producing about 75,000
15 gallons -- cubic feet of gas daily and getting the gas out
16 you've got to replace it with water. What about the lakes that
17 are on this graphic of map that's been printed out on the
18 computer -- what about all those fish in there? What's --
19 what's going to happen after you use up all the water or the
20 lake water that is going to be pumped back into the well? What
21 about those fish? Is that -- you're just making a bad decision
22 for Inupiat Eskimos living up there.

23 MR. BARKER: Would you like me to address that? We're
24 proposing right now -- our primary use of fresh water at Point
25 Thomson is to build ice roads and to provide water for the

1 personnel living in the camp. And we're planning to use water
2 primarily from the gravel pits in the area and not from the
3 lakes in the area, not on a continuing basis. And so it's --
4 we aren't planning to inject fresh water from the tundra lakes
5 into the Thomson Reservoir. That's -- that's not part of our
6 reservoir development scheme. We're only proposing to take the
7 gas after the condensate has been removed and reinjecting it
8 back into the formation. So we won't be injecting any fresh
9 water back into the Thomson Reservoir.

10 MS. JAMES: Are we going to have each of us to testify
11 individually later on?

12 MR. BARKER: I'm.....

13 MR. ROCKWELL: Yes.

14 MS. JAMES: Or is this our.....

15 MR. BARKER: If you have some more questions for me,
16 but other than that, I think I'll sit down and each of you
17 can.....

18 MS. JAMES: I can wait until then to bring up what -- I
19 don't want to give you an answer before.

20 MR. ROCKWELL: Okay.

21 MR. BARKER: Thank you.

22 MR. ROCKWELL: Evon?

23 MR. PETER: I just had one question, too. Is -- you
24 know, you mentioned that you're estimating 2.5 billion in
25 royalties to the state and North Slope and I'm wondering what

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1 percentage that is of the net profit that you're planning to
2 take over that 30-year period of time.

3 MR. BARKER: I didn't hear all of your question, Evon.
4 I'm sorry.

5 MR. PETER: I was asking, you said that you estimated
6 2.5 billion in royalties over the 30-year period and so I
7 presume that's a percentage of profit that you're pulling off
8 of it. And I'm wondering what -- what the total profit is your
9 company is looking at seeing over the 30-year period and what
10 is the percentage of royalty that's going to be paid to the
11 state and to the North Slope.

12 MR. BARKER: Our royalties and taxes are paid not so
13 much on the basis of the value of the product and I don't know
14 what the value of condensate will be next year, let alone 30
15 years from now. So it's very hard for me to predict how much
16 we might make on the project. But we look at, you know, a
17 high-price forecast and a low-price forecast to see whether or
18 not we think a project is going to be economical and in most
19 situations this is a very good project. But these are all real
20 estimates right now.

21 MR. PETER: So these royalties aren't based on a
22 percentage of how much of a profit; they're based on maybe.....

23 MR. BARKER: It's not an area that I understand.

24 MR. PETER: Huh?

25 MR. BARKER: It's not an area that I understand very

1 well, so any answer I gave you would probably be wrong.

2 MR. PETER: Is there anyone in the group that could
3 answer that question?

4 MR. ROCKWELL: No, but what we -- but that is the sort
5 of thing that we will be looking at addressing in the EIS
6 because we're going to need to explain the economics of the
7 field and the economics of development versus the economics of
8 other alternatives. So that's the sort of thing that we'll
9 have to.....

10 MR. BARKER: That's something that folks like Dick
11 LeFebvre and Mike Todd or I can get back to you on.

12 MS. JAMES: I've got a question.

13 MR. BARKER: Yes, ma'am.

14 MS. JAMES: You were talking about reinjecting whatever
15 leftover gas from the -- after the separating back into the
16 empty formation. I know that's been practiced up here on the
17 Slope for many years in other -- with other oil companies and
18 all that sorts, but I haven't seen any kind of report on it,
19 what the effect is going to be from long-term effect and --
20 because they're depending on that permanent frost to keep it
21 down there and with that global warming, it's not certain it's
22 going to be there all the time. So what do you have that --
23 what plan do you have for that so it won't come back up?
24 Because I know it's toxic and poisonous that inject back to the
25 earth to that empty formation.

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1 MR. BARKER: Most of the gas that we will be
2 reinjecting is a gas that's called methane, or natural gas, and
3 it's much like the natural gas that many folks use in their
4 homes around the state to heat their homes. At Prudhoe Bay
5 where we also -- you're correct, we cycle gas at Prudhoe Bay
6 and we produce a lot of condensate with that gas as well.
7 Prudhoe Bay reinjects about eight billion cubic feet of gas a
8 day. The total reservoir there holds about 25 trillion cubic
9 feet of gas. So most of the gas is always in the ground; only
10 a portion of it is being brought to the surface at any one
11 time. And we have decades of experience in cycling the gas at
12 Prudhoe Bay safely and we anticipate being able to do the same
13 at Point Thomson.

14 Just for your interest, the permafrost at Point
15 Thomson -- the ground is frozen from roughly the surface down
16 about 1,800 feet.

17 MS. JAMES: And then another thing is that after you
18 pump out all these gases and then you separate it, you cool
19 them off first and then you separate these into separation,
20 whatever is left over is going to be reinject back into the
21 empty formation. That gas that's going to be reinject back to
22 the formation is going to be less because there is some other
23 gas been taken out of it and into fluid form. So how can you
24 tell that you're refilling that empty formation? How can
25 you -- how can you, you know, justify that you refilled back

1 the empty formation that you reinject those gas out of in the
2 first place, after you've taken what you need out of it and the
3 remaining go back?

4 MR. BARKER: Well, we're going to do everything we can
5 to hang onto the gas because some day we hope to have a gas
6 project, but.....

7 MS. JAMES: But they'll be less.

8 MR. BARKER: But the rocks that are down there.....

9 MS. JAMES: Oh, another thing is that you said you cool
10 these gas and then you separate them, and I know it's very hot
11 when it's coming out. You have to cool them and then in order
12 to make it into a liquid form and then -- and then whatever
13 leftover gets reinjected back to empty formation. That those
14 stuff that you reinjected back got to be less because you're
15 taking some out, plus it's going to be cooler and it's not
16 going to be as hot as it was when it come out. So what do you
17 do to heat it back up to reinject it back in there? You know,
18 all those estimates is not -- you know, not -- I don't -- it
19 doesn't fit with me.

20 MR. BARKER: Well, you're correct in that as we produce
21 the condensate, we'll have less to put back in the reservoir
22 than was there. As we remove the 400 million barrels of
23 condensate, that volume will be gone from the Thomson
24 Reservoir. The way we get it back in is we compress the gas.
25 We run it back through some compressors that pressure it back

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1 up to higher than 10,000 psi. Since the gas is sitting down
2 there at 10,000 pounds per square inch, we have to compress it
3 up to about 11,000 pounds per square inch to get it to be able
4 to go back into that formation. And so those pressures as we
5 measure them will tell us that we're being able to get the gas
6 back into the reservoir and that we're maintaining reservoir
7 pressure. There are people a lot smarter than I'll ever be who
8 are working on those issues.

9 MR. ROCKWELL: And one of the tasks that we will have
10 in EIS is to be able to describe their proposed process so that
11 it's clear to the people who read the EIS, what it is and how
12 it works and maybe that will help.

13 MS. JAMES: Regardless -- regardless how fine they
14 separate these gases into liquid form and keeping the gas and
15 keep it back into a high temperature and all that, there's
16 always some other chemical that will go right into it that
17 doesn't belong down there. So there's a lot of -- a lot of hot
18 gases taking place down there. All kinds of combinations of
19 all kinds of chemicals. So -- and, you know, how could they be
20 certain that, you know, that, you know, any other chemicals go
21 back in there? That's -- that's my concern.

22 MR. ROCKWELL: We will have to address -- we'll have to
23 see that we do as good a job as we can in that first draft to
24 explain that and identify the level of certainty that exists
25 for that. So we will have to -- that's something we're going

1 to have to do, EPA, to -- what I'd like to do at this point is
2 ask Brian Lawhead, who was about to walk away, to give us a
3 brief -- a brief run-through on the -- sort of the state of the
4 knowledge that we've got with caribou just as an introduction.
5 It's not intended to be a definitive dissertation on caribou
6 biology or anything like that, but just to give you an idea of
7 what we know about caribou and how it relates to this
8 particular project. Brian?

9 MS. HEGARTY: I'm sorry. Ted, would you say it's kind
10 of like a starting point and that the purpose of this meeting,
11 of course, is to get you to tell us if we've got it right and
12 what you know about caribou.

13 MR. ROCKWELL: Right.

4 MS. HEGARTY: So Brian is just a starting point to get
15 the discussion going and we're really interested today in what
16 you know and being able to record what you know here in Arctic
17 Village.

18 MR. LAWHEAD: That's right. I'm not foolish enough to
19 come to Arctic Village and tell you about caribou. But the
20 main question that I think most people here are interested in
21 is where is this project located in relation to the Porcupine
22 Herd. And I can explain a little bit about what's understood
23 now on the basis of studies that have been done by the
24 Department of Fish and Game and the U.S. Fish and Wildlife
25 Service over the last 20 years or so using radio telemetry and

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1 satellite telemetry. And so I'm kind of giving you the picture
2 of what you might call the Western scientific knowledge and
3 obviously not traditional knowledge, but at least to give you
4 an understanding of how the biologists are defining the herds
5 in this area and showing you where the caribou that use this
6 area, you know, which herd they belong to, our understanding
7 of, you know, how much use there is of the area by the
8 Porcupine Herd versus the Central Arctic Herd and what that
9 might mean for you.

10 I'll try and get out of the way so everybody can see.
11 This is kind of a small map, but basically the Point Thomson
12 area is right here and the red that you can see on here is the
13 Central Arctic Herd and the blue is the Porcupine Herd. Wow, a
14 little laser pointer?

15 MR. ROCKWELL: Yeah, if it'll help.

16 MR. LAWHEAD: Okay. Look at that. Do you have a piece
17 of electrical tape? So what we've got here is this dark area,
18 cross-hatch area is calving grounds of the Central Arctic Herd,
19 calving grounds of the Porcupine Herd and these maps are
20 generalized maps that were prepared in 2000 so they don't --
21 they don't include some of the latest information. But if you
22 look at -- for instance, you've probably all seen this. This
23 is the latest summary that the U.S. Fish and Wildlife Service
24 and the U.S. Geological Survey put out on the studies on the
25 1002 area. And if you don't have copies of these here, I'm

1 sure Jim can scare some up at the Fish and Wildlife Service in
2 Fairbanks and send them here. It's a -- it's a good summary of
3 the information that has been used by the U.S. Fish and
4 Wildlife Service and geological survey to update the
5 environmental studies on the Porcupine Herd that were done in
6 the eighties and then -- and used in that original legislative
7 EIS and then they kept working on that and this has the more
8 recent findings.

9 Now, it's very technical, it's pretty hard reading for
10 anybody, but it does summarize a lot of the information and the
11 information that's in here about the Porcupine Herd I'm going
12 to be talking with Brad Griffith at the university in
13 Fairbanks and making sure that we can get access to the data
14 that are used in here so that we have the best, most up-to-date
15 information to use in the EIS.

16 But the picture hasn't changed too much with the more
17 recent data. This is the western edge of the calving ground of
18 the -- the annual calving ground of the Porcupine Herd here and
19 right here is the Arctic Refuge boundary. So the caribou that
20 calve in this area are the Central Arctic Herd. There is no
21 recorded calving by any of the collared animals from the
22 Porcupine Herd over in this project area. But there have been
23 some Porcupine Herd animals that have used this area in the
24 summertime, during the insect season when they're looking for
25 relief from insect harassment. I'll try and get over here and

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1 show you a little bit of what I know about that. I don't have
2 all of those collar locations yet, but here is -- this is the
3 refuge boundary here and this is the Canning Delta and the
4 Canning Delta is used pretty heavily by caribou from the
5 Central Arctic Herd -- the eastern segment of the Central
6 Arctic Herd, which is here east of the Sagavanirktok River and
7 then the western segment uses the area west of the Sag River.
8 These animals range all across here in July and that's
9 primarily the caribou that will be encountering the Point
10 Thomson facilities, would be Central Arctic Herd animals from
11 the eastern segment of that herd. They calve in this area.
12 For about the last 10 years or more, the most concentrated
13 calving has been down in this area, not up near the coast. In
14 the early eighties when people first started looking, there was
15 more calving up in here, but more recently it's down in here.
16 And then the Porcupine Herd, the western extent of the
17 Porcupine Herd calving is over here across east of the Canning.
18 And then, as you know, the Porcupine Herd after calving they'll
19 hang around in this area, they'll come near the coast in most
20 years before moving off into the mountains.

21 In some years, and this happened especially in the late
22 1980s, some of the Porcupine Herd animals came across the
23 Canning River and mixed with the eastern segment of the Central
24 Arctic Herd. In fact, in the late 1980s for several years in a
25 row, they were unable to get a photo census of the Central

1 Arctic Herd because they were mixing with Porcupine Herd
2 animals here. In 1988, I saw a group of about 20,000 caribou
3 over here near the Shaviovik River and that was a mixture of
4 Porcupine Herd animals and Central Arctic Herd animals. And
5 there was some mingling, even during the winter. There were
6 satellite collars from both herds that spent the winter
7 together and then that sort of -- they sort of sorted
8 themselves out within the next few years. But the point is, as
9 far as the Porcupine Herd goes, there is no known use of this
10 area except in some years during the insect season. There are
11 caribou in this area every year and there is some hunting that
12 occurs over here by people from Kaktovik and the indications
13 are that those are Central Arctic Herd animals.

14 Now, those animals still come down in your area. Last
15 year I know that a large number of Central Arctic Herd animals
16 were wintering to the northwest of Arctic Village up in there
17 up in the Wind River, Junjik, and a lot of the collars from the
18 Central Arctic Herd that spent the summer up here came -- many
19 of them came right through Atigun Pass in the fall and then
20 spent the fall and winter down in this area on the south slope.
21 So, you know, the caribou that you're -- that you're seeing
22 around here, there are collared locations -- collared animals
23 from both the Central Arctic Herd and Porcupine Herd that can
24 occur in this area; although we expect most of the Central
25 Arctic animals to be farther west than this.

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1 So in writing the Environmental Impact Statement
2 sections on caribou, I will be gathering information from the
3 Department of Fish and Game to make sure that we have their
4 telemetry locations for the Central Arctic Herd animals and any
5 of the Porcupine Herd animals in this area and also from the
6 Fish and Wildlife Service. There's a lot of information
7 available; a lot of it is summarized in here. And I want to
8 get hold of those data and be able to put them on the maps to
9 show people exactly where the caribou locations are in relation
10 to the project facilities so that people understand, you know,
11 what -- what our current scientific understanding of the use of
12 the area is by caribou.

13 I think that's about it. Does anybody have any
14 questions or comments on that? This is -- this is the early
15 stage of this project and, you know, we haven't really
16 conducted all of the analyses yet. We're just getting started
17 and this is a really good time for you. This is the best time
18 in an EIS project for you to express your concerns because
19 things that you bring up in these scoping meetings are things
20 that we need to consider as analysts, and that's true of any
21 EIS. The scoping process is a very important one for you to
22 make your concerns known. Yeah?

23 MR. SAM: On the Porcupine Caribou Herd, they do
24 assessment on the early calving. Why I don't read about the
25 Arctic Central Caribou Herd that's calving at the same time?

1 How come? Why I don't get those kind of graphics to see my
2 perspective of both caribou herds?

3 MR. LAWHEAD: We'll have that in the EIS and that's --
4 there is some of that in this document, too. They do have some
5 of the Central Arctic Herd information summarized in this. But
6 you're right. In general, the -- and I think it's because of
7 the level of concern about the Arctic Refuge and the visibility
8 of those issues that the Fish and Wildlife Service has done a
9 lot more work in trying to get that information out in the
10 forms like you see on the wall. You know, all of the Central
11 Arctic Herd is primarily occurring on state lands and so there
12 hasn't been as much, I guess, dissemination of that information
13 over time. It's been a problem for us. In fact, ironically,
14 when we put this map together, the hardest map we had -- range
15 map that we had to draw was the Central Arctic Herd because
16 there have been telemetry studies done there for years, but
17 there just aren't very good maps available for that. So it's
18 kind of ironic because that herd has been studied in relation
19 to oil development a lot more than, you know, some of the other
20 herds. And then it's all changed now. You know, all four of
21 these herds -- this is the western arctic herd calving area
22 here, the Teshekpuk Herd calving area here and over in NPR-A.
23 These are all based on telemetry locations now, so these are
24 pretty good maps of it; the general calving area, what's called
25 the extent of calving.

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1 Now, you know, that within any given year, the actual
2 calving locations can shift around in here. That's true here
3 as well and I can show you afterwards. I'll show you the maps
4 in here and then.....

5 MR. SAM: I want everybody to look at it.

6 MR. LAWHEAD: Yeah.

7 MR. SAM: Not just me.

8 MR. LAWHEAD: Right. Well, we'll have it in -- that's
9 one thing that I'm going to include in the -- in the map
10 graphics that are in the EIS to make sure that people can see
11 that.

12 MR. ROCKWELL: Yeah?

13 MR. PETER: So you said the primary calving grounds of
14 the Central Arctic Herd in recent years has been just south of
15 the Point Thomson?

16 MR. LAWHEAD: Yeah, more use in this area here. It
17 used to be -- early on in the late '70s and early '80s, they
18 said, you know, the general description was from Bowen Point to
19 the Staines River. The Staines is like the westernmost
20 distributary [sic] of the Canning Delta. So it's kind of this
21 general area and we expected to see them near the coast. And,
22 again, on the other side it was -- it was in the Milne Point
23 area, this area here now, which is the existing Kuparuk Oil
24 Field. So the Central Arctic Herd for at least the last 20 and
25 25 years when people started doing telemetry studies, there was

1 animals here and animals here and, you know, these animals
2 tended to calve in this area and these animals tended to calve
3 in this area. Now, the greatest concentration of calving by
4 the western segment of the herd is down here. There is still
5 calving that occurs through here, but the greatest
6 concentration is down here in this area and the greatest
7 concentration in this area tends to occur down -- down in this
8 Slugger Unit, I guess.

9 MR. PETER: Are there -- are there other leases for oil
10 in that area?

11 MR. LAWHEAD: Yeah, that is -- I don't know if somebody
12 can talk about Slugger. This -- that's a.....

13 MR. ROCKWELL: That is a unit.

14 MR. PETER: Is there intention for the industry -- who
15 owns those leases?

16 MR. LAWHEAD: Is it BP? I don't know.

17 MR. BARKER: They've been marketing what leases they
18 have that in that area and I think it's mostly -- I think there
19 are some fishermen that live in Petersburg and some folks like
20 that that have a lot of those leases in that area.

21 MR. ZELENAK: And there have been a few exploration
22 wells drilled in the Slugger Unit, haven't there?

23 MR. BARKER: Maybe in that area south of Point Thomson
24 and kind of off of the map, there was an area called Kavik
25 where I know there was quite a bit of exploration done in the

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1 late '70s.

2 MR. ZELENAK: Kavik is down here.

3 MR. BARKER: And those were all gas wells. And I think
4 Amoco -- I know -- I think Anadarco and some of those companies
5 are starting to pick some of those leases. ExxonMobil doesn't
6 hold any leases there.

7 MR. LAWHEAD: As part of the -- correct me on this if
8 I'm wrong, but my understanding is as part of the cumulative
9 effects analysis for this EIS that other potential development
10 in this area will be considered as well and I think -- is
11 Slugger one of the ones that.....

12 MR. ROCKWELL: Yeah. The term that's used in the
13 Environmental Impact Statement is foreseeable -- reasonably
14 foreseeable future development. And certainly Slugger because
15 it's a regular unit is one. There is another set of projects.
16 Yukon Gold and Sourdough are in this area here and those have
17 been exploration wells that are in this area right along the
18 Canning River and Staines River. So those will certainly be
19 part of what we need to look at. I don't know -- we haven't
20 done that, so I don't know what the result is going to be, and
21 there may be some others that we haven't found yet.

22 What I'd like to do is sort of recapitulate, go back to
23 what I started with, which is that NEPA requires us to put
24 together in an Environmental Impact Statement a set of things.
25 We need to describe the affected environment, which is not just

1 the physical setting, but it's also the cultural/historical
2 setting. We need to assess the impacts from the proposed
3 project. We need to look for alternatives that are responsive
4 to scoping comments, scoping issues and concerns as well as
5 impacts from our assessment of the proposed project.

6 We then need to compare those alternatives and the
7 impacts from those alternatives. We take that comparison and
8 we develop an environmentally preferred alternative and an
9 agency preferred alternative. So that's what we'll be doing
10 through the EIS process. And to that end, what I would ask for
11 now is I would ask for you to consider what you can share with
12 us in terms of issues and concerns that you would have -- that
13 you think the EIS needs to address with regard to ExxonMobil's
14 Point Thomson development and also any ideas, if you have ideas
15 for alternatives just with the knowledge that you have of the
16 project so far.

17 So with that, I will sit down and ask you to share with
18 us what you have.

19 MR. JAMES: I'll go first. Are you going to go ahead
20 and testify or what?

21 MR. PETER: Yes. Make any statements.

22 MR. JAMES: I'll go first.

23 MR. PETER: Is this where you just testify or make any
24 statement?

25 MR. JAMES: Huh?

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1 MR. PETER: Make any statement that you want or
2 testify.

3 MR. JAMES: Yeah. I don't have a written statement,
4 but I do have a verbal statement that I wanted to say. My name
5 is Gideon James and I live in Arctic Village. I work for the
6 Native Village of Venetie Tribal Government for the last 30
7 years. And one of the things -- a couple things that I wanted
8 to really focus on is that in the -- the oil development in
9 Alaska mainly does not benefit the -- does not benefit the
10 Alaska -- Alaskan that lives in Alaska. You know, they have
11 families and, you know, it doesn't. So that's one -- that's
12 one area that everybody knows. You hear that in the TV and the
13 radio and everywhere else that we are short of funding for
14 schools mainly and pretty soon, 2004, you're going to come up
15 with some kind of a -- some kind of a testing requirement for
16 our students. And the sad thing to say about this is State of
17 Alaska, most of the students are not going to qualify, you
18 know, because there is a lack of funding.

19 In the last 30 years of oil development in Alaska I
20 don't know what they do with those funds that they say that
21 they earn through royalties or through taxes. So that's one
22 area, you know, that needs to be answered by the State of
23 Alaska. Just to make things short, over the last 30 years that
24 I know, the EPA has not done a very good work in the State of
25 Alaska. They have not gone after the clean-up the military has

1 left behind and right here in -- even right here in the small
2 village of Arctic Village, we have a contamination over on the
3 school side where our kids go to school every day. We have a
4 contaminated area over there and we addressed this for the last
5 10 years. EPA has done nothing. All they do is study, study,
6 study. That's it.

7 Now, the State of Alaska came back and say they're
8 going to correct this by installing fuel pump -- fuel tanks.
9 So they did that, but they put the fuel tank on the
10 contaminated ground over there. So, you know, EPA they come
11 around and talk to these people that we wanted to make a
12 statement to have an impact on certain projects. End result --
13 you know, these kind of results has happened in the last 30
14 some years and we need to listen to the local people. You guys
15 need to listen to the local people and make those things --
16 make those corrections. And I know, I've been to EPA meetings
17 many, many times and they don't have one slant (ph) of
18 jurisdiction of what they say that I know. Because when it
19 comes down to doing -- actually doing the work, doing the --
20 making the change, it hasn't happened. All they do is just --
21 just lip service. That's all they do. I know that now. But
22 you're coming to us for another -- another fancy project that's
23 going to happen up in the north, which might be -- which may be
24 passed, it may be go, but to tell you the truth, the oil
25 development in Alaska has not a very good picture financially

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1 and also in the area of environmental safety. You know, they
2 don't -- they don't tell us what they do with our fresh water.
3 You know, in this country, we're running out of fresh water.
4 We have to go to Canada pretty soon. You know, in my lifetime,
5 maybe we still have fresh water, but, you know, my -- the
6 little kids here that are running around, not going to have
7 fresh water any more in this country.

8 So little bit -- little bit here, little bit there.
9 Just like I asked the question awhile ago about 400 million
10 barrels. It's not going to be -- it's still -- it's just a
11 drop in the bucket as far as benefit to Alaska, but there are a
12 lot of things to gain for an oil company because, you know,
13 that's a footprint they're going to put in there when they do
14 some more. We know that. I know that. It has been happening
15 the last 30 years. What do we get out of it? I just told you
16 what we got out of it, is a bunch of cut -- funding cuts and
17 stuff like that. The State of Alaska can't even maintain their
18 roads, which little roads that they have.

19 So I don't believe in those numbers. I don't believe
20 the numbers that I was given awhile ago by Exxon. Every time I
21 hear Exxon, I remember the sad day back in 1989 that there was
22 11 million barrels -- barrels of oil spilled in the most
23 prestigious sound that we have in Alaska. And a lot of the
24 village subsistence areas have stayed spoiled. It still is
25 today. And most answers -- those never been answered. The

1 financial settlement has never been happened. Now they're
2 going to talk about building a dock and stuff like that up
3 there and I think I'm the -- I'm just one person that brings
4 back the picture of the sad day that happened that day, you
5 know. And we haven't got -- we haven't got our ducks back
6 since that day. We never have ducks around here anymore.

7 So asking about Environmental Impact Statement, I don't
8 think this project should go on. I think the State of Alaska
9 needs to go back and reassess their -- reassess their
10 development and really go to -- go for (indiscernible) of that
11 gas instead of just putting it back in the ground. And just
12 making things short, that, no, I just disagree with what the
13 project is going to be. I don't see -- I don't see any kind of
14 a value, I mean any kind of benefit that would go to the state
15 for our kids. It's a big thing to gain for Exxon, I know that.
16 Thank you.

17 (Applause)

18 MS. GARNETT: I'm going to say just a couple of things.
19 My name is Lillian Garnett and whatever my brother said is
20 right. I'm right behind what he said. I was raised up here
21 from the time I was little and a lot of things change. Too
22 much change. You guys ruin everything for us. You ruin the
23 land. You ruin our culture. You ruin our way of life. What
24 more can you do? You know, I see it. I see it. I'm 61 years
25 old. I know how many things have changed. Like he said, our

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1 education. The kids are not given -- given education that they
2 need because of what he said, and I really believe it.

3 And I just don't want to listen to any oil company any
4 more. That's all there is to it. I think you guys are good at
5 B.S. That's all I want to say. You ruin too much and you
6 promise too much. And the past history, I know a lot of things
7 went on and we don't know nothing about it, especially about
8 environmental impact, all of the development that has happened
9 up in the Prudhoe Bay. In fact, I have a husband that worked
10 up there for 20 years and told me about all the shit that went
11 on. So I just don't care to listen to stuff like that any
12 more. Like I said, you ruin us already. You ruin everything
13 for us. Nothing is the same any more. You can't -- I mean can
14 you change that? No. You want more money.

15 MR. BARKER: Ted, do you want to explain that this
16 isn't the only chance they have to make comments; that they can
17 also submit written.....

18 MR. ROCKWELL: Yes, that's true. The scoping period,
19 the formal scoping period is open through the 30th of November,
20 through the end of the month. And this isn't the only
21 opportunity to provide scoping comments; this is simply one of
22 many. You can send us written comments in the mail. You can
23 send us comments by e-mail. We have on the side over here the
24 e-mail address. We also have a web site that you can get
25 information off of and also provide comments, and we also have

1 an 800 number that you can call. So this isn't the only forum
2 or the only opportunity to provide comments. And following
3 this -- the formal scoping period, if there is an issue or
4 something that surfaces, I'd ask you to please call us and let
5 us know, send us an e-mail, send us a letter or something
6 because we're always interested in hearing what the issue is,
7 what the concern is. And if it's something that we can include
8 in the EIS, then, we'll want to include it.

9 MS. JAMES: I guess I'll stay within the family. I
10 agree with my older brothers and sister that spoke just now,
11 and I'm 100 percent behind them. And I happen to be the last
12 one in the family and I grew up off the land. We grew up off
13 the land and we know how clean the land is then and how to take
14 care of it, and we make a living off it. Only us out there and
15 we did fine. And I respect the land, I respect my elders, I
16 respect my next generation. I learn all that from the land
17 when we were living off it. And I went to Western school. I
18 was 13 years old, maybe at K level, and finished high school in
19 six years and what I learn from them is greed and waste and
20 nothing valuable -- nothing value. And that's all they taught
21 me. I still can't get over all that greed and waste that I
22 learned from my education. That doesn't mean that I'm against
23 Western education. We need our children go to Western school
24 and we need our kids to be who they are as Gwitch'n people here
25 and be proud of who they are. And we've been here from time

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1 immemorial. We're not leaving. We're here to stay. You've
2 got to know that. We're not going to go away. We're not going
3 to move. You're going to have to deal with us because we're
4 here and we're not going away and we're here to stay.

5 And with that, I know each one and every one that comes
6 around and tell us how good these things going to be for our
7 people and then that was just only a job to them. Everybody
8 that comes around, it's just a job to them. Once they retire,
9 they retire to some mansion in the country or somewhere, never
10 heard from. But we will be here. And so this is -- our job is
11 to take care of this, our home. This is our home. We're
12 not -- we're not -- we can't leave. This is human rights
13 versus oil right now or corporations. And we're here to stay.

14 And I feel like every time they come to speak to us,
15 they've already got their answer and they already did their
16 studies, they already knew. Why even bother to come around if
17 they're going to have all the answer for us already? And
18 they've already been in that Point Thomson. That means that
19 they have a right to be there again, more longer, even get into
20 more areas. It's not going to stop. And they said they're
21 going to limit road building, ice roads, pool of water and all
22 that. There's no water up -- that's all tundra unless, you
23 know -- and once that ice road melts, it's just going to put
24 more pollution back right into -- seeping into the ice --
25 tundra and there's no way to clean that up. And if there's an

1 oil spill, there's no -- no way you can clean that up. And
2 that ice road, you've got to have lots and lots of water every
3 year, and I still don't know where they're going to get water
4 from. And that means they're going to have to build that ice
5 road almost every year.

6 And they always compare our caribou with Central Arctic
7 Herd. Porcupine Caribou is totally different caribou from
8 Central Arctic Herd. Central Arctic Herd retained to a small
9 area, smaller herd. They're half domesticated mixed in with
10 reindeer, so they're -- to our hunter, they sit there, easy
11 target.

12 MS. GARNETT: And they taste funny, too.

13 MS. JAMES: They taste funny, they've got long hair,
14 and they're small. We know which one is from the Central
15 Arctic Herd. We've been here for a long time, way before
16 anybody in here. And then they're not talking about -- you
17 know, Central Arctic Herd is protected because there's
18 development going on there. Nobody hunts them. Nobody can
19 shoot around the Pipeline. And the predators have been killed
20 off and got ran over by a semi truck or something or they
21 become a nuisance and get shot. So of course they increase in
22 number. They retained to the Pipeline because it's a clear cut
23 around the Pipeline that relieve them from the mosquito. So
24 that's -- that's why they retain, you know, close to the
25 Pipeline.

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1 For all that reason, you know, you can't compare -- and
2 they got a big huge coastal plain where they can relocate their
3 calving ground if they want to. Prudhoe Bay used to be their
4 calving ground, but they can't have -- maybe one or two have
5 their calf around there maybe and they picture that and they
6 document that as a -- instead of calving ground. But
7 they're -- they can move and which they did. Our caribou can't
8 move. Can't move from where they're calving now. That's the
9 only safe and healthy place for them to have their calving,
10 which they did for thousands of years. And it's too close.
11 Thomas Point -- Point is too close to the refuge and refuge is
12 there to be protected. The refuge -- and it's right across
13 from Arctic Village right now. Arctic National Wildlife
14 Refuge. Right across the river we hunt and fish like we always
15 did, but we can't drill. The same goes for Kaktovik and that's
16 the way it should stay.

17 I can tell a long -- I mean I'm involved with
18 international issues. I'm involved with local issues. Like I
19 say, I'm an International Indian Treaty Council board member
20 since 1989 and I'm with the Gwitch'n Steering Committee and
21 I've been on it -- I'll probably be on it for life because
22 that's how it's -- you know, it's -- it's me, it's the Caribou
23 People. It's not going to go away, you know. It's my life.
24 And then I'm now working for ERC System organization which --
25 which teaches or promotes alternative energy. There's lots of

1 wind up there where they're talking about. Wind alone can
2 provide all the energy and needs up there, plus other places.
3 And there's -- there's lots and lots of sunshine in summertime
4 that can provide lots and lots of solar system up there.

5 So I don't know why, while the Earth is in trouble with
6 global warming and climate change right now, we ask for more
7 fossil fuel to burn and destroy ourselves. Not only them, but
8 us. Us and their kids, too. I can't do that to my kids, you
9 know, my people. I don't think anybody has a right to do that
10 to any people. I can say Exxon has been in Nigeria where
11 there's dictatorship and there's oil spill there, all over the
12 place, and they haven't done a thing to clean it up yet. In
13 Indonesia there's a lawsuit against Exxon on human rights
14 violation and it's a good case and if they win -- if they win,
15 the United States is going to have to -- accountable for it.
16 So now they're trying to drop that human rights case. Is that
17 the kind of company we're going to depend on for our life? No,
18 I don't think so.

19 And climate change. All the oil companies sign to
20 admit that fossil fuel is destroying the air and -- and causing
21 climate change. Exxon hasn't signed on with that yet. They
22 are the biggest oil company in the world and they're probably
23 the wealthiest. They can do lots of good things for human
24 beings. Lots. They got their money invested all over the
25 place. They don't have to do even any more drilling. The EPA,

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1 I know under EPA there's what they call air quality standards.
2 Clean water quality standard. That hasn't even defined yet.
3 That should be defined and respect the tribal rights on those
4 things before they even have any kind of decision they have to
5 make or take -- I think those things have to be addressed.

6 So we're really close to the land. We're really close
7 to the Creation. We're really close to and believe in the
8 Creator and we walk that talk every day. We pray every day and
9 that's how we always are. We're always generous, giving.
10 We're not going to give that up. But this kind of giving up
11 we -- we say yes for a good reason in the past, but that yes
12 and the people that come and ask for permission, it's not
13 honest. They are not -- they are not -- they're out there for
14 themselves, not for my people, not for me. So we -- we're not
15 going to give any more. We're saying no. You guys got enough
16 already. We got enough stuff on this earth to recycle, enough
17 out there. It's too much waste. Right now New York is
18 dumping -- the whole New York, about one street, tons and tons
19 of trash being dumped in the Atlantic Ocean. Why don't they do
20 something about stopping that if they're such wealthy? All
21 these make common sense and it's just not -- it's not doing --
22 it's -- you know, I just can't see it and I -- when they --
23 when they were teaching me -- trying to teach me coming out of
24 the country, I don't know what it was they were trying to teach
25 me and I still don't know.

1 So again I'm not against Western education. I like our
2 kids to get a good Western education so they can stand up
3 against these invaders, against their human rights violation.
4 They need to learn their tools and we need to keep our tools,
5 too, because our tools is good. And if they can't teach our
6 kids because they say they don't have any money, State of
7 Alaska, how can our kids defend themselves in the future?
8 That's where -- we're worried about that. They haven't meet
9 that requirements yet because -- because, you know, we've got
10 rich timber, we've got rich minerals, we've got tourism, we've
11 got oil. All that is taken out of Alaska. In return, we buy a
12 piece of furniture that's very expensive. Five dollar gallon
13 of gas here, that includes oil because we had to buy oil with
14 it too for our snow machine. It just doesn't add up for me and
15 I don't think it will ever add up because right now our life is
16 at stake and not only for the Gwitch'n and not only as -- but
17 everybody. And our young people are beginning to understand
18 that and we need to make sure our young people, and lead them
19 and tell them, you know, they're going to have a good future.
20 And what are we leaving them behind? What we're leaving behind
21 is not a -- it's not a good -- not -- it's not a good future.
22 Right now we need to mentor our children and have them --
23 mentor them to make that right decision and that's where I'm
24 coming from. If they can do that to other countries and to the
25 poor countries where people are starving, where -- I've been

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1 all over the world. I see people where they're starving and
2 they -- the big corporations still take advantage of them.
3 Some of the people in Ecuador eat only one meal a day and
4 there's oil company -- our oil company is there. Even in the
5 United States there's poor people. They probably think we're
6 poor here because we don't have what they're used to, but in
7 our heart, we're rich because we know where we came from and we
8 know where we can go, and we're protecting our way of life and
9 we're protecting to have clean air, clean water, clean land,
10 clean life. Without -- without that, there won't be any peace.
11 Thank you.

12 MR. SAM: My name is Edward Sam and I'm from Arctic
13 Village. This is my perspective of seeing those proposals and
14 environmental assessment. You gave us graphics. My question
15 is how could you call it proposal while you've got -- you
16 already have 19 wells out there? How could it be proposal?
17 You see, I hope that it's not saying that we are agreeing with
18 all of your reports. I hope that it's not saying we're agreed
19 with everything that you mentioned here and making a leeway to
20 go look further to explore into ANWR. That's where I draw the
21 line. Even right now I draw the line saying no way. I have to
22 follow my leaders and I have to stand by my leaders. Because
23 you could assessment, but is that really process it's been
24 called? What have you been doing the last 25 years? Twenty-
25 five years of oil production. I never hear 100. I never hear

1 1,000. I hear million, I hear billions profit from oil
2 while -- while the last 30 years education has been the lowest
3 part in the State of Alaska. From my perspective, I think that
4 overcrowding of schools because people from the Lower 48 travel
5 up here to make a better living. They're redistricting because
6 of over-populating. And guess what? The education funding has
7 been denied; that the State of Alaska, the Alaska state
8 legislature could even look at it while you got percentage like
9 five to -- three to five percent of educational budget is being
10 cut the last 30 years, while -- while students or people that
11 come in from Lower 48 is over-populating.

12 This proposed thing is -- it's out of line. I believe
13 you all should go back and redraft or you do your own
14 assessment and come back again and give us a better analogy
15 because you guys are spending millions of dollars. That's just
16 to do scientific study and you just come up with proposal while
17 there's already been drill -- drill pads. That's out of the
18 question. I have to stand with my people and oppose what you
19 are proposing. Thanks for your time and come back -- come back
20 with better outline and have at least three Native with you
21 next time and whose working alongside with you. Thank you very
22 much.

23 MR. PETER: Yeah, my name is Evon Peter and I want to
24 make a couple of statements. The first one, I'm going to --
25 I'll make is about the time line of this project. From what I

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1 understand there's a big push to try and make this whole
2 environmental statement process to go really fast and I don't
3 think that's adequate in order to notify, you know, the people
4 of the tribes, also the people of the state about the project.
5 From what I understand, that we've been told that it's trying
6 to be pushed through on an 18-month schedule and I think that
7 at the very least it should be doubled to 36 months. There
8 should be a three-year time line so that people can really
9 be -- participate in the process of doing this thing.

10 And also that for our tribe, as far as dealing with the
11 federal government, EPA, there needs to be time for the tribes
12 to become aware of it and work within ourselves so that we can
13 request formal consultations with the EPA so that we can
14 actually carry on a dialogue, a more thorough dialogue, rather
15 than just something you presented to us like this.

16 The rest of my stuff that I'm going to comment on, I'm
17 just commenting on as a member of the public or the tribe, not
18 in my role as the chief. I have a few concerns coming from up
19 here. One is that, you know, when you're talking about the
20 Porcupine Caribou Herd and the Central Arctic Herd, you know,
21 it was just mentioned by your biologist or whoever you had
22 pointing out that both of those herds actually come down
23 towards the Arctic Village area for our tribe. And I know that
24 our tribe actually hunts off of both of those herds. And so if
25 this -- if any of the impacts are going to happen because of

1 this sort of a project, are going to occur to either one of
2 those herds, then it's of concern to our people here not
3 only -- for a few reasons. Some of the things that have
4 happened over here since the other developments have occurred
5 over there, there's been a transition in the way that the
6 caribous have been migrating, the different herds have been
7 migrating down in these areas. I know some of the tribes just
8 south of our tribes used to get the caribou herd migrating
9 through their lands every year before the Pipeline was put in
10 there and some of those other developments. And ever since
11 those things came in, those herds -- those people can't even
12 hunt for them. And now those -- some of those tribes who rely
13 both on the caribou and the salmon and now that your other
14 industries, other branch of industries that comes with your
15 people, which is the salmon -- commercial salmon fishing, are
16 over-fishing those resources or over-catching them because of
17 by-catch. Now some of those tribes don't have their salmon to
18 live off of and they don't have their caribou. It's putting
19 the -- it's putting those people, you know, our people and our
20 tribes into a place where we can't even survive, or struggle to
21 survive.

22 At the same time, there are certain people, maybe
23 they're shareholders, maybe they're businessmen, I don't know
24 who it is, like it was stated by other people, who are making
25 millions of dollars since Alaska laid -- since the United

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1 States laid claim to this land up here who make millions of
2 dollars every year off of those resources: the salmon, the oil,
3 the timber. And yet our people are still not the beneficiaries
4 of that. We're not -- as was stated, we're not being provided
5 adequate education in the United States where it's supposedly
6 the wealthiest country in the world. There is no resources --
7 you know, electricity just came 15 years ago. There's still no
8 running water for most of the communities. There is -- as
9 indigenous peoples, we've just been pushed to the side, to the
10 wayside. And in order to make it seem appropriate, maybe a few
11 Native people or a few corporations were created and some of
12 those might be benefiting with those \$100,000 a year jobs, but
13 the benefits haven't come down to the people out here who are
14 living on the land or existing.

15 And my concern is that with the mixture of trying to do
16 further development up that way, mixed in with sports hunters
17 and others trying to come up, setting up camps right along the
18 migratory routes of our caribou, it's driving them away from
19 even our village and now we're having to struggle to try to get
20 caribou to sustain ourselves. And I think that that -- for
21 those impacts alone, I'm highly concerned with any kind of
22 further development moving into the calving grounds of the
23 Central Arctic or the Porcupine Caribou Herd, which, like you
24 said, both of them have used that area in the past. And they
25 don't know the border of the Arctic National Wildlife Refuge.

1 There's no line there that they follow. They -- they go
2 wherever they want to or it's -- they feel right.

3 I also have concern for the offshore activities that
4 you're talking about, about dredging out the ocean. Even
5 though -- even though our tribe doesn't directly utilize the
6 fishing resources out there, we know that if there is potential
7 impacts to those fish, it'll impact other species or tribes or
8 peoples up there who rely on those things for their own
9 sustenance. And when you begin to break down the cycle of
10 life, you know, you're potentially impacting something that's
11 not going to be able to come back and sustain us any longer in
12 the future. So I have concerns about that. I don't know if
13 the studies have been thorough enough in regards to the
14 offshore impacts that might come up.

15 My other -- you know, whether or not this project goes
16 through, I don't know, but if they're talking about pushing
17 through this development I think that at a minimum there should
18 be some kind of protected area from the boundary of the refuge,
19 maybe out 10 miles to the west where there is no developments
20 and nothing happening over there. Kind of like a zone or an
21 area where -- because the caribou do move over into that area.
22 And so I think that that should be a part of the study that
23 you're doing.

24 On a whole other level, it was mentioned that 800
25 million dollars was invested so far into getting to where we're

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1 at with this study and that another one billion dollars is
2 going to be invested before this project can reach its state of
3 producing the gases that you're looking for. If we're talking
4 about -- if we're really thinking about needs and what's needed
5 for us as a population of Alaska and what's needed for us as
6 humans in order to sustain our relationships with the earth so
7 that we can provide for future generations, we need to really
8 think about reinvesting because the profits and the wealth that
9 might come off of this project isn't going to come to us. It's
10 going to come to some people who already have enough wealth to
11 take care of themselves. They don't need any more. And that
12 original 800 million, there's about 240 tribes in the State of
13 Alaska. If you invested 800 million dollars into renewable
14 energies for each of our tribes, you could practically
15 solarize, wind energy, hydro-energy energize every tribe in the
16 state with that kind of an investment and then we wouldn't have
17 to rely on the diesel fuels or any other fuels to provide
18 electric power to the communities and then we wouldn't have to
19 go out -- we wouldn't have to further destroy the Earth.
20 Because we don't have a need for -- those people who might
21 profit from this don't have a need for any extra wealth. As
22 human kind, we have a need to move towards renewable energies
23 because we're destroying the Earth and we're tapping into
24 something that's not sustainable anyways. We need to reinvest
25 those funds. And it is those wealthy people who have the 800

1 million dollars, plus the additional billion to invest into
2 these sorts of projects that they need to quit investing in the
3 things that are unsustainable that might make themselves more
4 wealthy and invest into the people of the Earth, which is all
5 of us, not just -- not just for themselves.

6 And so I think that there would be much wiser
7 investments of that 800 million and one billion if we wanted to
8 really talk about benefits to people of Alaska rather than the
9 50 long-term jobs that they might have talked about coming off
10 of this thing. So I think that in general those are just some
11 of my thoughts and concerns about this development moving
12 out -- trying to move east. And maybe that's a good starting
13 point for us in this discussion and like someone -- some of the
14 other members from up here mentioned, you know, we're looking
15 forward to continuing this dialogue, hopefully, for the next
16 three years that this project will now -- that this
17 statement -- environmental impact will now be working on so
18 that we can participate in that initial drafting of the
19 statement, that we can participate in meetings and
20 consultations after that initial draft is put forward so that
21 we can participate in this process.

22 It's like it was mentioned before, you know, some of --
23 some of you even in this room or other people who might come up
24 here for this work will be here for a few years and then you're
25 gone. If the earth and the land is destroyed and the animals

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1 are destroyed, our people right here are the ones who are going
2 to suffer in the future and you probably won't be earning the
3 millions of dollars that the shareholders or whoever else will
4 be earning while that project is going on.

5 So for us, you know, if you look at it from our
6 perspective, there's no real big benefit for us in this.
7 There's only loss. And so why would any people want to
8 participate in something where there's a potential loss but no
9 benefit for them? And so this is -- anyway, this is my
10 concerns just from myself as an individual and I'm glad that at
11 least the step was made to be here so that we could testify
12 here anyways rather than us having to try to go somewhere else
13 to be able to, you know, speak our concerns on this issue and
14 this development. Thank you for listening.

15 MR. ROCKWELL: Does anyone else.....

16 MR. PETER: That's it?

17 MR. ROCKWELL: If that's all who would like to give us
18 some testimony, I thank you very much. As I said, we will
19 continue to look for any input that you can give us in the form
20 of written information -- I'm sorry, Sarah?

21 MS. JAMES: I hope this is not the last time we're
22 going to see you guys and we want to continue to be involved
23 with this because even though our answer is no, we still want
24 to be ongoing -- what's going on. We don't want to hear new
25 stuff next time we come around here and said we already did

1 this and we're going to do this, and to keep us in the cloud,
2 you know. And it just make us feel like we're not important
3 and we are. We're not -- like I say again, we're not going
4 away, so might as well just deal with it.

5 MR. ROCKWELL: It's our intention to keep you informed,
6 to keep you involved as we're moving along and that we're
7 moving along together, not -- not separately.

8 MS. JAMES: I hope it's not moving along. I hope it
9 just goes away because, you know, that's what we want to begin
10 with. We want -- we don't want that development, any expansion
11 there or any way, but if it's going to go on without us
12 knowledge, we like to know yet.

13 MR. ROCKWELL: Again, thank you. Oh, I'm sorry?

14 MR. JAMES: Yeah. One other thing, too, development is
15 okay, you know, we all know that we have to have some sort of a
16 development goes on. But you hear from a couple here and even
17 from me that in the State of Alaska we have -- we're rich in
18 resource, but we seem to be -- you know, it looks like the
19 corporation that comes up here to develop these things ripping
20 off, just plain -- you know, plain and simple as that. First,
21 the State of Alaska gave them an incentive to come and look at
22 the resources. Then, when they develop them, they don't --
23 they give them a tax break, but they take the resource out of
24 the state. So there's two, two breaks that they give once they
25 get into the state. So that's where all that -- that's where

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1 all the profit and other benefit goes. You know, it goes into
2 the corporation that do the business, not the state.

3 That's where -- no, my greatest feeling is that in that
4 area is that the people that does the developing is the one
5 that's ripping it off. It's just plain greed.

6 MS. JAMES: Yeah, for the last 30 years in that oil
7 development up there, if they do it right for Alaskans, each
8 and every Alaskan would be rich today because there's only
9 800,000 [sic] of us and we're -- we've got a huge state and
10 we've got lots and lots of resources, you know, mainly oil.
11 And right now, it seems like the state of -- the State of
12 Alaska only depends on oil revenue. Every time oil price goes
13 down, they cry and they -- when it goes up, they -- you know,
14 laughing. So it's really immature the way they run the State
15 of Alaska. We can be very well bene- -- and we're very well --
16 wealthy state and run our own school, college, and have
17 everything for every villages. That's how wealthy we are, but
18 the corporations come in and they just rip it off and we never
19 see anything of it. And why don't they talk about that, you
20 know, instead of pushing for more development?.

21 MR. SAM: I've got one quick question about all these
22 seven communities at your scoping meeting schedule.

23 (Indiscernible) that you send the minutes of all the meetings
24 to the village chief or the village council where we'll review
25 what all the other communities have in mind and then we'll do

1 our own assessments. I sure wouldn't mind reviewing it.

2 (Pause)

3 MR. ROCKWELL: Thank you. I think that ends this then.
4 Thank you very much. We will continue our discussions and if
5 it's at all possible, we will make the transcription of the
6 scoping meeting minutes available. I'm not sure exactly when
7 we're going to have those.

8 MS. HEGARTY: Ted, may I ask a clarification on that?

9 MR. ROCKWELL: Sure.

10 MS. HEGARTY: Would you prefer to get, you know,
11 minutes that are word for word or would you prefer to get
12 summary notes? We can send you either or both.

13 MS. GARNETT: Both.

14 MR. SAM: The minutes.....

15 MS. HEGARTY: There's a lot of paper. Both? Okay.
16 You've got it. You've got it.

17 MR. SAM: The minutes of the meeting give you a better
18 information since.....

19 MS. HEGARTY: Okay.

20 MR. SAM:when you're having it summarized, you
21 leave out some of the important.....

22 MS. HEGARTY: That's fine, that's fine.

23 MR. SAM:vocabulary wording. Thank you.

24 MS. HEGARTY: And do you want it to go to the council?
25 The tribe? I need clarification. Or both?

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1 MR. PETER: You can send it here to the council.

2 MR. SAM: To the village council.....

3 MS. HEGARTY: To the village council. Okay.

4 MR. SAM:would be fine because the public will
5 have to read it, you know, the people interested.

6 MS. HEGARTY: Okay.

7 MR. SAM: Thank you.

8 MR. PETER: We're done now?

9 COURT REPORTER: Off record?

10 MR. ROCKWELL: Yes.

11 (Off record; 3:30 p.m.)

12 (END OF PROCEEDINGS)

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C E R T I F I C A T E

1 UNITED STATES OF AMERICA)
2) ss.
3 STATE OF ALASKA)

4 I, Elizabeth D'Amour, Notary Public in and for the
5 State of Alaska, residing at Fairbanks, Alaska, and court
6 reporter for Liz D'Amour & Associates, Inc., do hereby certify:

7 That the annexed and foregoing PROPOSED POINT THOMSON
8 GAS CYCLING PROJECT SCOPING MEETING PROCEEDINGS was taken
9 before me on the 4th day of November, 2002, beginning at the
10 hour of 1:30 o'clock p.m., at Arctic Village, Alaska;

11 That this hearing, as heretofore annexed, is a true and
12 correct transcription of the testimony of said SCOPING MEETING,
13 taken by me electronically and thereafter transcribed by me;

14 That the hearing has been retained by me for the
15 purpose of filing the same with the U.S. Environmental
16 Protection Agency, 222 West Seventh Avenue, #22, Anchorage,
17 Alaska, 99501, as required by law.

18 That I am not a relative or employee or attorney or
19 counsel of any of the parties, nor am I financially interested
20 in this action.

21 IN WITNESS WHEREOF, I have hereunto set my hand and
22 affixed my seal this 22nd day of November, 2002.

23 _____
24 Notary Public in and for Alaska
25 My commission expires: 12/28/02

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

PROPOSED POINT THOMSON GAS CYCLING PROJECT

TRANSCRIPT OF SCOPING MEETING PROCEEDINGS

BEFORE TED ROCKWELL, Hearing Officer
Barrow City Hall
Barrow, Alaska
October 29, 2002
4:00 o'clock p.m.

PANEL:

- MR. MICHAEL BARKER, ExxonMobil
- MR. DICK LEFEBVRE, State of Alaska Department of
Natural Resources
- MR. DAVE BUNTE, CH2M Hill
- MR. STEVE BRAUND, Anthropologist
- MR. BRIAN LAWHEAD, ABR
- MR. JIM ZELENAK, U.S. Fish and Wildlife Service
- MS. KELLEY HEGARTY, Hegarty & Associates, Community
Planner and Policy Analyst

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1 PROCEEDINGS

2 (On record; 4:00 p.m.)

3 MR. ROCKWELL: What we're going to do is we're going to
4 get started a little bit at this time and then we'll have
5 another presentation and question and answer session after
6 dinner starting at 7:00. My name's Ted Rockwell. I'm with the
7 EPA in the Anchorage office. We're here to begin the process
8 of writing an Environmental Impact Statement and making
9 decisions on necessary permits for a project that ExxonMobil
10 has proposed in the Point Thomson area. We have working as our
11 team, two federal agencies as cooperating agencies, Fish and
12 Wildlife Service and Jim Zelenak, to my left here is
13 representing Fish and Wildlife Service here. And the Corps of
14 Engineers, who is represented by Terry Carpenter couldn't make
15 it here and sends her apologies. She is not able to make this
16 set of meetings at all and is going to be relying heavily on
17 the transcript that we're going to have. As you can see we
18 have a court reporter and we will be having a full transcript
19 of all these meetings so that we don't lose anything that
20 anyone says.

21 Let me continue introducing people. The North Slope
22 Borough, Tom Lohman, to my right, is working with us,
23 participating, we're trying to keep the North Slope Borough
24 involved in everything that we're doing and keep everyone
25 informed as we're proceeding. And the State of Alaska,

1 Mr. Dick LeFebvre is also very interested and also
2 participating with us.

3 The way that EPA is proceeding is we have a contractor
4 who is going to help us put together the Environmental Impact
5 Statement and the documents and do the analysis that we need to
6 do. That contractor is CH2M Hill and the representative for
7 CH2M Hill is Dave Bunte and Dave is working, as I said, for
8 EPA.

9 On this particular project, the way that it is set up
10 the applicant is ExxonMobil, as I said, and ExxonMobil is
11 paying the cost of the contractor, CH2M Hill, but that's all
12 they do. They get to write the check and I get to boss them
13 around. So there's a very clear division between what CH2M
14 Hill does and who they work for. They work for EPA.

15 We have a real desire to make sure that accurate
16 information and timely information is given to people at all
17 turns and to that end, I've invited ExxonMobil to this set of
18 meetings so that they can tell you in their words, what their
19 proposal is and they can make clear what it is they're
20 proposing and they can also answer questions of them that you
21 may have. Mike Barker and Mike Todd, in the back of the room
22 are with ExxonMobil, and will be giving a presentation here in
23 just a second.

24 What I would like for you to do is if, as we're going
25 through the presentations, if you have any questions, please

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1 come up to the microphone up here so that we don't lose the
2 question and we capture the question as well as the answer.
3 Try to make sure that we get everyone's question because
4 they're all important and the answers are also very important.

5 The EIS process has just begun. We're just at the
6 point of doing scoping. Following scoping, we'll be working on
7 writing a Draft EIS. We'll have some additional communications
8 with people in the form of some newsletters, perhaps it's a
9 workshop. I'm hoping very much that we have a workshop, in
10 fact, before the Draft EIS. And then you'll all have an
11 opportunity when the Draft EIS is issued to review the Draft
12 EIS. We'll have another set of hearings here to get comments
13 on that Draft EIS and tell us if we heard your comments,
14 addressed the issues, you know, missed on something or whatever
15 and we'll go back and try to revise that Draft EIS and produce
16 a Final EIS.

17 What I'd like to do at this point is ask Exxon if they
18 would give us a brief description of their project, unless
19 someone has a question of anything that I've said so far.

20 MR. BARKER: I want to thank EPA for inviting us here
21 this evening and I want to thank the folks of Barrow. It's
22 nice to be here in the farthest north city. And I'll tell you
23 a little bit about the project that we're proposing. Right now
24 we're in the permitting phase and we anticipate making a final
25 decision on this project in early 2004 as we complete the

1 permitting process.

2 To give you a little bit of an overview, I hope
3 everyone can see this all right, the Point Thomson area is to
4 the east of the Prudhoe Bay and the Badami Field. It's located
5 about 60 miles east of Prudhoe Bay just west of the Staines and
6 the Canning River or about 50 miles or so west of the village
7 of Kaktovik. The primary owners of the leases in that area
8 are ExxonMobil, BP, and ChevronTexaco and ConnocoPhillips.

9 To date, there have been 19 wells drilled in the Point
10 Thomson area. And I think earlier many of you came up and you
11 saw the photo here that outlines the unit. And some of the
12 wells are depicted on this map or one of the other maps that's
13 up here as well. Fourteen of those 19 wells that were drilled
14 penetrated the Thomson Reservoir and the reservoir is actually
15 located offshore of the mainland in this area here that I'm
16 denoting on this photograph. It kind of lies -- rests between
17 the Barrier Islands and the mainland primarily. And so when it
18 was discovered, it really looked more like it would be an
19 offshore development. We now plan to drill 21 wells, not use
20 any of the 19 wells that have been drilled out there previously
21 and those 21 wells would all be drilled from onshore. There
22 would be really almost no offshore development as part of this.
23 All of our activity, with the exception of a short dock, would
24 be onshore.

25 We believe right now that we can accomplish all this

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1 work and disturb about 225 acres. The unit itself is roughly
2 116,000 acres, so that's about two-tenths of one percent of the
3 area of the unit would be used to put gravel roads and then
4 airstrip and facilities like that. We estimate that there's
5 roughly 8 trillion cubic feet of natural gas in the Thomson
6 Sand in the unit. That's a lot of natural gas. We also
7 estimate with that gas there's 400 million plus barrels of
8 condensate which is a high-quality crude that's very similar to
9 kerosene, and I actually brought a little sample bottle with me
10 this evening that will show you what we think the condensate is
11 going to look like. I'll just pass this around.

12 We hope to produce 75,000 barrels a day of the
13 condensate through a 12-inch pipeline.

14 This next overhead that I have, I'll talk a little bit
15 about the major components of the project, which you also can
16 see there are three well pads. All of the facilities, with the
17 exception of the dock being onshore, the central well pad is
18 where the processing facilities would be located and that's
19 located there and there's the central pad. I guess everybody
20 saw that. And then the other two pads -- then at the central
21 pad there will be injection wells that will be injecting dry
22 gas back into the reservoir after the condensate has been
23 removed from the gas that comes from the west well pad and the
24 east well pad. And then south of the central processing
25 facility would be an airstrip located about a couple of miles

1 south of the coast to try and avoid fog and connected with a
2 road and there would also be a gravel mine in that area.

3 There's an old gravel mine in the area that we also
4 plan to use just as a fresh water source. But we're going to
5 need quite a bit of gravel just for the facilities we're going
6 to have to build and so there'll be a second gravel mine in the
7 area very close to the old existing gravel mine.

8 MR. BROWER: I have a question for you.

9 MR. BARKER: Gordon?

10 MR. BROWER: Just a question before you switch your
11 picture there. Are those the only pads that you'll have there
12 or is there going to be planned other activities to expand this
13 later on?

14 MR. BARKER: We have no -- all of the leases that
15 ExxonMobil and our partners that hold as a unit are inside this
16 Point Thomson project and at this time there are no other plans
17 for developing other hydrocarbons. Now, there are other
18 companies who hold leases to the south and to the west but none
19 of them have announced any plans for a project other than
20 there's been speculation around some. Now, there have been
21 some wells drilled in the area, kind of in the southern part of
22 the Point Thomson unit in the Sourdough/Yukon Gold area, those
23 sands are very similar to the sands that BP has tried to
24 produce at Badami and not been as successful as they would have
25 liked. And perhaps people are thinking the same around

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1 Sourdough. I don't want to speculate on that. But right now
2 no one is talking about developing anything other than the
3 Thomson Reservoir.

4 MR. BROWER: I think it'd be wise to go ahead and talk
5 with those other companies and see what their plans may end up
6 because it may be things that may tie into some of the pipeline
7 systems that you're proposing. I just thought I'd bring that
8 up.

9 MR. BARKER: Gordon, I'm sure that there will be
10 continuing dialogue with other companies in the area, if they
11 see opportunities. But those discussions have been ongoing for
12 years and most of the companies that have leases are also our
13 partners in this unit and no one is stepping forward with
14 another development.

15 There'll be, in addition to what we see in field, this
16 yellow line that you see going off to the left would be the
17 condensate pipeline. It's 22 miles in length. And it would
18 run from the central pad over to the Badami pipeline and that
19 would be the pipeline that would carry the condensate. It's a
20 12-inch pipeline and it would be built, a minimum, of five feet
21 above the tundra. Meaning there would be many areas that it
22 would be well over five feet above the tundra.

23 Just to talk a little bit about the gas cycling
24 process. The gas, when it comes out of the ground, it's going
25 to come out of the wells that are on the east pad and the west

1 pad. I'm going to point to this photo here, the west pad and
2 the east pad. There'll be about roughly a half a dozen or so
3 wells at those two pads. Seven, I think, are planned at the
4 west pad and six at the east pad. But that gas will come up
5 out of the ground and then it will flow through pipelines over
6 to the central pad. And at the central pad, that gas will then
7 be cooled and as the gas cools and we drop the pressure on it,
8 that was a gas is no longer a gas and it becomes a liquid like
9 kerosene. So an example I've used and I don't know if it's a
10 good one or not but I'll use it again. If you think of a tea
11 kettle sitting on the stove and it's boiling there's steam
12 coming out of that tea kettle. As that steam cools you see
13 water droplets start to form on the windowpane or whatever
14 might be nearby. That water -- it was condensed in the air and
15 as the air cooled the water dropped out. In this case as the
16 natural gas cools, this condensate drops out. And again, it's
17 like the material that was in the little bottle that I passed
18 around the room. So after the condensate drops out of the gas,
19 it then goes into the main pipeline and it would go over to
20 Pump Station 1 and down to Valdez and get into tankers loaded
21 to go to the Lower 48. The gas that's left over we refer to as
22 dry gas or some people call it lean gas, it would go to the
23 wells that are drilled in the central pad and it would be
24 reinjected into the reservoir at fairly high pressure; 11,000
25 pounds per square inch. With the intent being that that dry

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1 gas as it's injected into the central wells would push rich gas
2 towards the other wells that are at the east pad and the west
3 pad and would the continue to flow to the surface and so you
4 would get a cycling action as we do that in the reservoir.

5 I think as I stated earlier, the discovery well for the
6 Thomson Sand was drilled in 1977 so this reservoir has been
7 around and the area, we've known, had a lot of gas for a long
8 time. And since the late '70s and early '80s, we've done a
9 number of studies in the area and those have continued to
10 present time. And over that time we've tried to get a better
11 understanding of the oceanography of the area, the weather
12 patterns or the meteorology to learn more about the mammals,
13 how the muskoxen and the caribou and the polar bears and the
14 wales use the area and when they use the area and to learn more
15 about the birds that inhabit the area and the fish in the area
16 and also we've mapped the vegetation and we've had
17 archaeologists out there as well trying to better understand
18 what significant historical sites there may be in the area that
19 we know are important to this community.

20 We've taken that information plus all that the oil
21 industry has learned over the last 30 plus years in Alaska
22 operating up on the North Slope and tried to incorporate those
23 learnings into this project. When we have barges come in or we
24 do dredging activities here those are going to stop around the
25 first of September so that we don't interfere with whaling

1 activities. We're going to raise our pipeline up high enough
2 so that -- and we're going to move the roads away from the
3 pipeline so that we get adequate separation so that caribou
4 will be able to move freely in the area and not feel
5 restricted. We're very accustomed to using forward-looking
6 infrared radar to survey for polar bear dens. We would intend
7 to continue to do things like that as we build ice roads in the
8 area. And as I stated earlier, even though the reservoir is
9 offshore and our preference would be to build gravel islands
10 out there in the offshore area and drill straighter holes. We
11 found a way, we believe, we can develop this all from onshore
12 and really reduce that offshore impact. And we're going to be
13 using some existing gravel pads that are already out there, at
14 least, one in particular right where the central pad is. And
15 then in addition to that we'll be working on other of the old
16 gravel pads that are out in the area and trying to address
17 those as well.

18 MR. BROWER: I got one more question. You said that
19 the produced fluids will be cooled to a condensate and is that
20 an altogether different temperature point to the crude that's
21 going through the pipelines and if that's going to pose any
22 other problems or is that going to change and reheat it before
23 it gets down the other crude lines because of what they call
24 that paraffin situation with oil? If that's going to be a
25 problem.

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1 MR. BARKER: Yeah, Gordon, that's a very good question.
2 Cooling. By that I mean we'll be dropping it down into around
3 the 100 degree Fahrenheit range. So when this gas comes out of
4 the ground it can be very warm, hot, 170 degrees or more. And
5 so we'll be dropping it down closer to around 100 degrees or so
6 and that's what we mean by cooling. And there won't be a lot
7 of waxes or paraffins in the condensate, we don't believe.
8 It's fairly light. And it won't be cooling down to the point
9 where we would be getting waxing in the pipeline, we don't
10 believe. If it were to start to drop down around, you know, 40
11 degrees Fahrenheit or something in that range, then I think we
12 would begin to be a little more concerned about that. So it
13 should commingle with the TAPS crude oil very well.

14 I'm almost to the end, Ted. Ted asked me to be quick;
15 he said he's going to give me an opportunity to do this one
16 more time this evening.

17 There's been, as I said, a number of wells drilled in
18 the area and they've been out there for quite awhile. And over
19 that time period about 800 million dollars has been spent by
20 the leaseholders in the Point Thomson area. The project that
21 we're proposing, that we're hoping that we can make a decision
22 to go forward with in early 2004 would entail an additional one
23 billion dollar investment, plus or minus, but in that ballpark.
24 And we project that the project would have a 30 year life and
25 over that 30 year life the North Slope Borough and the state

1 would receive roughly 2.5 billion dollars in taxes and
2 royalties from this project.

3 While the project was being constructed we anticipate
4 the number of jobs being in the range of 450 jobs and then once
5 we go into production, which would be in late 2006, early 2007,
6 there would be about 50 full-time jobs.

7 I guess I pulled that slide off maybe just a little too
8 quick because the other thing that I really need to point out
9 to you is we see that there's going to be -- we believe this
10 project would have a lot of opportunity for Alaska businesses
11 and Native corporations.

12 And then lastly I just want to talk a little about our
13 schedule. As I mentioned we're now working on the permitting
14 of the project. While we're doing that we have a lot of
15 engineers working on the project now and we're investing
16 millions in that engineering effort right now as we're also
17 trying to permit the project. We hope to be able to make a
18 final decision, whether or not to go forward with this project
19 in late 2003, early 2004. Then we hope to begin construction
20 in the field in the winter of 2004-2005. And then we also hope
21 to begin drilling the next winter, the winter of 2005-2006 with
22 first production at the end of 2006, early 2007.

23 I really appreciate the opportunity to outline the
24 project to you. There are lots of materials on the table in
25 the back of the room and I encourage you to take copies. If

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1 you know other people who aren't here and they would like
2 copies, you know, please feel free to take copies for them. I
3 know that I speak on behalf of ExxonMobil, we're very much
4 looking forward to being an operator and being a member of the
5 North Slope community.

6 MR. ROCKWELL: All right, thank you.

7 MR. SYNDAM: Hi. My name's Robert Syndam, I'm with the
8 North Slope Borough. Mike, welcome to Barrow.

9 MR. BARKER: It's nice to see you again.

10 MR. SYNDAM: Yeah, just a couple questions for you.
11 You mentioned that the high pressure of the gas being
12 reinjected into the ground and the high temperature of the
13 product coming out of the ground, what kind of added oil spill
14 kind of things need to be done because of the high pressure and
15 the temperature?

16 MR. BARKER: Well, I guess it would depend on the type
17 of spill, but we are working with a number of people to try and
18 better understand how we're going to be responding to spills.
19 Typically, we like to think that the primary response to a
20 spill is going to be by using booms and skimmers and pumps.
21 With a more volatile product like this, a lot of it is going to
22 evaporate. We're finding as we better understand the nature of
23 condensate, that even within a matter of hours a lot of the
24 material that's spilled has evaporated. And then what's left
25 burns very easily. And so I can see in the future that if a

1 person were to have a spill, I think burning would be a tool
2 that we would be much more dependent on in responding to that
3 spill. That doesn't mean that mechanical means won't be
4 available. And we are looking at what are the best type of
5 booms and skimmers to have and store out there. But the
6 temperatures -- the liquid will cool down in this environment
7 quickly enough just through the evaporative process and just
8 because this is a colder environment that we should be able to
9 deal with that.

10 MR. SYNDAM: I guess my question was kind of the high
11 temperature of the product in particular that obviously it
12 would melt snow and ice rather quickly, perhaps melt permafrost
13 if a fair amount of the material was spilled. And just kind of
14 wondering what additional contingencies need to be taken into
15 account when dealing with those kinds of things. You know,
16 obviously there's snow and ice on the ground more so than when
17 there's open water and, you know, so the booming doesn't work a
18 whole lot, you know, for ice and snow situations. But it just
19 seems like it's an issue that needs to be addressed and perhaps
20 you already have.

21 MR. BARKER: You know, this is really a question that I
22 think Ted and the EIS team, I know we're going to be working
23 with a lot on and also we're working with the Department of
24 Environmental Conservation very much to understand the fate and
25 behavior of condensate and to make sure that we plan

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1 appropriately in the event that we did have an accidental
2 spill.

3 MR. ROCKWELL: We're working with DEC, the state. It's
4 part of why it's so important to us that we have the state
5 involved with us from the very beginning because they have
6 permits and review authorities for oil spill contingency
7 planning and that sort of thing. We need to be able to
8 describe it and be able to assess the effects in the EIS. We
9 need to be working hand in hand and that's begun, but it is at
10 the very early stages yet so there aren't any answers or
11 anything yet at this point.

12 MR. SYNDAM: Thanks, Ted. You mentioned burning as a
13 possibility. And is burning actually permitted by the state
14 now and is it anticipated that burning will be allowable, you
15 know, by the time production starts?

16 MR. ROCKWELL: I don't know the answer to those
17 questions. That's part of the work that we're going to have to
18 do is to answer those kinds of questions, but, yes, those -- I
19 mean.....

20 MR. SYNDAM: Thanks, Ted. And another question, Mike,
21 you mentioned roads being separated from pipelines. It's not
22 clear to me from the maps and I don't have a whole lot of
23 background on the project or the details of it anyway. How
24 much road is actually planned to be built in association with
25 the project?

1 MR. BARKER: The distances between the two well pads I
2 think totals about 12 miles and then I believe there's an
3 additional three miles or so down or two miles to the airstrip.
4 So the number I quote is going to be my best guess right now,
5 which I think is about 15 or 16 miles of road.

6 MR. SYNDAM: So it will be a road system that's kind of
7 isolated from the main.....

8 MR. BARKER: This project will not be connected to the
9 Haul Road.

10 MR. SYNDAM: Great, thank you.

11 MR. ROCKWELL: Thanks, Robert. Go ahead.

12 MR. STOTTS: Good afternoon. My name is Michael
13 Stotts, S-T-O-T-T-S, for the record. I currently am employed
14 with the Inupiat Community of the Arctic Slope, the realty
15 department, specifically. Some of my concerns that I need to
16 put on record is I have identified 16 Native allotments within
17 the proposed area of development and, of course, I have
18 concerns that some of these could impact the Native allottees
19 in one way or another. Ten of these lots, for your
20 information, are in a pending state or a state of being
21 certified. Six of these have been certified. But I'm also
22 looking at the map here from BP. It would be nice to update
23 the map. I'm noticing that BP's map anyways has indicated
24 private property. Again, there are 16 Native allotments within
25 the proposed area that are not identified on this map and

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1 perhaps we can work to get those identified through various
2 departments and agencies that are involved in this project.

3 MR. ROCKWELL: That's one of the tasks that we have at
4 this time is that sort of factfinding task.

5 MR. STOTTS: Right.

6 MR. ROCKWELL: So if you could provide that information
7 to us, we're looking for it.

8 MR. STOTTS: I would certainly be willing to work with
9 you and again my name is Mike Stotts. I'm with Inupiat
10 Community of the Arctic Slope and fairly newly employed but
11 I've been around.

12 MR. ROCKWELL: Great. Great. I will probably instruct
13 my contractor to work directly with you.

14 MR. STOTTS: All right.

15 MR. ROCKWELL: As I don't necessarily need to be a
16 middle man in that.

17 MR. STOTTS: Correct. Correct. I just need a contact
18 person to meet with.

19 MR. ROCKWELL: I'll get you together. Excellent.
20 Thank you.

21 MR. LOHMAN: I had a few comments before Gordon gets up
22 to the microphone again. My name is Tom Lohman. I'm with the
23 borough. Everybody in the audience, I think, at this point is
24 staff. I think you all know what EIS reviews are like and
25 drafting the kind of document we're looking for. At this point

1 we're in an information gathering phase. We had a meeting in
2 Kaktovik. We had a few people show up and we plan on going
3 back to Kaktovik, or at least some subset of the group plans on
4 going back to Kaktovik and doing some more work in that area as
5 the most affected community.

6 We heard a couple of things from them that are
7 interesting. Again, the EIS, as you all know, there are
8 different sections of the EIS and we're looking to provide
9 input to the drafting of those sections. We need information
10 that anybody has on the affected environment and that includes
11 the human use of the area. We've got some good information
12 that we didn't have just now from Mike. We're also looking for
13 information on concerns with the project and again, Mike just
14 provided -- the other Mike just provided information on the
15 project and hopefully that will stimulate some discussion about
16 concerns with the project, if there are any. The other task of
17 an EIS is to craft alternatives. We've all, again, seen EISes
18 we need to start thinking about alternatives to the present
19 design of the project. We also talked to people in Kaktovik
20 about ongoing effects from other activities for contribution to
21 the cumulative impact section of the document. We need to look
22 at other projects that are reasonably foreseeable in the area.

23 Ted, if you have your little flasher, maybe I'll use
24 your flasher. If you look at this area right here it's called
25 Slugger; it's owned by other owners. I mean that's an area

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1 that obviously we're going to bring into this conversation and
2 think about how that might be developed and how that might be
3 tied in with TAPS and possible alternatives involving this
4 project and how the two might work together. Those are the
5 kind of things Gordon talked about.

6 The other thing to understand in terms of the public
7 input process is that the borough has its own permitting
8 process and it's good to see most of the planning department
9 staff here. Certainly there'll be presentations before the
10 planning commission. There will certainly be presentations
11 before the borough's fish and game management committee. There
12 will be ongoing participation by the borough in the EIS process
13 but we'll also have our independent exploration of issues with
14 our own communities and that's going to be ongoing independent
15 of the EIS teams' visit to the communities. And Gordon and
16 Johnny and Waska and the other folks in permitting have an
17 established relationship where they can conduct that work
18 probably on the ground, to some extent, better than the EIS
19 team as a large group going into the communities.

20 Steven Braund, who's sitting over there in the corner
21 diligently typing is responsible as the contractor on, help me
22 out, Steve, it's subsistence.....

23 MR. BRAUND: Subsistence, traditional knowledge and
24 cultural resources.

25 MR. LOHMAN: Subsistence, traditional knowledge and

1 cultural resources is obviously key components of the EIS
2 process and we've all worked with Steve before and look forward
3 to doing it again on this project. So we're at the earliest
4 stage. We're information gathering; we're trying to fill
5 information gaps, identify key issues. We'll be working with
6 folks at the state and these other agencies as well to flesh
7 out some of these issues. We've already had some agency
8 scoping. We've had conversations with Craig already on some
9 fish issues and we'll continue to do some of that kind of work
10 independent of these scoping meetings.

11 So that's where we are in the process. Now, I defer to
12 you, Gordon.

13 MR. BROWER: Okay, thank you, Tom. Well, thanks for
14 the opportunity to be here. My name is Gordon Brower. I work
15 with the land management division of the North Slope Borough.

16 I kind of jotted down a few things as Mike Barker was
17 going over through his overheads. A lot of these development
18 issues have been raised many times over in Prudhoe Bay and
19 expanding towards Alpine and into NPR-A and the issue still
20 remains. It still remains because there is subsistence-related
21 activities now that's going in another direction now
22 potentially to impact another community. And I think you
23 really need to focus those impacts to which communities are
24 going to be most heavily impacted and this probably is
25 Kaktovik. And again, as Mike Stotts talked about, Native

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1 allotments, we're always concerned with that. The people that
2 have private holdings in those areas are fully apprised of
3 what's going on because of their subsistence-related
4 activities. Our policies at the North Slope Borough pertain to
5 protecting cultural values, subsistence resource harvesting,
6 availability of resources and we'd like to see that the EIS
7 address those needs when it comes to that point.

8 I know this is a scoping meeting to just collect
9 information but it's always good to reinforce what we feel
10 right at the moment to convey information. Like Tom said, the
11 North Slope Borough does have a process as well. It's almost
12 similar to this but it's not as lengthy. Some rezoning will
13 have to take place to connect Point Thomson probably to Badami.
14 That's a land status change to the borough. We're always
15 concerned to economic development and the opportunities that
16 may be available for area nearest affected villages, in this
17 case probably Barter Island, that you work with those people to
18 help establish a working relationship, however it may turn out.
19 Our economic policies for the municipal code of the North Slope
20 Borough within its boundaries say that you should do that and
21 we'll encourage you guys to do that, to make sure that economic
22 opportunities are built into your EIS and addresses that. Not
23 just Alaska hire because we see that a lot, but North Slope
24 opportunities which the policies address for North Slope
25 opportunities. Alternative pipeline issues is always a

1 question.

2 We, for many years tried to have industry look at
3 alternatives, just because of the studies that have accumulated
4 over the past 25 years that we've looked at, primarily for the
5 Central Arctic Herd which information is now starting to lead
6 that there is now an impact of displacement. And current
7 pipeline sprawl situations such as this and that may develop,
8 if there's other areas that may attach to this particular
9 project. Tom Lohman mentioned Slugger. And there are those
10 concerns because caribou movements is one of our primary
11 concerns because that is a subsistence resource, heavily used.

12 Pipeline height issues. We have current studies on
13 pipeline heights that I think this project should be well
14 apprised of. Meltwater is one of those projects done by
15 Phillips that have pipeline heights as its primary study focus
16 because of minimum pipeline heights; it's becoming an issue,
17 five foot minimum. Studies related to that that I've kind of
18 looked at and talked with the Fish and Game personnel,
19 biologists on the type of studies conducted for a minimum of
20 five feet which were related to mortality rates. And those
21 seem to me weren't adequate types of studies for that minimum
22 height. Our primary use for subsistence are caribou bulls and
23 if you look at the size of the animals, from a calf to a bull
24 there is a major difference. And that's how Meltwater became
25 to be a minimum of seven feet, so these animals can get to

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1 where subsistence harvesting can occur without limiting the
2 primary subsistence resource of that species is the bull. I
3 mean we don't hunt the calves as much as we do for the bulls,
4 for the meat. Those are issues.

5 Aesthetics. Aesthetics became an issue because
6 pipelines over in Deadhorse have become an issue with the
7 flashiness of the pipes. There's also a project, I think Drill
8 Site 3-S, which has aesthetics as one of its primary studies
9 and to develop that, some digitype of covering, it was just as
10 durable as the flashy stuff so that pipelines are much more
11 coexistent with wildlife.

12 One of the other concerns that I see is sensitive areas
13 planning for these projects, especially for your dock near the
14 Flaxman Island right there and your dredging to make it deeper
15 for these modules to come in. I have had the privilege to
16 attend some of the scientific advisory committee meetings in
17 the past which related to fish movements from the McKenzie
18 Delta over to the Colville Delta which were young of the year
19 fish that migrated and that may become an issue because they
20 are near shore migrations of that fish and they're basically
21 fish fry that are trying to come into the Colville to grow up
22 and then they head back into McKenzie for spawning again. It
23 seems to me that is an issue there, for sensitive areas
24 planning. The EIS scoping should take those into account
25 because it is a sensitive issue.

1 East dock -- or west dock and Endicott causeways were
2 all breached to better manage the fish movements, young of the
3 year fish movements between the near shore migratory routes of
4 that species.

5 Again, alternatives, we've pressed for that. I don't
6 know if this can be one of those projects where alternatives
7 such as buried pipelines or even putting some of that pipeline
8 inside of the road and making it maintainable within inside of
9 the road may be preferable for people that hunt in that area,
10 if they were concerned about shooting the pipeline or shooting
11 in the direction of the pipeline trying to hunt game from the
12 Native allotment owners in those areas. Such alternatives
13 should be considered like that.

14 And the other one is the use of the pipelines
15 themselves to be able to be looking to future development so
16 that additional pipelines may not have to be installed later
17 on. These pipelines should be of enough size to accommodate
18 other developments so that they won't have to put an alternate
19 pipeline route for some other projects, that they can just tie
20 into these. You're looking right at the ANWR border right
21 there and if such activities were to occur over there to
22 minimize other pipelines, these pipes should be able to do dual
23 things. They shouldn't just be able to focus on one item.

24 I think that's all I have for right now just from
25 looking at the scoping sheet that you should consider for the

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1 EIS. Thank you.

2 MR. ROCKWELL: Thank you, Gordon.

3 MR. GEORGE: Good afternoon. My name is Craig George.
4 I'm with the Department of Wildlife Management. I think the
5 comments so far have been fairly comprehensive, but I did want
6 to make a couple points.

7 Regarding fish, I'd like to see as part of the EIS sort
8 of a comprehensive synthesis of all the information. I think I
9 mentioned this earlier, but that all the information some of
10 which was probably -- some wasn't on the Endicott and Westop
11 programs. And there were a lot of very good papers that came
12 out of that that I often don't see cited in EISes for whatever
13 reason. But there were some very fine papers that were
14 published in the AFS journal which is the Society for American
15 Fisheries, or I think they are, and they looked very carefully
16 at the effects of offshore structures on how, you know, fish
17 movements and how they affected water masses and that sort of
18 thing. So that would be very helpful and if we could do it in
19 a way that encouraged participation, perhaps in a workshop,
20 that that would be, I think, a real contribution to sort of tie
21 that together into something that would be applicable to other
22 studies.

23 Our science advisory committee was reviewing these on a
24 regular basis and interacting with the contractors and I think
25 we had a nice process set up, good interaction and feedback and

1 review. And, frankly, when we -- we're comfortable with the
2 results, at least in the case of the Endicott causeway, that we
3 felt that there was adequate breaching and that both young of
4 the year and adults would negotiate the causeway successfully,
5 we ended our participation and it was just too expensive to
6 continue it. But it would be nice to tie it all together into
7 some sort of final document that's citeable.

8 In terms of subsistence, Gordon mentioned good points
9 that from what I understand the Kaktovik people primarily hunt
10 Central Arctic caribou which is maybe counter-intuitive because
11 they're in the wildlife refuge but apparently when Sverre
12 Pedersen was looking at doing his work, a lot of the Porcupine
13 Herd animals retreat quickly back into the mountains or across
14 the range and it's the Central Arctic animals seeking insect
15 relief that the Kaktovik residents are boat hunting. And based
16 on our experience in Nuiqsut where a lot of the areas that
17 became industrialized are currently no longer used by Nuiqsut
18 residents, that we certainly want to avoid that and look at
19 that very carefully, that there's both legal reasons, I
20 suppose, and maybe aesthetic reasons. But as you know the area
21 to the east of Nuiqsut was once hunted regularly and is no
22 longer hunted for caribou.

23 Regarding offshore spills, just to follow-up on
24 Robert's comments, I understand there are no offshore islands;
25 is that right? So the probability of an oil release offshore

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1 should be quite low; is that correct? Okay.

2 MR. ROCKWELL: Well, I don't know if I would say it
3 quite that way. There are no islands proposed. The pads are
4 located on the coast, so depending upon what the spill looks
5 like, what the conditions are at the time, there certainly is
6 plenty of water around all three of the pads. Whether it's
7 fresh water that's on shore or whether it's in the lagoon, it's
8 there.

9 MR. GEORGE: Okay. All right, well, then that's
10 definitely -- I think Robert's questions are highly appropriate
11 then.

12 And the other thing is, regarding caribou, would be to
13 summarize the information from the way that caribou are
14 interacting with the Badami pipe. And I know there were a
15 number of studies proposed and we talked with the BP
16 contractors about various study designs, but I haven't seen the
17 results and I don't know how these animals are dealing with
18 that, east/west pipe of that length. I guess I think that
19 covers my queries at the moment.

20 MR. ROCKWELL: Craig, may I ask a question?

21 MR. GEORGE: Yeah, uh-huh.

22 MR. ROCKWELL: On the caribou, do you think that there
23 is the need for convening a workshop on that as well? You
24 mentioned that you thought perhaps a workshop on fish was a
25 good idea. Do you think that there is a need for a similar

1 workshop on caribou to look at the information on the Badami
2 pipeline and then what other information is out there?

3 MR. GEORGE: Well, that -- sure. It seems like those
4 are always pretty helpful. I know people are pressed for time
5 often, but it forces the various researchers to sort of focus
6 on a question and I think it would be helpful. And there's a
7 lot more animals with satellite telemetry that's entered into
8 the equation for Central Arctic Herd animals, so it would be
9 good to summarize that information. That's an initiative that
10 we've taken with the Alaska Department of Fish and Game and
11 there's a lot of information of that sort from the U.S. Fish
12 and Wildlife Service. So, yeah. So anyway, that would sort of
13 force us into summarizing that information, that would be very
14 useful.

15 MR. ROCKWELL: Okay.

16 MR. GEORGE: And then tying that in with the
17 subsistence layer at the same time, those hunting patterns. I
18 frankly don't know if they've changed or not for Kaktovik
19 people, but from what I've seen of the way the Porcupine Herd
20 animals are behaving, I don't think it has. I don't think they
21 really have access to those animals in summer.

22 And, again, Gordon made a good point that the hunters
23 are mainly targeting the large bulls and that's when they're
24 available during summer insect relief, otherwise they retreat
25 pretty quickly, at least here at Barrow with the Teshekpuk

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1 animals and such. We don't have ready access to them and other
2 times of the year often. And thank you.

3 MR. LOHMAN: Craig, let me ask a quick logistical
4 question.

5 MR. GEORGE: Yeah.

6 MR. LOHMAN: Tom Lohman. We talked earlier about
7 getting to the EIS team North Slope Borough subsistence harvest
8 documentation information for these communities.

9 MR. GEORGE: Right.

10 MR. LOHMAN: We need to -- again, you know, I don't
11 know if Ted mentioned, I was out of the room when he gave his
12 presentation, but the formal scoping ends November 30th. But
13 the information exchange is certainly going to continue long
14 beyond that. But, you know, Mike Stotts, who's stepped out of
15 the room, Mike's going to convey to these folks and get in
16 touch with the contractor and get that allotment information.

17 I hope our department, wildlife, can get any
18 information we have to them as soon as we can. Planning
19 department through the IHLC, I'm sure has some traditional land
20 use inventory information that they can get to the EIS team.
21 And, again, Ted, correct me if I'm wrong, but you are the
22 person who is going to be the funnel for all information.

23 MR. ROCKWELL: Right.

24 MR. LOHMAN: So if the folks in planning can identify a
25 person at IHLC who can download any information we have in the

1 borough databases to Ted Rockwell at EPA and our wildlife
2 department will convey the subsistence information we have.
3 One of the things we heard from the folks in Barter Island
4 yesterday was the need, really, to understand how important
5 information that we convey to the EIS process is and to fairly
6 compensate folks in the communities when they sit down and
7 provide traditional and contemporary knowledge-type information
8 to the process. So I know that Ted and Steve Braund and others
9 have been sort of noodling that issue in the last 24 hours and
10 we'll figure out some way to do that in a fair way.

11 MR. GEORGE: Noodling?

12 MR. LOHMAN: Noodling. I don't know, it's an East
13 Coast term.

14 MR. GEORGE: Okay. All right.

15 MR. LOHMAN: But, again, any other information -- my
16 role is to be sort of a primary contact because I'm based in
17 Anchorage, so I go to meetings. But, you know, it's also to
18 get the questions to folks in the borough and to task borough
19 departments with coughing up any information they have that's
20 useful to the process. So we've got good staff in the room
21 right now and if you all can start thinking about things that
22 might be helpful to the project and again, Ted, is the contact
23 point for getting information to the EIS team.

24 And again, Martha, I'm apologizing if I'm putting you
25 on the spot, but are you the contact for planning department on

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1 this project? Is that formal or is it just sort of.....

2 MS. NUKAPIGAK: That's the formal decision.

3 MR. LOHMAN: So Martha is -- you know, I'm the wildlife
4 and sort of borough contact. Because I'm in Anchorage, we're
5 going to rely heavily on Martha and all the resources of the
6 planning department to convey -- I just want to get back at you
7 for your earlier comments. So Martha will be the flow-through
8 point for information from planning department through Martha
9 to Ted. And that's for the EIS process. I don't know who's
10 going to be assigned to the project in planning through the
11 borough permitting process, but that's something that remains
12 to be seen as well.

13 MR. GEORGE: Well, we clearly should do some data
14 mining. There's a lot of information in the planning
15 department and the wildlife department that's unanalyzed. And
16 perhaps we can use this project as an incentive and maybe
17 there's some funding available to summarize the information
18 over here. We're currently in the process and we do have
19 funding through various sources to begin that process and work
20 closely with our GIS group to summarize the information and get
21 it in a useable form for precisely this type of thing.

22 We have additional years of data from Kaktovik, land
23 use information and harvest information that has not been
24 summarized. So that will be a useful exercise, so I think
25 that's an important thing to consider. I don't know, perhaps

1 like this workshop might be a good deadline to pull those types
2 of data together, for instance. So, yes, I would endorse the
3 concept of a caribou workshop.

4 MR. ROCKWELL: Any other questions? Thank you, Craig.

5 MR. GEORGE: Yeah.

6 MS. NUKAPIGAK: Martha Nukapigak, North Slope Borough
7 planning department, permitting and zoning. As I was reading
8 through Revision A, the project description, I noticed under
9 community awareness and emergency preparedness; will there be
10 local residents from Kaktovik and Nuiqsut involved in those
11 types of activities, drills, plans? I know that there were
12 individuals from Nuiqsut involved with the Alpine Development
13 project in those types of activities.

14 MR. ROCKWELL: In terms of for the EIS, that's an area
15 that we are going to need to provide discussion on. We need to
16 identify it. We'll need to work with Exxon to see what they
17 propose and then as we develop the document, you can provide us
18 feedback on what they're proposing and if there's some
19 alternatives or some variations on that that we need to include
20 for consideration in the EIS we can do that.

21 MS. NUKAPIGAK: Yeah, there's extensive knowledge that
22 our people have in our local communities with responding to
23 emergencies so, you know -- and then the other thing is the
24 pass-through vehicle traffic. That may become an issue when
25 there is accessibility through ice roads. So that's going to

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1 be -- that needs to be taken into consideration. Because I've
2 seen negative impacts with that type of thing with the Nuiqsut
3 residents with passing through the project. I don't know if
4 Kaktovik will be able to, you know, access Point Thomson from
5 their end, but if they were to, you know, there may be an -- if
6 there's a way that they can, there may be increased traffic
7 there.

8 And the other thing is I heard Mike mention earlier in
9 regards to -- I'm assuming the sea lift barge movement and
10 activities. He said 1st of September and in the project
11 description it says mid September. And I would like to state
12 for the document, or for the record that Nuiqsut and Kaktovik
13 usually begin their whale harvest around the end of August or
14 the first -- the very first part of September. So I think that
15 needs to be corrected in the document.

16 And I haven't finished reading it so I probably have
17 more to say later. Thank you.

18 MR. ROCKWELL: Thank you. Are there any other
19 questions or comments or issues that you want to bring forward
20 at this time? If not, it's five o'clock, why don't we go off
21 the record at this point and we'll still be here for another
22 hour and then we're going to take a break at six o'clock and
23 come back at seven o'clock and we'll begin all over again and
24 see if you have some additional questions or if there's some
25 additional folks who want to participate. So I think we'll do

1 that at this point. Yes, Kelley?

2 MS. HEGARTY: Just one thought is that if you
3 personally know some of the allottees that were mentioned by
4 our ICAS representative earlier, it would be a great thing to
5 hear from them this evening if they happen to be in town, any
6 of the allottees. We'd love to have them stop by at their
7 convenience.

8 MR. ROCKWELL: Excellent. So we'll go off the record
9 at this point. Thank you.

10 (Off record)

11 (On record)

12 MR. ROCKWELL: It's 10 to 9. We've had a couple of
13 folks come in, but no need to reconvene in a formal meeting.
14 So we're going to end at this point. Thank you.

15 (Off record; 8:50 p.m.)

16 (END OF PROCEEDINGS)

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C E R T I F I C A T E

1 UNITED STATES OF AMERICA)
2) ss.
3 STATE OF ALASKA)

4 I, Elizabeth D'Amour, Notary Public in and for the
5 State of Alaska, residing at Fairbanks, Alaska, and court
6 reporter for Liz D'Amour & Associates, Inc., do hereby certify:

7 That the annexed and foregoing PROPOSED POINT THOMSON
8 GAS CYCLING PROJECT SCOPING MEETING PROCEEDINGS was taken
9 before Nathaniel Hile on the 29th day of October, 2002,
10 beginning at the hour of 4:00 o'clock p.m., at Barrow, Alaska;

11 That this hearing, as heretofore annexed, is a true and
12 correct transcription of the testimony of said SCOPING MEETING,
13 taken by Nathaniel Hile electronically and thereafter
14 transcribed by Selena Hile;

15 That the hearing has been retained by me for the
16 purpose of filing the same with the U.S. Environmental
17 Protection Agency, 222 West Seventh Avenue, #22, Anchorage,
18 Alaska, 99501, as required by law.

19 That I am not a relative or employee or attorney or
20 counsel of any of the parties, nor am I financially interested
21 in this action.

22 IN WITNESS WHEREOF, I have hereunto set my hand and
23 affixed my seal this 22nd day of November, 2002.

Notary Public in and for Alaska
My commission expires: 12/28/02

24 S E A L
25

1
2 UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

3 PROPOSED POINT THOMSON GAS CYCLING PROJECT

4
5
6 TRANSCRIPT OF SCOPING MEETING PROCEEDINGS

7 BEFORE TED ROCKWELL, Hearing Officer

8 Chena River Convention Center

Fairbanks, Alaska

9 November 6, 2002

5:45 o'clock p.m.

10
11 PANEL:

12 MR. MICHAEL BARKER, ExxonMobil

13 MR. DICK LEFEBVRE, State of Alaska Department of
14 Natural Resources

15 MR. DAVE BUNTE, CH2M Hill

16 MR. STEVE BRAUND, Anthropologist

17 MR. BRIAN LAWHEAD, ABR

18 MR. JIM ZELENAK, U.S. Fish and Wildlife Service

19 MS. KELLEY HEGARTY, Hegarty & Associates, Community
20 Planner and Policy Analyst
21
22
23
24
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Page 2

1 P R O C E E D I N G S

2 (On record; 5:45 p.m.)

3 MR. ROCKWELL: I think we're going to get started.

4 Thank you for your patience. We had a little bit of technical
5 difficulty we had to overcome. My name is Ted Rockwell and I'm
6 with the Environmental Protection Agency. My office is in
7 Anchorage, and I'm the project leader for the EIS that we're
8 preparing on the Point Thomson development project that
9 ExxonMobil is proposing.

10 ExxonMobil is proposing a gas cycling project at the
11 Point Thomson area, west of the Canning River onshore of the
12 Beaufort Sea. And as a consequence of their proposed action,
13 there will be federal and state permits that are needed and for
14 the federal permits, we will need to comply with the National
15 Environmental Policy Act. And, as a consequence of that, we're
16 preparing the Environmental Impact Statement. I have two
17 cooperating agencies, federal agencies, that have been
18 identified. The Fish and Wildlife Service is a cooperating
19 agency with us and to my far right Jim Zelenak is the
20 representative for the Fish and Wildlife Service for our EIS
21 team. The other federal agency is the Corps of Engineers and
22 the person for the Corps of Engineers is Ms. Terry Carpenter.
23 She's not here tonight; sends her apologies. She was not able
24 to make it with us. But we will be -- we have a court reporter
25 who you can see there and we -- so we'll have a full transcript

1 of all the scoping meetings that we have so that she'll have
2 access to everything that gets said tonight even though she's
3 not here.

4 In addition to our federal cooperating agencies, as I
5 mentioned, the State of Alaska has permits that they're going
6 to need to issue as well and we need to be working together and
7 not duplicating efforts. And the State of Alaska is
8 represented by Mr. Dick LeFebvre for this project.

9 The way that EPA is proceeding with the EIS is through
10 a contractor, what's called a third-party contractor. We have
11 CH2M Hill working with us to help us prepare the EIS and
12 Mr. Dave Bunte, to my right, is the project manager from CH2M
13 Hill. The third party relationship is one in which ExxonMobil
4 pays for the contractor and EPA directs the work. So the
15 contractor works directly for EPA and gets paid by ExxonMobil.
16 A little bit later, we'll go into a little bit more detail on
17 that, but generally that's -- that's the relationship. One of
18 the things that the EIS process has is a fairly prescribed set
19 of meetings and public participation points. This meeting is a
20 scoping meeting. So we're at the very beginning of the EIS
21 process and we intend to use the scoping comments that we get
22 to help us better identify issues, concerns so that we can
23 identify alternatives as we're developing alternatives and ways
24 of offsetting and mitigating any issues that arise.

25 In order for us to have full scoping comments and in

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1 order to give you as much information as possible, I've invited
2 ExxonMobil to participate in the meetings with us and ask them
3 to present their proposal so that you can hear from them what
4 it is they're proposing to do so that you know what their
5 project is. And Mr. Mike Barker, with ExxonMobil, will be
6 giving that presentation. We also have Mr. Larry Harms and
7 Mr. Jack Williams with us as well. With that having been said,
8 I think I'll invite Mr. Barker to give a presentation of the
9 project description.

10 MR. BARKER: Ted, thanks for the opportunity to be here
11 and good evening. My name is Mike Barker. I work for
12 ExxonMobil. I'm in the Anchorage office, and I'm an
13 environmental scientist and I'm working on the Point Thomson
14 project.

15 I'll just try and tell you a little bit about it.
16 There were some brochures in the back that give you a project
17 description. I think we've run out, but hopefully at least
18 some of you got copies of it. You'll notice around the room
19 there are a variety of maps and I'll just quickly point some of
20 them out to you real quick. In the back on this side is a
21 large map that shows pretty much the expanse from the Canning
22 to the Colville on the North Slope. On the far righthand side
23 of that map is where the Point Thomson Unit is located. A
24 similar map is the smaller slimmer map on the back on that wall
25 and then next to that is a larger-scale map that shows where

1 the Point Thomson project would be in relation to the North
2 Slope Borough and then also villages like Arctic Village and
3 Venetie where we've also gone during this public scoping
4 process. And then forward of that, you'll see a photo mosaic
5 that also shows the Point Thomson area and we've overlaid that
6 with the unit boundaries and also the roads and pipelines and
7 gravel pads that we're proposing to build there as part of this
8 project. So, feel free if you need to, to get up and look at
9 some of that more closely and I'll also be going through some
10 of these photos as well and feel free if you can't see from
11 where you are to move in closer.

12 The Point Thomson Unit is comprised of 43 oil and gas
13 leases. They're state oil and gas leases. It's roughly
14 116,000 acres. It's located on the Beaufort Coast. It's just
15 west of the Canning River. It's about 60 miles east of the
16 Prudhoe Bay Oil Field, and about the same distance west of the
17 village of Kaktovik. The folks in Kaktovik would be our
18 closest neighbors.

19 It's owned by primarily four oil companies. The leases
20 are held in order of the number of leases or the percent of
21 interest that we hold: ExxonMobil, BP, ChevronTexaco, and
22 ConocoPhillips. And then there are a variety of smaller minor
23 interest owners in the unit as well.

24 The first wells were drilled in the Point Thomson area
25 in the early '70s. The first well that penetrated the Thomson

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1 Sand, which is the reservoir that we're proposing to develop,
2 was drilled in 1977. Over that time frame there have been 19
3 wells drilled in the area and 14 of those wells were drilled
4 into the Thomson Sand. So there's a lot of information
5 available to our geologists and reservoir engineers as they put
6 together the development plans for this reservoir.

7 We propose not to use those existing wells. They've
8 been plugged and abandoned. Most of the reservoir is located
9 offshore. We're proposing to develop the field from onshore
10 drilling and we would drill 21 new wells as part of that new
11 development using the newer technology that I think many of you
12 have heard about that's referred to as extended reach drilling,
13 which allows us to drill the wells from onshore and then as we
14 get deeper into the earth, we can slant the wells out and
15 deviate those wells in the case of Point Thomson as much as
16 maybe 15- to 20,000 feet.

17 The footprint, the gravel footprint of this project is
18 going to cover roughly 225 acres. That represents about
19 two-tenths of one percent of the area of the unit. So relative
20 to the size of the field and the size of the reservoir, a very
21 small footprint for a large reservoir. We estimate that there
22 is 8 trillion cubic feet of gas in the Thomson Reservoir and
23 the project that we're proposing to do is to cycle that gas,
24 recover what's referred to as condensate from that gas, and we
25 believe that we'll be able to recover over 400 million barrels

1 of condensate over the project life.

2 The design capacity for our facilities is in the area
3 of 75,000 barrels a day. That won't happen over the entire
4 project life as much as we wish it would, but in the early
5 years our average annual peak production would be in the range
6 of 75,000 barrels a day. So even by Alaska standards, this is
7 a pretty good size field.

8 I'm going to show you just kind of a general layout of
9 the facilities. I'm going to talk a little bit more about gas
10 cycling later after I do this. And I'm also going to show you
11 some of the photos of what these areas look like today. As I
12 mentioned, it's our intent that this be an onshore development.
13 The only offshore piece or component of this project would be a
14 short dock, 750 feet in length, shorter than any of the docks
15 that have been recently built in the Beaufort on the North
16 Slope. We have a Central Production Facility. It's located
17 pretty much in the middle of that picture you can see right
18 there. At that general area, there will be injection wells
19 drilled, there will be a camp housing the people who work
20 there, and that's where all of the gas containing condensate
21 will come to and we'll separate the condensate out in that
22 area.

23 Just to show you what it looks like today. This is a
24 photo taken from just west of the Point Thomson area looking
25 east. So the pipeline that the condensate would travel through

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1 would be traveling through this area here and I believe you can
2 make out the Beaufort Sea right there on the lefthand side of
3 the photo. The central facility would be located here where
4 the Point Thomson 3 exploration well was drilled in the early
5 '80s. So we would be building on top of this existing gravel
6 pad that's there today, with the dock extending out into the
7 Beaufort 750 feet. I'm not sure how well you can make that
8 out, but I believe you can start to make out some dimensions of
9 that. The gravel pad total there would be something on the
10 order of about 30 acres. So it's actually one of the larger
11 gravel pads that we would be constructing during the project.
12 Roughly 1,000 feet wide, oh, and close to 2,000 feet long or
13 north to south. And then you can see the dock extending to the
14 north. You can also see coming off the southwest corner of the
15 pad where the roads would be coming into and going out to the
16 well pads that I'm going to describe to you now.

17 AUDIENCE MEMBER: So how much of that is existing pad?

18 MR. BARKER: You know, I think that's probably about a
19 third of what's there now. So the next step facilities I'd
20 like to talk about are the east and west pads, and I'll show
21 you first what they look like today. This is a photo taken of
22 the location where the west pad would be built and in this
23 photo it would be located in this area right here. I apologize
24 to you folks over there. Maybe I'll just turn this around a
25 little bit. And this is a photo of where the east pad would be

1 located, in that general area right there. That's a diagram of
2 the east well pad and on it you can see on the south end the
3 location of the wells. At each, the east and the west pads,
4 there would be six or seven producing wells drilled at those
5 pads. Pads that would be flowing gas to the surface and then
6 over to the Central Production Facility. And then on the west
7 side of that pad, you can see where the road would be leading
8 back to the central facility. Things that would be located on
9 that pad would be all of our drilling equipment: drill pipe,
10 casing, cement, drill mud, drilling rig. And then a similar
11 diagram of the west well pad and it would have a similar number
12 of producing wells drilled on that pad as well that you can
13 sort of see on the west side. Each of those pads is in the
4 area of about six acres in size.

15 I mentioned the dock. The dock gets us out to seven
16 feet of water. We need nine feet of water to be able to bring
17 in the modules that would constitute the production facilities.
18 So to achieve nine feet of water, we're proposing dredging and
19 this shows you sort of the limits of where we would be dredging
20 in order to get nine feet of water off the end of that dock.

21 And then the last diagram I had to show you is of the
22 gravel pit that we would be digging. It's roughly 1,000 feet
23 wide by about 1,600 feet long, and that would supply all of the
24 gravel that's needed to build the roads and the pads and the
25 dock. After it's used as a gravel pit, then it would become

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1 our fresh water source. So water used for make-up in the
2 drilling activities, some of the water used in construction of
3 ice roads. Water used for drinking water or showers in the
4 camp would come from this gravel pit.

5 Now this is my last photo to show you and that's
6 actually of the area where the gravel pit would be located.
7 This photo was taken roughly in the area of where the central
8 pad would be located, looking south toward the Brooks Range and
9 in that area would be where the gravel pit and then our
10 airstrip would be built. We're also proposing to build roughly
11 a mile-long airstrip. There would be no road tying Point
12 Thomson back to the Dalton Highway or back to the Deadhorse
13 area. So access to the facilities would all be by air or by
14 water. Runway size to handle not only the normal aircraft that
15 we would be using just to shuttle workers back and forth, but
16 also in case we needed a C-130 or a 737.

17 Now I'll try and explain to you gas cycling. Gas
18 cycling is actually something that's done every day at Prudhoe
19 Bay. The difference with Point Thomson is there's not crude
20 oil at Point Thomson. That's why there were 19 wells drilled
21 in the area: we kept looking for oil; we kept finding gas.
22 It's a high-pressure reservoir. There are a lot of liquids
23 that are held in a gas state at those pressures that when
24 brought to the surface condense out; hence the name condensate.
25 And the condensate at Point Thomson is going to be very similar

1 to kerosene. So I would characterize it as a very high-quality
2 crude, which kerosene would be. That gas comes up to the
3 surface and there would be 12 or 13 of these producing wells,
4 each flowing at what the oil -- at oil industry rates would be
5 high rates. These are prolific gas wells that would be flowing
6 100 million cubic feet a day. And so this is a -- I would
7 characterize it as a premier reservoir for gas. Gas is brought
8 to the surface, it's cooled, the condensate is separated from
9 the gas, any water that's present is separated out, the water
10 is reinjected back into the ground, the condensate is put in a
11 pipeline 22 miles in length built from Point Thomson over to
12 the existing Badami pipeline where it would then tie into the
13 other pipelines on the North Slope going over to Pump Station 1
4 and then down TAPS to Valdez.

15 The gas, over a billion cubic feet a day, would be
16 reinjected back into the reservoir at the central pad. So all
17 the gas goes back into the ground at the central pad, about
18 13,000 feet down, and it's pushing other gas over towards the
19 producing wells at the east and west ends, which are then
20 flowing that rich gas back to the surface. The rich gas is
21 cooled, condensate is taken out, pumped down the pipeline. The
22 dry gas, or the lean gas, that no longer contains condensate is
23 then pushed back into the reservoir. That pressure is in the
24 vicinity of 10,000 pounds per square inch.

25 We've been in the Point Thomson area for a long time,

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1 as I said back -- dating into the '70s. And over that period
2 of time, we've had an opportunity to really get to learn the
3 area. So we've been studying its oceanography, its
4 meteorology, all of the critters out there: polar bears,
5 caribou, grizzly bears, muskoxen, whales, spectacled eiders,
6 common eiders, longtail ducks, loons. And the fish: Arctic
7 Cisco, broad whitefish, Arctic char. We've taken that
8 knowledge, plus vegetation mapping and the location of
9 archeological resources in the area, plus everything that the
10 industry has learned on the North Slope over the last 30 years,
11 and we've tried to incorporate those past practices in this
12 project. Hence, no road tying back to the Dalton Highway.
13 This will be what I will characterize as a roadless
14 development. Pipeline height is going to be a minimum of five
15 feet above the tundra giving, according to the latest science,
16 caribou plenty of opportunity to move back and forth towards
17 the coastline. When I say minimum of five, that means that a
18 lot of pipeline is going to be in excess of five feet above the
19 tundra. The pipeline and the road would be separated by
20 hundreds of feet so that there isn't a synergistic impact on
21 the way the caribou might look at that as they're trying to
22 move towards the coast for insect relief. We're -- we've
23 shortened up the dock.

24 If I go back further in time when we would have
25 originally developed Point Thomson had we been able to do it

1 back in the '80s, we would have drilled wells from offshore
2 gravel islands. We're not doing that. We're proposing an
3 onshore development here. So we've reduced our footprint
4 because we've got newer technologies in the drilling area like
5 extended reach drilling and we've got new compression capacity
6 that enables us now to cycle gas at those kinds of pressures
7 and do it from a central facility.

8 Moving off of the engineering aspects, there's been a
9 lot of money spent in the Point Thomson area: buying the
10 leases, drilling the 19 wells. There's roughly 800 million
11 dollars sunk in the ground up there right now. If we're able
12 to secure permits for this project and make the decision to
13 move forward with it, we would anticipate that the future
14 investment at Point Thomson would be a billion plus. And over
15 a project life of 30 years, royalties and taxes would amount to
16 something on the order of 2.5 billion dollars.

17 MS. NAVARRO: How is that compared to previous
18 (indiscernible - away from microphone).....

19 MR. ROCKWELL: Could I -- excuse me, could I ask you to
20 go to the microphone? We'll take questions at the very end,
21 but if you do have something that you have to ask now, go to
22 the microphone, state your name so that we've got it for the
23 record. We want to be sure we capture everything.

24 MS. NAVARRO: Hi. My name is Kate Navarro. I was
25 asking how was it in -- compared to what we've done previously?

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1 Like how does the economic and employment aspect of this
2 compare?

3 MR. BARKER: Compared to other oil fields on the North
4 Slope?

5 MS. NAVARRO: Yeah. Compared to other oil fields.

6 MR. BARKER: This would compare to some of the larger
7 fields that are being -- that have been recently developed like
8 North Star and Alpine. This is a large field, one of the
9 larger fields that -- I'll compare it to a Gulf of Mexico
10 field. One of the larger fields that ExxonMobil has developed
11 in recent years is called Hoover Diana. It's a smaller field
12 than this. This is a big field, but it's not as big as
13 Prudhoe. Alaska is blessed with a very large reservoir in
14 Prudhoe Bay, but by any other standard this is a significant
15 field.

16 MS. NAVARRO: Thank you.

17 MR. BARKER: We estimate construction jobs to be on the
18 order of about 450 jobs. Full-time employment once the project
19 went into production would be around 50 jobs and we anticipate
20 that there would be opportunities for many competitive
21 Alaskans. My last slide is a project schedule.

22 We're in the permitting phase right now. The first
23 permit application was submitted in 2001. We've prepared an
24 environmental report, a very thick report. I think I heard
25 Jack say today it was 400 pages. I hadn't counted them. That

1 took all of that information that we had learned over the years
2 and evaluated this project. That was submitted late July,
3 early August of 2001. So we're in the midst of that, the
4 permitting of this project. If successful in permitting the
5 project and being able to make a decision to move forward with
6 the project, we would like for that to happen very late 2003,
7 very early 2004. We would then make the decision to move
8 forward purchasing long lead time items. There would be some
9 big turbines involved in a project like this. A lot of
10 construction activity around the modules that would be
11 prefabricated and hauled up on 400-foot long barges up to the
12 Slope. In late 2004, we would hope to begin building ice
13 roads, taking excavation and hauling equipment out there and
14 beginning to excavate the gravel mine, starting to build the
15 pads and the roads and the dock. The summer of 2005, late
16 2005, starting to mobilize drilling rigs into the area,
17 beginning our initial drilling of the production and injection
18 wells in late 2005, early 2006 time frame. And then bringing
19 the modules in during a very short narrow window in 2006.
20 Placing the modules on the central pad and beginning production
21 in early 2007.

22 That's all I had. I appreciate the opportunity.
23 Thanks for your time.

24 MR. ROCKWELL: Thank you, Mike. What we'll do at this
25 time is I'd like to introduce Ms. Kelley Hegarty who is working

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1 with CH2M Hill and is helping EPA with our process, our public
2 information process, and helping us move information amongst
3 ourselves as well as to interested public. And I'd ask Kelley
4 to give us an idea of what we're -- what we're working on here.

5 MS. HEGARTY: Thank you, Ted. Before we go through the
6 EIS process, EPA has asked us to address interesting questions
7 that we got in Venetie yesterday. Before we came to Fairbanks
8 and the other urban centers, we've been to the people that live
9 closer to the project to find out what they think might be
10 issues that would be appropriate to be addressed in the
11 Environmental Impact Statement. So that's what we're looking
12 for from you tonight as well.

13 When we look at the agency/contractor/applicant
14 relationship, this graphic responds to the kind of question
15 that we got in Venetie last night. Does EPA's presence here
16 today mean that EPA is promoting this project? The answer to
17 that is no. Neither is EPA detracting relative to the merits
18 of the project. The purpose of EPA's Environmental Impact
19 Statement and the work done by the contractor is to do a
20 professionally objective review of the proposed project and to
21 look at the proposed development by the applicant, to review
22 all analyses done by the applicant to date. We're currently in
23 the process of doing an analysis of the existing studies that
24 we just heard listed and reviewed for adequacy and they may be
25 supplemented as necessary in order to complete the analysis.

1 The funding, as we said before, does come from the
2 applicant. So you'll see here that the funding comes from the
3 applicant over to the contractor that is supporting the staff
4 work in EPA. And there is also this initial technical
5 information. But the contractor is a group of scientists,
6 engineers, and planners that will be working at the direction
7 of EPA to identify all reasonable alternatives and to evaluate
8 the baseline studies and conduct potential impact analyses. So
9 we want to make sure that that relationship is clear.

10 One of the things that happened to the National
11 Environmental Policy Act was a mandate to look at projects that
12 are proposed like this and determine -- first of all, make it
13 very clear that there is a proposal to do a project; secondly,
14 that -- to do public scoping and that's what we're doing right
15 now. So we hope that now that you've heard the project
16 description and once you hear where we are in the process that
17 you will comment tonight with both questions that you have
18 about the project or the process or comments and issues that
19 you would like to make sure are included in the scope of the
20 analysis, in the EIS. That's where we are right now in the
21 process. There will be other opportunities for public
22 involvement, important opportunities. We will come back with a
23 Draft Environmental Impact Statement and our efforts there will
24 be to make sure that all of the issues that you've raised and
25 that we've heard from the people in the other communities that

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1 we've visited have been addressed fully and completely in the
2 Draft EIS. But we'll come back here and have a forum just like
3 this where you will have had an opportunity to review the Draft
4 EIS and comment on its adequacy, its completeness and the
5 conclusions drawn therein. So we'll look for your
6 participation in that one, too.

7 Tonight is really important. The scoping period ends
8 on November 30th and so we're looking for your comments by
9 November 30th on the scope of issues that should be addressed
10 in this Environmental Impact Statement. And we've tried to
11 make it as easy as possible for you to participate in that
12 process. We have a web site with a comment linkage. We have
13 an e-mail address which is here. We have an 800 toll-free
14 number where you can call and we also have a snail-mail address
15 here for you. Now, all of this information is in the EPA
16 newsletter that was at the front table when you came in. And
17 so I would just ask, I guess, that if you have any questions at
18 all about the process tonight, to feel free to ask them; that
19 those are appropriate questions, certainly, for the process
20 that we're in. And thank you for coming and participating.

21 MR. ROCKWELL: Thank you, Kelley. So to reiterate what
22 work we have ahead of us, as we develop the EIS, we will need
23 to identify the affected environment, which includes the
24 human/cultural environment as well as the
25 physical/chemical/biological environment. We will need to

1 assess the impacts from the applicant's proposal. We will be
2 developing alternatives that are focused at issues and concerns
3 and impacts that have been identified through that analysis as
4 well as through the scoping meetings. We will then assess
5 those impacts and compare those impacts -- excuse me, those
6 alternatives. We will compare those alternatives and the
7 impacts that those alternatives carry with them in an effort to
8 identify an environmentally preferred alternative and
9 ultimately an agency preferred alternative that then can go
10 into our records of decision and onto permit decision-makers
11 who will make their decisions on the various permits that we
12 have in front of us.

13 What we are interested in today, what -- the reason we
14 are here is to get your comments on issues, concerns with
15 regard to the applicant's proposed project, what we need to be
16 sure that we include in the EIS. Any -- if there are
17 alternatives that come to mind that you think we should be
18 considering, certainly give us an idea of what those are.

19 I'd like to have a show of hands to have an idea of how
20 many people intend to give testimony so that I know how -- I
21 know whether we need to limit the time or not. Could I see how
22 many people are planning on -- two, three, four.....

23 AUDIENCE MEMBER: Testimony or questions?

24 MR. ROCKWELL: Excuse me?

25 AUDIENCE MEMBER: Testimony or questions?

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1 MS. HEGARTY: Either or both.

2 MR. ROCKWELL: Either or both, yeah. Okay. It looks
3 like we have plenty of time and probably are not going to
4 limit -- have to limit very much at least, assuming that we
5 don't have an hour's worth of questions for each. What I would
6 ask you to do is to come to the microphone in the center, state
7 your name so that we've got that, and also Kelley, you'll see
8 overhead, is -- is sort of an electronic flip chart, if you
9 will. We're trying to write down and capture your thoughts and
10 your -- and your statements as you're saying them. If she's
11 getting it wrong, let her know.

12 MS. HEGARTY: Please.

13 MR. ROCKWELL: We're also -- we also have the verbatim
14 transcript that's going to exist, but we're sort of trying to
15 use both -- both and hopefully also by having the flip chart,
16 it may give other people an idea of, oh, I -- gee, I said this
17 part, but I really wanted to expand on it now that I see this
18 other guy's comments, so I'd better get back up and, you know,
19 clarify what I was trying to say. So with that, I'd ask you to
20 consider your thoughts and come to the microphone. Thank you.

21 (Panel members work on starting the overhead projector)

22 MS. MOORE: Good evening. Hello. Good evening. My
23 name is Deb Moore and I represent the Northern Alaska
24 Environmental Center. First of all, I would like to thank the
25 representative from ExxonMobil for the presentation. I was

1 grateful to hear that. I was actually very pleased to hear
2 some of the efforts you're making to try to lessen the
3 footprint. So, thank you for that.

4 The Northern Center will be submitting written comments
5 before the end of the comment period, so I'm going to be very
6 brief tonight. Oh, it's very strange to see my words being put
7 up there. I'm not sure I like that.

8 (General laughter)

9 MS. HEGARTY: Don't look.

10 MS. MOORE: Okay.

11 MS. HEGARTY: Especially don't look at my typo.

12 MS. MOORE: Basically, I wanted to hit on just a few
13 minor things that I think you're probably already planning on
14 addressing, but it never hurts to reiterate. The things that
15 the Northern Center would be most particularly interested in
16 are things such as the impacts that this development would have
17 on the wildlife, particularly the wildlife within the Arctic
18 National Wildlife Refuge. The closeness of one of these well
19 sites to the border of the refuge is of concern. The animals
20 do not know boundaries as we see them and things like noise and
21 visual pollution are seen from distances that are not
22 necessarily straight lines on a map. So definitely impacts on
23 wildlife are of a concern to us. Obviously, cumulative impacts
24 of all of the development that's gone on on the North Slope is
25 of great interest and potentially significant impact.

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1 I guess the only other thing I want to do is go back to
2 point two as I'm looking at my list here with a suggested
3 alternative. If -- it would be very wonderful if one of the
4 alternatives or all of the alternatives offered a buffer zone
5 around the Arctic Refuge so there would be an area where there
6 would not be development to allow for lesser impacts on the
7 wildlife within the reserve, the refuge. Thank you.

8 MR. ROCKWELL: Thank you. They're afraid of seeing
9 their words on the screen.

10 MR. ZELENAK: It's not intended to be intimidating.

11 MS. HEGARTY: No.

12 MR. ROCKWELL: But if it is, we can turn it off.

13 MS. HEGARTY: Yes.

14 MR. HACKNEY: Well, it appears to me this is rather an
15 intimidating process, but I guess we just go with it the best
16 we can. My name is Glenn Hackney. I've -- we came to Alaska
17 in 1948 and we've seen everything that there is to see in the
18 way of oil and gas development during that period. I guess one
19 of the questions -- we're looking at the bureaucracy now that
20 many people would say is getting together to see that the thing
21 really doesn't take place on a very timely manner.

22 I'd just like to ask you on the schedule that
23 ExxonMobil has suggested up here, is that feasible? Or does it
24 depend on how many roadblocks get thrown in the way?

25 MR. ROCKWELL: Well, EPA's commitment to Exxon is to

1 shoot for a Final EIS the first quarter of '04, which is
2 consistent with their schedule. The NEPA process, the EIS
3 process is a public process. So it's not something that's
4 entirely within any one agency's control or even all the
5 agencies' control. It's a process that is in the control of
6 the public. So I don't know -- you know, that's the best
7 answer that we have. We're attempting to make that happen.
8 We're working with the State of Alaska and, in fact, are in the
9 process of developing a Memorandum of Agreement to work
10 together even more closely with the same goal. But there's
11 no -- you know, I certainly can't give you a commitment or
12 Exxon a commitment to, you know, by date-certain we will have
13 the process finished because it's not -- it's not in our
14 control.

15 MR. HACKNEY: That's been one of the problems. We went
16 through an intertie process up here and that thing was held up
17 in every way that there was and it ended up costing a heck of a
18 lot of a money and we have an intertie, but it's about a couple
19 of years delayed from what it would have been if all that
20 environmental delay had not taken place. And as I see it, what
21 we're looking for here is input from the people who want to
22 slow this thing down or who want to change it, and I would
23 remind them that oil development in the Prudhoe Bay area has
24 been taking place for a quarter century now. So ExxonMobil is
25 not doing something that they're new to doing. It's something

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1 that they've done before and very successfully. So I just hope
2 that you would keep in mind that there is another aspect to
3 this besides the purely environmental.

4 MR. ROCKWELL: Certainly in terms of the purpose for
5 the meeting -- this meeting here and the other meetings that
6 we've had, it is not simply to hear one side; it is to have an
7 opportunity to hear from everybody. It's not our intent to
8 limit in any fashion that kind of input. So.....

9 MR. HACKNEY: Well,.....

10 MR. ROCKWELL: It's open. I mean it's.....

11 MR. HACKNEY: Good luck.

12 MR. ROCKWELL: It's an open public process.

13 MR. HACKNEY: Thank you.

14 MS. MILLER: Thank you for coming to Fairbanks.

15 Appreciate that. I explored your web site today and I
16 appreciated all that you have set forth on there for the --
17 someone like me who is trying to become familiar with this
18 development plan. My name is Debbie Miller. I've lived in
19 Fairbanks since 1980. Prior to that time, I lived up in Arctic
20 Village, on the south side of the Brooks Range. I've explored
21 the Arctic Refuge for many, many years and I have floated and
22 hiked along the Canning River which forms the western boundary
23 of the Arctic Refuge.

24 I guess my feeling is, is that on this project we need
25 to proceed slowly, with caution for the simple reason that this

1 development borders the greatest wildlife refuge and wilderness
2 area that we have in the United States, and that's based on
3 many years of exploring the area, witnessing the aggravation of
4 thousands of caribou around my tent, floating the Canning River
5 where actually in 1977, my husband and I got stranded on the
6 Lower Canning for eight days. We had two pilots that forgot to
7 pick us up. And we waited and waited, and didn't see another
8 sign of a human being for eight days and finally a pilot
9 circled over our heads and was nice enough to land and get us
10 out of there. We each lost about 20 pounds.

11 It's a truly wild area. You're on the fringe of North
12 America. And now this development that's occurring on the
13 North Slope which has increased and accelerated in the last two
14 decades, now it's coming farther and farther to that eastern
15 point, which is the boundary of the Arctic Refuge, and I think
16 we need to be careful. I think this alternative idea of a
17 buffer zone is a great idea. We want to have a good buffer
18 zone there. There are no trees on the North Slope of Alaska.
19 There is nothing to mask this development. And my feeling is
20 you need to measure, carefully measure the impacts. As someone
21 who has been down the Canning River and camped on the banks of
22 the Canning River and seen the beauty of the Sadlerochit
23 Mountains that come up to the south when you're out there near
24 the Arctic Ocean, this is an extraordinary beautiful area,
25 scenically. Spectacular. If I'm camped there on the bank of

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1 the Canning River and I look over my shoulder and see these
2 magnificent mountains in one direction and I look over my other
3 shoulder to the west and I hear a processing plant going,
4 compressors, and I see smoke and pollution and see the visual
5 impacts of the buildings and the infrastructure and facilities
6 for workers, that's going to take away from my wilderness
7 experience. It's no longer wilderness. Even though it's on
8 the other side of the boundary line, it's not a wilderness
9 experience anymore if I'm camping there and I'm experiencing
10 those visual impacts and I'm hearing the noise of compressor
11 plants.

12 Now, if we have a good buffer zone, maybe we can
13 eliminate that. And just how far -- how many miles that buffer
14 zone should be, I would suggest that you take the tallest
15 person on staff, maybe even with a little footstool and find
16 the highest elevation point along the Canning River between the
17 Sadlerochits and the ocean and stand there. If you can see
18 something, it's too close. If you can hear something in the
19 way of traffic noise, compressor plants, it's too close. It
20 shouldn't be there. If you can smell something, it's too
21 close. I'd go on all the senses and that's going to take
22 measuring, taking people up there to really measure. I don't
23 know how far that -- those compressors -- how far that noise
24 carries. So that, to me, the buffer zone is real critical.
25 It's something that needs to be looked at very carefully.

1 We're talking an area that has been proposed for wilderness
2 that over a quarter of our senate and our congressional people
3 in Washington support that this area be designated wilderness,
4 the area I'm talking about. So if we trash the banks of the
5 Canning River, to me you are trashing the wilderness, that
6 quality that we have in the Arctic Refuge. Thank you.

7 MR. ROCKWELL: Thank you.

8 MS. GEMMELL: Get ready to type because I've prepared
9 my comments.

10 (General laughter)

11 MS. HEGARTY: Thank you, Faith.

12 MS. GEMMELL: I'm Faith Gemmell. I'm here representing
13 the Gwitch'n Steering Committee. We represent the entire
14 Gwitch'n Nation on the issue of oil development in the Arctic
15 National Wildlife Refuge. And we have gone on record opposing
16 oil development in the Arctic National Wildlife Refuge. We
17 speak with one voice on that issue. The Point Thomson project,
18 we do have concerns about it and -- but the reason that we
19 oppose development in the Arctic Refuge is because of our
20 reliance on the Porcupine Caribou Herd. We rely on the caribou
21 to meet our nutritional, spiritual, social, and cultural needs.
22 The caribou is a part of our everyday lives and any impact to
23 the Porcupine Caribou Herd is going to impact the Gwitch'n
24 Nation.

25 We believe the health and well-being of our nation is

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1 directly connected to the caribou and there's 15 Gwitch'n
2 villages that are located on the migration route of the
3 Porcupine Caribou Herd, which winters in Canada and gives birth
4 to their young here in Alaska on the Coastal Plain. When we
5 speak about this issue, about the caribou and our people and
6 our way of life, we're defending our basic inherent,
7 fundamental human right to live our ancestral way of life and
8 the United States government and policymaking bodies within the
9 United States government need to respect that right of our
10 people. Any development that would pose a threat to the
11 Porcupine Caribou Herd threatens our way of life and this basic
12 human right.

13 We take this on of protecting the caribou from the
14 direction of our Elders. And although Point Thomson may not be
15 within the boundaries of the Arctic National Wildlife Refuge
16 Coastal Plain, that area is the summering grounds of the
17 Porcupine Caribou Herd and post-calving area of the Porcupine
18 Caribou Herd. And we don't -- we understand the herd better
19 than anybody. We know that when the females are -- have just
20 given birth to their young, they shy away from human activity
21 and they become stressed when there's human activity intruding
22 upon their birthing grounds. We don't have to be biologists
23 with Ph.D.s to know this; it's common sense. And we want our
24 traditional knowledge as experts on this herd to be respected
25 in this process. We know there's going to be negative impacts

1 if there's any intrusion into the birthing grounds of the
2 caribou.

3 And the other concern is due to the location of Point
4 Thomson, this will put pressure on the Coastal Plain of the
5 Arctic National Wildlife Refuge, and instead of development
6 being 30 miles away, it's going to be right next to it. And
7 even though it's development of liquified natural gas,
8 ExxonMobil later would add more drilling and production sites,
9 roads, processing plants, and start creating more development
10 for eventually another oil field and a huge expansion of
11 natural gas project.

12 And the last comment I want to make is when I think
13 about Point Thomson, I think about Prince William Sound and the
14 devastating impacts of the Exxon-Valdez Oil Spill to that
15 beautiful and pristine area which is still recovering from that
16 oil spill, and the devastation to the indigenous peoples who
17 live in Prince William Sound. Their way of life was lost and
18 they are still recovering. ExxonMobil continues to betray
19 public trust when they refuse to pay the clean-up costs of the
20 oil spill. And ExxonMobil also has a track record of
21 destroying indigenous life ways in pursuit of economic gain.
22 Even by oil company standards, their human rights record is
23 appalling. ExxonMobil's irresponsible and unethical corporate
24 policies continue to violate existing international human
25 rights standards in Chad, Cameroon, Indonesia, and Colombia.

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1 How can the Gwitch'n trust that ExxonMobil will be accountable
2 to us or the public in general? The negative impacts of Point
3 Thomson -- the Point Thomson project to the Porcupine Caribou
4 Herd and the Gwitch'n Nation needs to be considered. The
5 costs, if the Porcupine Caribou Herd is impacted negatively,
6 far outweigh the benefits. We will lose everything that we are
7 as a people. And I hope that our concerns will be addressed in
8 this decision-making process and we would also support a buffer
9 zone, depending on how big of a distance that buffer zone is.

10 Thank you.

11 MR. ROCKWELL: Thank you.

12 MR. OTIS: Good evening. My name is Buzz Otis. I work
13 with a company called Great Northwest here in Fairbanks and as
14 of -- up until yesterday I was chairman of the Fairbanks
15 Chamber of Commerce when we -- when I was fortunate enough to
16 pass the gavel and let somebody else take over that workload.
17 But I've been involved in the community since I got here in
18 1975. And I'm happy to see that ExxonMobil is interested in
19 developing something in the state again. I think the oil
20 industry is concerned about their environmental impact in
21 Alaska. I think it's shown by the shortness of the dock, the
22 fact that there will be no roads that connect to roads that
23 allow you egress in and out of the facility, egress or ingress.
24 You know, Alpine is -- my understanding is that this
25 development will be modeled after the Alpine Fields where there

1 are small pads and done in harmony, you know, as much as
2 possible with the environment. I think that, you know, it's
3 been proven the oil development has had very few negative
4 impacts on the caribou. In fact, my understanding from the
5 data that I've heard about is that most of the herd seems to be
6 expanding in areas of the Porcupine Herd and what have you.

7 I think a lot of -- a lot that is predator-related, if
8 they aren't expanding. But we're not here to talk about the
9 predators, but I think it's proven that the oil industry has
10 done a good job with minimizing their impact on the
11 environment, looking for a balance. I mean they're just as
12 concerned as anybody else here about -- I mean, you know, we've
13 talked -- the oil people in Alaska live here. They hunt here,
4 they fish here, they drink the water here. They're as
15 concerned as any of us about having a minimal impact on the
16 environment.

17 I think that if there are mitigation measures to be
18 talked about, they should be targeted to this specific area and
19 there should be a cost benefit analysis done on those
20 mitigation measures that are being considered to be required of
21 ExxonMobil. And I would like to suggest that when we talk
22 about buffers that the Arctic National Wildlife Refuge is a
23 huge buffer and, you know, we all rely in this state on oil
24 revenues whether we like it or not. Eighty-five percent of the
25 revenues that the state receive are from the oil industry.

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1 It's a huge impact to everyone of us in this room from the
2 start of the Permanent Fund and to the education system in this
3 state to the maintenance of the roads. This is an opportunity
4 to help fill that line to continue the revenues that we all
5 rely on in this state. So, you know, I think they've taken a
6 reasonable approach. It's nice to see a Memorandum of
7 Understanding or of Agreement with EPA, and I would encourage
8 you to hopefully meet your guidelines and deadlines that you've
9 set out to meet in the 2003, 2004 time frame.

10 Thank you for the opportunity to comment. I appreciate
11 all of you being here tonight and taking everyone's input.
12 It's part of the process and I think that's what makes Alaska
13 great. Thank you.

14 MS. DURHAM: My name is Dana Durham and I just have a
15 question. I was kind of curious as to how large this -- I
16 assume that the gas is coming out of this huge sand deposit.

17 (Mr. Barker is seated at the very back of the
18 auditorium, away from microphone)

19 MR. BARKER: I'm not sure I understand (indiscernible -
20 away from microphone).

21 MS. DURHAM: I was wondering how large this area is
22 that this gas reservoir -- I mean I understand it's coming out
23 of the sand deposits and it doesn't stop right there at the
24 Canning River.

25 MR. BARKER: (Indiscernible - away from microphone)

1 MS. DURHAM: Okay.

2 MR. BARKER: The reservoir itself is primarily located
3 offshore, with a little bit of offshore northern boundary of
4 the sands. Really almost a finely-graded gravel, being around
5 13,000 feet below the (indiscernible - away from microphone).
6 So if I were to draw an oval, it's around that area right
7 there. That's our best (indiscernible - away from microphone).

8 MS. DURHAM: Okay. And my second question is you've
9 got this nice, concise plan of where you're having three drill
10 pads, plus some pipeline. Now, are you going to access all of
11 this gas from this reservoir from those three drill sites? I
12 have no concept of mechanics or this system. Just a yes or no
13 on that one.

14 MR. BARKER: Yes.

15 MS. DURHAM: You can sign in your -- your name on the
16 dotted line and that's it, three drill sites. Can you
17 access.....

18 MR. BARKER: If you can find more, we'd sure like to go
19 out there and find more.

20 MS. DURHAM: Well, I've seen a lot of expansion going
21 on up there on the Arctic Slope and I -- you know, Prudhoe Bay
22 is -- I mean you stand there, you see five flare sites over
23 there, three flare sites. I don't have to go very far and I
24 see all that stuff and I'm concerned that this kind of
25 expansion will take place right up to the Canning River and

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1 pretty soon you're going to have not only Arctic -- the
2 northern lights, we're going to have lights from, you know, the
3 drill pads and stuff. So the buffer zone is a kind of good
4 idea for them to still -- to keep going west with this ANWR
5 thing. But can you access and move your drill pad -- the east
6 drill pad more west and still access that sand -- sand
7 reservoir or that gas reservoir?

8 MR. BARKER: I don't believe so. I'm not a geologist.
9 I'm not a drilling engineer, but our three pads are very
10 strategically located to maximize the recovery of the
11 condensate from that reservoir. I still think (indiscernible -
12 away from microphone). The wells will spread out from these
13 three pads (indiscernible - away from microphone).

14 MS. DURHAM: How big is that whole area there? You
15 probably have it somewhere.

16 MR. BARKER: Well, the distance between those two well
17 pads right there is 32 miles.

18 MS. DURHAM: Thirty-two miles.

19 MR. BARKER: Yes.

20 MS. DURHAM: And -- okay. You'd be drilling laterally
21 from the central one, too, right?

22 MR. BARKER: Right.

23 MS. DURHAM: So let's say that's 6.5 miles between each
24 drill pad. So if you were drilling laterally, that means it
25 has to go out three miles in one direction and three miles in

1 the other direction. And we've got that between the two drill
2 pads covered?

3 MR. BARKER: That is the limits of what our drilling
4 technology will allow us to do.

5 MS. DURHAM: Three miles.

6 MR. BARKER: So that's correct.

7 MS. DURHAM: Three miles?

8 MR. BARKER: (Indiscernible - away from microphone)

9 MS. DURHAM: Okay.

10 MR. BARKER: And I know that -- I'm not a geology --
11 geologist and they don't trust me with a lot of this
12 information. But in recent lease sales, we've not been
13 purchasing leases to the north and we've not been purchasing
14 leases to the south in those areas. So if our geologists know
15 something and they're trying to expand that reservoir, it would
16 have (indiscernible - away from microphone). This is to the
17 best of our knowledge defining the Thomson Reservoir based on
18 all of the previous studies.

19 MR. ROCKWELL: Also, in response to your question about
20 moving the pads, one of the jobs of the EIS is to look at the
21 pad locations and identify whether there are any reasonable
22 alternatives to those pad locations and assess -- assess those
23 impacts. So Exxon has done what they believe is their best
24 job. What we need to do is look at that and working with the
25 state look at whether there are alternative pad locations, and

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1 alternatives for all sorts of different reasons are possible.
2 So we will all -- we will, as part of the EIS, be looking at
3 pad location and determining whether or not their optimal is
4 our optimal, if you will.

5 AUDIENCE MEMBER: Put up a huge sound barrier.

6 MR. ROCKWELL: We have heard that -- the comment was
7 with regard to noise and we have heard noise as an issue at
8 every single one of the scoping meetings we've had so far and
9 are not surprised by that. We identified noise as an issue
10 very early on as well. So clearly it's a topic that we are
11 going to have to try to get our hands around and be able to
12 describe in the EIS what the situation is and what -- what can
13 be done to offset whatever impacts are identified, and I don't
14 know what those are at this point.

15 MR. JOHANSEN: Hi. My name is Chris Johansen. I guess
16 what I'd like to comment on is beauty is in the eye of the
17 beholder. I see that as an ugly piece of something. It's like
18 that a couple months out of the year; the rest of the year it's
19 covered with ice and snow -- well, not a lot of snow. But I
20 mean there's really nothing there. Not a lot happening up
21 there and it's not all that pretty. There's a lot prettier
22 places in the State of Alaska. Southeast or Prince William
23 Sound or anywhere else.

24 I've got pictures of developments on Prudhoe Bay which
25 are far more beautiful than that picture right there. Like I

1 said, beauty is in the eye of the beholder and I'd like to see
2 development up there. I think it's a good use for that area.
3 I propose that if they're going to have a buffer zone it should
4 be something that I'd guess on the order of maybe 50 feet, 75
5 feet, something like that I think would be appropriate. Thank
6 you.

7 MS. IPALOOK-FALK: My name is Martha Ipalook-Falk. I'm
8 with the North Slope Borough planning department, permitting
9 and zoning. And that picture is very beautiful to me.

10 MR. JOHANSEN: It's in the eye of the beholder.

11 MS. IPALOOK-FALK: Yes. Because there is underlying
12 beauty that's involved with that. I know you've heard all of
13 these comments before at other scoping meetings and other
14 meetings that we've had, and I would like to state for the
15 record that the North Slope Borough needs to be involved in all
16 stages of the project: planning, study and research, conceptual
17 development, and completion stages. Also that the North Slope
18 Borough local government land management regulations and
19 Title 19, North Slope Borough Coastal Management Program and
20 the North Slope Borough Comprehensive Plan need to be
21 recognized as permitting factors. And submit all pertinent
22 information and research to the North Slope Borough planning
23 department in a timely manner, not 30 days prior to the
24 beginning of the project if it is approved.

25 And interagency research and monitoring programs need

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1 to be shared, the reports of their findings with the North
2 Slope Borough. A lot of the research that you've mentioned
3 here, we haven't seen those reports to date. Studies and
4 research that has or will be conducted for the project must be
5 current information. The North Slope Borough recommends
6 holding public meetings to repeat -- report findings of these
7 studies and research projects and I know you have that planned
8 on your agenda. And recognize and utilize and incorporate
9 traditional and contemporary knowledge with your decision-
10 making factors that are involved with this project.

11 And what I mean by contemporary knowledge is that a lot
12 of times people confuse traditional knowledge with just Elders
13 and past generations, but you need to involve the present-day
14 users of the resources that are involved in our area. The
15 North Slope Borough planning department and Inupiat History and
16 Language and Culture department and the North Slope Borough
17 GIS, as you are aware, has information that you can incorporate
18 into your project.

19 And the Point Thomson area has been extensively
20 documented by studies and research to date. But the North
21 Slope Borough would still emphasize that this is a sensitive
22 area for subsistence harvest of caribou, fish, and waterfowl,
23 whales. And we're especially concerned with your barge
24 movement and dredging of the dock because of potential impact
25 to our Bowhead whales and our whaling communities are Kaktovik

1 and Nuiqsut, which are two of our villages that are involved in
2 this project that would be close -- closely impacted by
3 whatever may happen. And our whaling season for those two
4 villages begin normally the first part of September and, as I
5 mentioned to Mike Barker in the Barrow meeting, that in your
6 Revision A you need to change the wording from mid July to mid
7 September for your barge movement activity.

8 And then Point Thomson project is within the State of
9 Alaska so it will be an ACMP program review -- I mean within
10 the boundaries, the ACMP. And the project should make all
11 efforts to benefit the communities closest to the project and
12 that would be economic opportunities because our regional
13 corporation and our village corporations have companies that
4 are involved with all aspects of oil field development.

15 I think that's about all that I have. Thank you. One
16 more. Sorry. And the other one is the tribal government-to-
17 government dialogues need to take place and I believe you've
18 begun that process within our area.

19 MR. BROWN: My name is John Brown. I've worked in the
20 construction industry in Alaska for the last 27 years. And I
21 just wanted to make a couple brief comments about the impacts
22 on working families here in Alaska of this process and it -- it
23 can have a very negative impact. When these projects are held
24 up, people need to work, they need to have the income to feed
25 their families. And I would -- you know, I -- I understand

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1 your comment that this is a public process and that you don't
2 have control over it, but I would ask that you, as the persons
3 who are most intimate with these -- this process, do everything
4 that you can to streamline this process to make sure that it's
5 done on time and that these projects go forward.

6 The oil companies, I think, have done everything we've
7 asked. I mean they are spending millions every year to make
8 sure they make smaller footprints and they do it better. And
9 it just -- the negative impact of these projects not going
10 forward on not just a few people, I mean thousands of people.
11 Right now we're looking at work on the North Slope as virtually
12 nil this year and I can tell you that's going to hurt a lot of
13 people right here in Fairbanks and all over this state. I mean
14 we really -- we need to make sure that this work goes forward.
15 Thank you.

16 MS. IPALOOK-FALK: One more item. In regards to the
17 comment that was made by Mike Barker earlier about the VSMS:
18 five foot minimal. The North Slope Borough, if the project is
19 approved, would prefer seven-foot VSMS.

20 MR. BURNSIDE: My name is Todd Burnside, and I'm
21 concerned about the impacts to wildlife and the wilderness
22 values of the area. But I also want to state my concern that I
23 like the public aspect -- process aspect of this and the fact
24 that not all things can be determined on a preset schedule,
25 that for resources that are public resources like the

1 environment, everyone needs to have their say and be involved
2 in it. Thank you.

3 MS. MILLER: I just have a question (indiscernible -
4 away from microphone).

5 MR. ROCKWELL: Could you -- could you please come to
6 the microphone so that we could.....

7 MS. MILLER: Sorry. I have a question as far as the
8 road that would be connecting the pads. What type of.....

9 MR. BARKER: Gravel.

10 MS. MILLER: Gravel. And has your company at all
11 pursued the idea of using what's known as matting, which is
12 sort of a new state-of-the-art technique where you lay mat down
13 on the tundra and then when you're done basically pick it up
14 and move it somewhere else to use at another facility? Has
15 that been explored or.....

16 MR. BARKER: (Indiscernible - away from microphone)

17 MS. MILLER: The other question I had was for you and
18 that is what is a scenic view shed? I'm just curious. That
19 was on the web site.

20 MS. HEGARTY: I think you described it in your earlier
21 testimony.

22 MS. MILLER: Oh. Yeah, I've not heard of that term. A
23 scenic -- it's one of the issues that was on your web site that
24 you're supposed to.....

25 MS. HEGARTY: Yeah, yeah.

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1 MS. MILLER: And I just wondered what it was.

2 MS. HEGARTY: It was an attempt to describe in very,
3 very few words -- we took pages and pages of issues and tried
4 to bring them down to something that folks would read on those
5 pages of the -- it was an attempt to describe what you
6 described earlier in your testimony.

7 MS. MILLER: Scenic value was more of my subject.

8 MS. HEGARTY: Scenic values, yeah.

9 MS. MILLER: Great. Thank you.

10 MS. HEGARTY: Maybe -- yeah, we should do some editing.
11 We learn a lot in these scoping processes. We really do.

12 MR. WEST: Ozzie West. I'm from UAF. I just had a
13 question for you. How big is.....

14 MR. ROCKWELL: Could you please state your name? I'm
15 sorry.

16 MR. WEST: Ozzie West.

17 MR. ROCKWELL: Thank you.

18 MR. WEST: How big is the pipeline itself? The
19 transfer line, diameter-wise, just, you know.....

20 MR. BARKER: (Indiscernible - away from microphone) the
21 condensate line is like 12 inches in diameter, 22 miles in
22 length (indiscernible - away from microphone).

23 MR. WEST: Thank you.

24 MR. ROCKWELL: I took training once that said that if
25 you sat still for 15 seconds and didn't say anything, people

1 would get uncomfortable and if they had anything to say,
2 somebody would say it. So I just counted to 20.

3 MR. LEFEBVRE: And I started to shake.

4 (General laughter)

5 MS. HEGARTY: Ted, could I ask for something?

6 MR. ROCKWELL: Absolutely, Kelley.

7 MS. HEGARTY: I was just going to say that we will have
8 these minute summaries on our web site to share with others the
9 issues that have been brought up both in the villages and in
10 the other communities that we're going to in Alaska. But I
11 would also encourage those of you that are participating in the
12 process to -- just to know and let those others that you know
13 who care about this project and the process that we do have, as
14 Ted said, verbatim transcripts available because often -- and I
15 would also encourage you that if you see things in these notes
16 that you don't think are representative of what has been said,
17 please come and let me know because we want to make something
18 shorter available so that people will read it. We want to make
19 sure that it's not misrepresenting anything that's been said
20 here tonight. Thank you.

21 MR. ROCKWELL: Thank you. If there's no other
22 testimony, then,.....

23 MS. NAVARRO: Kate Navarro. I just have a question. I
24 don't know if you guys know the answer or anything, but I'm
25 wondering if this project goes through, if and how it might

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1 have an effect on the fiscal gap.

2 MR. ROCKWELL: In terms of what the EIS needs to look
3 at, the EIS will look at the economic effects of the project.
4 Whether or not that's going to address fiscal gaps or not
5 really remains to be seen. But one of the things we have to do
6 is we have to -- we have to look at the economic impacts. One
7 of the comments we had earlier was the concern that we'd do a
8 cost benefit analysis. I don't know that we're going to do
9 something that is literally a cost benefit analysis, but we
10 certainly are going to do an analysis that takes into account
11 the economic costs as opposed to the offsetting benefits for
12 all the actions. So we'll be looking at that.

13 Fiscal gap? I don't know if those words will show up
14 in the EIS or not, but we certainly will be looking at
15 economics.

16 MR. LEFEBVRE: Now we're back into the 15 second rule.

17 MR. ROCKWELL: And, you see, he couldn't.....

18 MR. LEFEBVRE: So I had to speak.

19 MR. ROCKWELL: Absolutely.

20 MS. NOLLNER: My name is Jamie Nollner. I just had a
21 question about in the tribal government consultations, will --
22 is that going to be where it'll be discussed about the
23 traditional use sites?

24 MR. ROCKWELL: In the government-to-government
25 coordination, that may be one of the topics that we have. And

1 we have -- just so that you know, we have already contacted the
2 tribal governments of Barrow, Nuiqsut, Kaktovik, Arctic
3 Village, Venetie, Inupiat Community of the Arctic Slope, and
4 we've already begun dialogue with them. The traditional use of
5 land and subsistence use and traditional knowledge and all of
6 that isn't necessarily a part of that consultation. It is a
7 part of what we're doing and, in fact, in the back of the room
8 someone who I did not identify who is also madly typing away on
9 a laptop is Steven Braund who is part of our EIS team and who
10 is a cultural anthropologist and is responsible for the
11 traditional knowledge, cultural resources portion of our
12 document. And Steve has worked in this area for quite a number
13 of years and is going individually to the various villages and
14 talking with people and collecting that information, working
15 with the North Slope Borough on their traditional land use
16 inventory, maps, and that sort of thing. So we are trying to
17 make sure that we incorporate as much of the -- well, all the
18 information we find into the document.

19 MS. NOLLNER: Thank you.

20 MR. ROCKWELL: Uh-huh.

21 MR. LOWRY: Yeah. My name is Don Lowry and I have a
22 couple questions. I wasn't really prepared to speak tonight,
23 but I hear the -- you know, the comments from the people and
24 myself. I have worked 22 years in the State of Alaska in the
25 construction and up in Prudhoe Bay and on the Pipeline and I've

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1 seen a lot of the wildlife up in Prudhoe Bay and on the
2 Pipeline.

3 Are there any studies with -- Point Thomson, of course,
4 they've drilled the wells there, you know, years ago. Has it
5 impacted the caribou herd that -- I mean that migrate that
6 direction as -- I mean for today, has there been any study over
7 the last 25 years as to what the impact of the drilling there
8 has caused?

9 MR. ROCKWELL: That's one of the questions that we've
10 got to answer in the EIS. And we intend to take a shot at it.
11 What we're going to be doing is pulling together all the data
12 that we have to date and there's been a fair amount of data
13 that's been collected over the, you know, 25 years or so.
14 ExxonMobil has collected some data more specific to the Point
15 Thomson area. We're hoping to pull together all of the folks
16 who are the caribou experts, if you will, and get them in one
17 room at one time and in effort to streamline -- I forget the
18 gentleman who was concerned about that, but in an effort to get
19 to an answer as rapidly as possible and try to -- try to see
20 what the data -- what data we have and what the data says and
21 be able to put that into the document. At this point, I don't
22 know the answer to that.

23 MR. LOWRY: And another question is, you know, I hear
24 the buffer zone and the idea of that is good. I would -- was
25 curious as to how far the east drill site is, actual, from the

1 refuge. I mean what -- what are we looking for as far as
2 miles?

3 MR. ROCKWELL: I think, and Mike will correct me if I'm
4 wrong, but I think it's one mile roughly. Mile, mile and a
5 half from the border.

6 MR. LOWRY: Okay. My last little comment is, you know,
7 I know like earlier testimony was what impact it has on the
8 State of Alaska as far as jobs and people working and it is a
9 big impact, not only to the people that work up there, but for
10 the suppliers and the transportation people. And I just think
11 that, you know, the oil companies have done a good job, they
12 have worked hard as to do it in an environmentally safe way,
13 and I like the idea of this and hope that you guys can push to
14 make sure that all their permitting and stuff goes through.
15 Thanks.

16 MR. ROCKWELL: Thank you. Is there anyone else? If
17 not, let's call the meeting to an end and I certainly will be
18 around for a few more minutes as most of us will be as we're
19 taking things down. And if there's any questions or answers
20 that we can give informally, we'll certainly -- I'd be more
21 than willing to do that. Thank you all very much for your
22 input and for attending.

23 (Off record; 7:05 p.m.)

24 (END OF PROCEEDINGS)

25

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C E R T I F I C A T E

1 UNITED STATES OF AMERICA)
2) ss.
3 STATE OF ALASKA)

4 I, Elizabeth D'Amour, Notary Public in and for the
5 State of Alaska, residing at Fairbanks, Alaska, and court
6 reporter for Liz D'Amour & Associates, Inc., do hereby certify:

7 That the annexed and foregoing PROPOSED POINT THOMSON
8 GAS CYCLING PROJECT SCOPING MEETING PROCEEDINGS was taken
9 before me on the 6th day of November, 2002, beginning at the
10 hour of 5:45 o'clock p.m., at Fairbanks, Alaska;

11 That this hearing, as heretofore annexed, is a true and
12 correct transcription of the testimony of said SCOPING MEETING,
13 taken by me electronically and thereafter transcribed by me;

14 That the hearing has been retained by me for the
15 purpose of filing the same with the U.S. Environmental
16 Protection Agency, 222 West Seventh Avenue, #22, Anchorage,
17 Alaska, 99501, as required by law.

18 That I am not a relative or employee or attorney or
19 counsel of any of the parties, nor am I financially interested
20 in this action.

21 IN WITNESS WHEREOF, I have hereunto set my hand and
22 affixed my seal this 22nd day of November, 2002.

23 _____
24 Notary Public in and for Alaska
25 My commission expires: 12/28/02

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

PROPOSED POINT THOMSON GAS CYCLING PROJECT

TRANSCRIPT OF SCOPING MEETING PROCEEDINGS

BEFORE TED ROCKWELL, Hearing Officer

Kaktovik City Hall

Kaktovik, Alaska

October 28, 2002

1:30 o'clock p.m.

PANEL:

MR. MICHAEL BARKER, ExxonMobil

MR. DICK LEFEBVRE, State of Alaska Department of
Natural Resources

MR. DAVE BUNTE, CH2M Hill

MR. STEVE BRAUND, Anthropologist

MR. BRIAN LAWHEAD, ABR

MR. JIM ZELENAK, U.S. Fish and Wildlife Service

MS. KELLEY HEGARTY, Hegarty & Associates, Community
Planner and Policy Analyst

Page 2

1 P R O C E E D I N G S

2 (On record; 1:30 p.m.)

3 MR. ROCKWELL: Thank you all for being here. We'd like
4 to get started. My name is Ted Rockwell. I'm with the EPA in
5 the Anchorage office. We're here to get your comments and
6 ideas and concerns or just ideas with regard to a project that
7 ExxonMobil is proposing in the Point Thomson area. We're
8 having to prepare an Environmental Impact Statement for. What
9 I would like to begin with is an invocation. And if I could
10 ask George to help us with that, we'll do that at this point.

11 (Invocation)

12 MR. ROCKWELL: We're at the very beginning of a process
13 of deciding what permits need to be issued and what form those
14 permits need to take to allow the ExxonMobil project to go
15 forward. And part of that process is the Environmental Impact
16 Statement process. EPA is the lead federal agency for that
17 process. We have also two other federal agencies who are
18 cooperating agencies who have decisions that they need to make
19 before the project can go forward and that's the Fish and
20 Wildlife Service and the Corps of Engineers. Jim Zelenak to my
21 left is the representative of the Fish and Wildlife Service and
22 Terry Carpenter is with the U.S. Corps of Engineers and she was
23 unable to make it with us today and sends her apologies. In
24 addition to the cooperating agencies, we also have interest by
25 the State of Alaska in working with us so that we're all

1 working together to the same end. Mr. Dick LeFebvre is
2 representing the State of Alaska on our project team.

3 EPA has a third-party EIS contractor, what's called a
4 third-party EIS contractor. This is a contractor who works for
5 us to help us prepare the Environmental Impact Statement and
6 Dave Bunte works for that contractor. The contractor is CH2M
7 Hill, which is a name I don't understand but that's the name,
8 nonetheless. It is a name that has progressed over the years
9 and at a break you can ask Dave to explain how it came into
10 being if you're interested in that.

11 Maybe I'll put up a drawing of the relationship that we
12 have between the EPA and, as I said, EPA is the lead agency for
13 preparing the document and we're responsible for the overall
14 process and for making sure that the document does what it
15 needs to do; that we've looked at and developed reasonable
16 alternatives; that we have incorporated the questions and
17 issues and concerns of all the people who are interested and
18 involved; and that we have provided the decision-makers, the
19 people who have to make the decisions in the agencies with the
20 best possible understanding of the situation.

21 The applicant, which in this case is ExxonMobil
22 Corporation, is interested in the process, obviously. They
23 provide us with project description, information for scoping
24 and ExxonMobil also provides the funding for the contractor
25 that works for EPA. So the contractor that works for EPA,

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1 which is CH2M Hill works for EPA but is funded by ExxonMobil.

2 I've invited representatives from ExxonMobil to be with
3 us today. Mr. Mike Barker and Mr. Mike Todd are here. A
4 little bit later they'll be providing us with information about
5 their project. They work with us but the contractor works
6 directly for EPA and EPA has the sole responsibility for
7 directing the work of the contractor. If you have any
8 questions, by the way, as I'm going through this please don't
9 hesitate to ask.

10 On the NEPA/EIS process, this is sort of -- on this
11 side here is a line or progression of what we're about and it
12 starts with a Federal Notice of Intent to prepare EIS and we've
13 already filed one of those. We did that back in April. As the
14 little hand says, you are here, we're at the scoping stage,
15 which is the stage at the very beginning where we try to
16 understand what the sum total of what the work is that we need
17 to accomplish. We'll be taking everything that we get from
18 scoping, we'll be putting that together and preparing a Draft
19 EIS and at the Draft EIS stage we'll be asking to come back and
20 ask for additional comments from you after you've had a chance
21 to see what we've come up with in the Draft EIS to see if we
22 have included the comments that you've made, if we've addressed
23 the issues that you've addressed, or if there are additional
24 ones or if we got it wrong, if we didn't understand something.

25 We'll be following that up with the development of a

1 Final EIS and there'll be a comment period following that Final
2 EIS and then the agencies will put together a Record of a
3 Decision and we'll move forward towards issuing permits. Down
4 at the end, this is where we all hope to get.

5 And we're looking, in terms of an overall time, we're
6 looking at this area in the first quarter of 2004. So we have
7 a fairly optimistic, very tight frame that we're working on.
8 We're trying to work as efficiently as possible.

9 There are many ways to get comments to us. This is on
10 the wall over there, I might add, but we are very interested in
11 hearing from you, both now as well as, you know, to the point
12 that we have a Draft EIS. It's never too late to tell us, oh,
13 listen I think you forgot something or you need to include
14 something. We have a web site, it's that long list of letters
15 there that I'm not going to go through. You can e-mail us, we
16 have an 800 telephone number, it's toll free and then you can
17 write us at this address in regular mail in order for us to get
18 information to you so that you can comment back to us and give
19 us an idea of what your concerns or issues might be.

20 As I said I've invited ExxonMobil to accompany us and
21 to be present today. And I'd like to ask them now if they
22 would give us their description of their project so that we all
23 understand the same thing about the project and I'm not
24 understanding the project one way and you're hearing it a
25 different way. Mike Barker.

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1 MR. TAGAROOK: I'm George Tagarook. The scoping
2 schedule, I'm kind of curious why Arctic Village and Venetie
3 were included on this scoping because this is not their service
4 area.

5 MR. ROCKWELL: Why Arctic Village and Venetie were
6 included?

7 MR. TAGAROOK: Yeah. I'm kind of curious as to why
8 they were included on the scoping?

9 MR. ROCKWELL: Certainly.

10 MR. TAGAROOK: What came about? What kind of issues?

11 MR. ROCKWELL: The thought was that the Porcupine
12 Caribou Herd is important to those villages and the Porcupine
13 Caribou Herd does come up and into this area. EPA, rather than
14 excluding people, we try to include as many people as we can
15 and we would rather have someone tell us, listen we don't want
16 to hear from you anymore than to find out that we didn't
17 include someone that we should have included. So we wanted to
18 be sure that we extended the opportunity to them; that we would
19 tell them what the project is about and if they're not
20 interested then they can tell us they're not interested, but
21 they can make that decision rather than us making that
22 decision.

23 MR. TAGAROOK: Okay.

24 MR. ROCKWELL: So that was the reason that they were
25 included.

1 MR. TAGAROOK: Okay.

2 MR. ROCKWELL: Thank you. Are there any other
3 questions? Okay, then, Mike Barker.

4 MR. BARKER: As Ted mentioned my name is Mike Barker.
5 I work for ExxonMobil. I've worked for ExxonMobil 27 years and
6 I've been in Alaska now for 13 years. I've always wanted to
7 live in Alaska and it's a great place. And Kaktovik is one of
8 the nicest communities I think I've been in in this state.
9 I've always felt like I was very welcome coming here and I'm
10 really looking forward to being your neighbor because I look at
11 that as being the way we're going to be at Point Thomson. You
12 will be our closest community. And we will be the closest part
13 of the oil and gas industry to you and we're going to be
14 neighbors and it's our intent to be a good neighbor.

15 One of my associates, Mike Todd, is in the back of the
16 room. I'm going to ask Mike to stand up just so everybody
17 knows who Mike is. He is our external and public affairs
18 manager in Anchorage. Mike hasn't been in Alaska as long as I
19 have but I can tell you he's going to fit right in with the
20 rest of us.

21 In the back of the room there are some materials that
22 we brought that if you'd like copies of to learn more about the
23 project you can pick one up on your way out. There's a
24 four-page project description that looks like this and then
25 there's also -- you can get from Mike Todd in the back of the

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1 room a copy of the Resource Development Council's magazine
2 which has an article in it about the Point Thomson project.
3 And if you wanted a copy of my presentation today we can also
4 give you a copy of it and it looks like this. In fact, if you
5 wanted one now you could get one from Mike and you could follow
6 along with me as I go through this.

7 MS. SIMS: Can I just say a comment? Carla Sims
8 Koyotuk for the record. I just wanted to say that I have to
9 leave the meeting now and I really wished you guys would
10 schedule your meetings for the evening times so more people
11 could come. I was really interested in this but because of my
12 business I have to leave now. So I just wanted to say that.

13 MR. BARKER: We're sorry you're going to have to leave.
14 Carla, my business card is on the table in the back of the
15 room. If you have any questions or you need something just
16 give me a call.

17 MR. TAGAROOK: Also you are staying overnight?

18 MR. BARKER: We are staying overnight.

19 MS. SIMS: Well, I just wanted to listen to their whole
20 presentation and stuff.

21 MR. BARKER: And I think anybody here would be happy to
22 visit with you at the Waldo Arms.

23 MS. SIMS: Okay.

24 MR. TAGAROOK: Yeah, I would like to add on that
25 comment, like Carla said, that evening meetings are a lot

1 better than afternoon meetings because people have to work and
2 they have to take time off of work and they lose pay going to
3 meetings.

4 MR. BARKER: And we're sorry for that inconvenience,
5 George. If I'm ever in charge of picking the time for a
6 meeting in Kaktovik, I'll pick the right time.

7 MR. BARKER: The Point Thomson Unit is outlined on some
8 of the maps in the room. You can see -- I'm going to point to
9 this photograph over here real quick. This is an aerial photo
10 of the Point Thomson area. The 10-02 area is right here and
11 the white line outlines the Point Thomson Unit. And one land
12 mark that would help orient you is this is Flaxman Island and
13 this is Brownlow Point and this is Bullen Point, very close to,
14 I guess some very good char fishing, I'm told.

15 The unit is comprised of 43 leases and there's a little
16 over 116,000 acres in the unit so that's quite a bit of land.
17 It's located about 60 miles east of Prudhoe Bay, about 45 miles
18 west of the village of Kaktovik. The owners of the leases in
19 that area are ExxonMobil, BP, ChevronTexaco and
20 ConnocoPhillips. And I'll also mention the State of Alaska.
21 The State of Alaska roughly owns 12.5 percent of the oil and
22 gas in the Point Thomson Unit. So in that regard, we're all a
23 part of the Point Thomson Unit.

24 There have been 19 wells drilled in the Point Thomson
25 area starting in 1972, when Exxon drilled the Alaska State A-1

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1 well on Flaxman Island. The Thomson Sand itself was discovered
2 in 1977 or 25 years ago. And 14 of the 19 wells that have been
3 drilled in the area have actually gone into the Thomson Sand so
4 we know quite a bit about the Thomson Reservoir. We plan to
5 develop it by drilling 21 wells. We won't be using any of the
6 old wells that have been drilled; we'll be using 21 new ones.
7 And we'd be placing gravel on the ground where we can set
8 drilling rigs and where we can drive equipment back and forth
9 on about 225 acres of the 116,000 acres which is about two-
10 tenths of one percent of the total area of the unit.

11 We estimate that there's about 8 trillion cubic feet of
12 natural gas in the Thomson Reservoir and about 400 million
13 barrels of condensate. And condensate -- actually in Alaska we
14 produce a lot of condensate. At Prudhoe Bay, there's about
15 100,000 barrels a day of the million barrels a day that goes
16 down the TransAlaska Pipeline is condensate that's produced at
17 the Prudhoe Bay Unit. But since it gets commingled with the
18 crude, we don't typically see it in its separate form. And I'd
19 like for you to think about condensate as kerosene. That's
20 probably the thing that it's most similar to. I brought a
21 small bottle of a sample that would give you an idea of what
22 condensate would look like and you can just pass that around
23 the room. We intend to, if we go forward with the project, to
24 produce roughly 75,000 barrels a day of condensate.

25 To accomplish this we've got to build a lot of things

1 in the Point Thomson area. These are all onshore facilities
2 that we'll be building with the exception of a dock that will
3 extend out into the water about 750 feet but everything else
4 will be completely onshore. There will be a central processing
5 facility where the gas and the condensate will come in and then
6 the gas and condensate will get separated and the condensate
7 will go one direction and the gas will go another. And then
8 there'll be two well pads, the east and the west well pads, and
9 we will be producing the gas from those two pads, taking that
10 gas into the central facility, and then the gas goes back into
11 the ground in the middle of the reservoir. So if you can
12 envision, we're just going to be cycling that reservoir back
13 and forth like that.

14 We'll also be building an airstrip and as I mentioned
15 the dock. The dock won't get us out into water as deep as we
16 would like to go. We're going to build the dock out to seven
17 feet of water and then we're going to dredge to about nine feet
18 so there will be some dredging that would go along with this
19 project. And I'll talk a little bit more about that because I
20 know that will be of interest to you. There will be roads
21 connecting all of the pads and the pipelines will all be
22 aboveground. And then from the central processing facility
23 we'll build a 22 mile pipeline going westward over to the
24 Badami Pipeline so we would use existing pipeline from Badami
25 all the way into Pump Station 1 there at Deadhorse.

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1 Of course, we'd have to develop a gravel mine which we
2 would later then turn into a water source and then we'll also
3 have a well that we will dispose of almost all of our waste
4 through injection.

5 I'll just show what some of this looks like now. If
6 you were at Badami today and you looked east along our
7 pipeline, this first photo is a depiction of that. Our west
8 well pad is in this photo right in this general area right
9 here. The central pad which would be where our camp
10 facilities, our shops, the processing facilities would all be
11 located right here, what is now the Point Thomson 3 pad.
12 There's a gravel pad there now. Some of you have probably seen
13 it. There's still some old diesel tanks stored there on that
14 pad leftover. And then this is an engineer's rendition of what
15 the central pad would look like and you can see the dock
16 extending out into the water; in the brown, the existing gravel
17 pad that's there now, and then in the pink where the new gravel
18 pad would go and then the road leading off to that central pad.

19 This photo looks south from the central pad towards the
20 Brooks Range, you can see in the background, and this is where
21 the gravel mine and the airstrip would be, in that area there.
22 And then the east well pad, in this photo, and it's located
23 right in that area right there.

24 I don't know how successful I'm going to be but I'm
25 going to try and explain to you gas cycling. The Thomson

1 Reservoir, it's a high pressure reservoir. The gas is sitting
2 down below ground at about 13,000 feet below the surface and
3 its pressure is about 10,000 psi. When you take that gas and
4 you bring it to the surface, some of what was gas turns into
5 liquid when you drop the pressure. Maybe you've noticed this
6 kind of phenomenon when you're boiling water on your stove and
7 you've got steam coming out of the kettle and when that steam
8 cools off on something, the water that was gas turns back into
9 a liquid water and that's what this condensate is, only it's
10 not water, it's more like kerosene.

11 So we would produce gas from the reservoir and each of
12 these wells, about 13 of the 21 wells I mentioned, would be
13 producing wells. They would each produce about 100 million
14 cubic feet a day and that's a lot. And then from that we would
15 separate the condensate and then the condensate would go to
16 TAPS, down to Valdez, get loaded in the same tankers that the
17 crude oil from Prudhoe Bay gets loaded in and then go to the
18 West Coast to market. And then the dry gas that doesn't have
19 condensate in it anymore, it gets injected in those central
20 wells and goes back into that reservoir to maintain that
21 pressure so that we can keep cycling the gas to get more
22 condensate.

23 MR. TAGAROOK: I got a question, Mike.

24 MR. BARKER: Yes, sir.

25 MR. TAGAROOK: Is that gas you're talking, the

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1 condensate, how many percent of that condensate is gas?

2 MR. BARKER: Let's see, for every -- I'm not sure if
3 I'm going to answer this right. But for every million cubic
4 feet of gas that we produce, we estimate there is about 50 to
5 55 gallons of condensate. So let's see, no, that's not right.
6 Barrels. If a well produced 100 million cubic feet a day,
7 which is say roughly what our wells are going to produce, then
8 each well would produce about 5,000 barrels of condensate a
9 day, maybe just a little bit more than that.

10 So 13 wells we're hoping will produce around 75,000
11 barrels a day. But that means we have to produce a lot of gas.
12 We're actually going to be handling something on the order of
13 one billion cubic feet of gas a day and that's a lot of gas.
14 It's not as much gas as Prudhoe handles. Prudhoe Bay Field
15 handles about 8 billion cubic feet of gas per day so it would
16 be less gas than Prudhoe handles but at a higher pressure and
17 it would have more condensate in it than the gas at Prudhoe.

18 MS. BURNS: What's the life span for your project, for
19 the gas?

20 MR. BARKER: We believe this project has a 30-year
21 life.

22 MS. BURNS: Thirty?

23 MR. BARKER: Thirty. Since 1977, well, actually
24 starting in the early '80s, we began doing a number of
25 environmental studies based on advice that we received from

1 folks such as yourselves and from the folks that you see
2 sitting at the table behind me. And so we've tried to learn
3 more about the oceanography, the meteorology, the mammals, the
4 caribou, the muskoxen, the grizzly bears, the polar bears, all
5 the birds, the old squaw, the eiders, the loons and the various
6 fish and then we've also mapped the vegetation and we've also
7 had archaeologists go out and do archeological surveys on that
8 entire 116,000 acres, trying to take all of that information,
9 learn as much as we can from it and then design our project
10 around that. And then these people are going to analyze all of
11 that information and our project design and they're going to
12 look for gaps and maybe we missed some things, we didn't learn
13 enough about something. And then these folks are going to go
14 out and they're going to learn more and incorporate that into
15 this project as it needs to be.

16 MR. REXFORD: We know our forefathers mentioned that
17 there were cabins every 25 miles or cabin sites every 25 miles.
18 My question would be, did the archaeologists consult with
19 people from the North Slope Borough or trying to locate besides
20 the field work, did they consult with them?

21 MR. BARKER: I know in the past our archaeologists
22 worked with Jana Acharvuk (ph) at the Institute of Heritage
23 Language and Culture in Barrow on some of the surveys that were
24 done. But I don't know if it was done to the extent that you
25 would desire.

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1 MR. REXFORD: Is there some paperwork? Yeah, for the
2 record my name is Fenton Rexford. My question earlier was the
3 archeologist that did the survey, was there consultation with
4 local government or anybody from Kaktovik? And if the
5 archaeologists did their work, is there some paperwork,
6 preliminary findings that we can look over and see if they left
7 anything out? This area is one of our prime hunting and
8 fishing that is being used today and earlier years by the
9 people around here before anyone came around or before
10 statehood. So those two questions I have, is, I would like to
11 see a copy of the archeologist surveys of what their findings
12 were. And to protect hunting and fishing grounds, we'd like
13 to -- we, meaning Kaktovik, would really be interested in
14 seeing their findings. Thank you.

15 MR. BARKER: And we would be more than happy to provide
16 you with the information we have. And I know that Mr. Braund
17 seated over here against the wall is going to be addressing a
18 lot of -- and trying to develop more of that knowledge that you
19 and the people in Kaktovik have. Is that a fair statement?

20 MR. BRAUND: That's fair. My name is Steven Braund.
21 I'm an anthropologist and we're going to be addressing the
22 subsistence and cultural resources and traditional knowledge
23 topic for this EIS. I can send you the archeological reports
24 that were done and I can go through the process that I -- get
25 those out to you. And there's very little subsistence

1 information, we already know that about this area, so one of
2 the things I wanted to do while I was here was get some names
3 of some people that -- if it's a used area, to come back and
4 spend a day or two talking to people about their subsistence
5 uses so we'll address that also.

6 MR. REXFORD: I hate to talk back and forth here. But
7 I know you pay your archaeologists real well, your
8 archeological consultants and you're going to be looking for
9 information from the people here and other places. We would
10 like to see an equal hiring in helping you out, we're helping
11 the team or -- at reasonable rate scientists make or higher in
12 projects of this magnitude. And I know a lot of meetings they
13 ask to get information for nothing, by just going maybe making
14 a survey, fill out paperwork. The people that have the
15 knowledge are taken advantage of and not paid well for
16 information; that needs to be protected.

17 MR. BARKER: In addition to the cultural resources, we
18 want to mention a little bit about some of the threatened or
19 endangered species in the area, first being the spectacled
20 eider. I'm certain that's one of the ducks in the area that
21 you're familiar with. They are known to sometimes occupy the
22 area in the Point Thomson area but not to next there. And then
23 also the Bowhead whale, which is very important to your
24 community. And one that we're going to do everything we really
25 can to try and avoid any disturbance to the Bowhead whales. So

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1 dredging activities and things like that will be curtailed at
2 September 1st. We won't be working offshore in those areas
3 after September 1st.

4 MR. TAGAROOK: I have another comment on your
5 threatened and endangered species, the bottom paragraph. Your
6 facilities are going to be onshore?

7 MR. BARKER: Yes.

8 MR. TAGAROOK: It's at the islands; there will be
9 impact.

10 MR. BARKER: Okay.

11 MR. TAGAROOK: We have migratory fish, whitefish,
12 Arctic char, flounder. That's a misleading statement there.
13 We have marine fish that migrate through the inside Barrier
14 Island.

15 MR. BARKER: George, if I could just -- I was trying to
16 address impacts to the Bowheads only in that. I wasn't trying
17 to imply impacts to fish there.

18 MR. TAGAROOK: Yeah, if you go to Nuiqsut they'll say
19 there's some whales inside the Barrier Islands, because they
20 caught a few of them in there.

21 MR. BARKER: Okay.

22 MR. TAGAROOK: I thought you were talking about fish.

23 MR. BARKER: Thank you.

24 MR. TAGAROOK: But there is going to be impact on
25 inside Barrier Island on marine fish.

1 MR. BARKER: Caribou do use the area. Mostly post-
2 calving in the summertime. Most of the caribou that use the
3 area are in the Central Arctic Herd, but occasionally Porcupine
4 Herd animals do cross the Canning River and come into the Point
5 Thomson area. Our pipelines are going to be elevated. They're
6 going to be separated from the roads and we're going to take
7 measures to try and minimize the impact of caribou in the area.
8 As some of you know, I know.....

9 AUDIENCE MEMBER: I have a question. How much is
10 elevated?

11 MR. BARKER: A minimum of five feet.

12 AUDIENCE MEMBER: There'll be a problem with -- now,
13 what if someone was to shoot a caribou from.....

4 MR. ROCKWELL: Sir, could I get you to come forward.
15 We're not picking you up on the microphone from there.

16 AUDIENCE MEMBER: Well, I'm not worried about your
17 mikes. What I'm saying is what if someone were going to shoot
18 caribou right there and it ricocheted and hit your pipeline,
19 then what?

20 MR. BARKER: Well, I guess that's something we'll have
21 to address.

22 AUDIENCE MEMBER: Well.....

23 MR. BARKER: We certainly would hope that.....

24 AUDIENCE MEMBER:a lot of us go hunting up there
25 and back there.....

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1 MR. BARKER:people wouldn't shoot towards the
2 pipeline.

3 AUDIENCE MEMBER: A lot of us go hunting over there.
4 If that bullet penetrates your pipeline, you got oil all over
5 the ground, then no more caribou in that area, no duck, no
6 fish.

7 MR. BARKER: We're going to have to think about that
8 one. Polar bears use the area and they're very common. I know
9 Charlie and Melvin are aware of the polar bears in the area.
10 We've worked out there on Flaxman Island the last few winters
11 and we will continue to do things, likely forward looking
12 infrared radar surveys, trying to identify where the dens are
13 and trying to minimize any impacts on the bears in the area.

14 We're committed to try and minimize the footprint in
15 the area. We're not going to put gravel places we don't need
16 gravel. We're going to try and keep the tundra as much as we
17 can. And we're also going to try and reduce the profile of our
18 facilities and look at the lighting that we have so that we
19 don't impact people's view of the area.

20 Now, I'd like to talk a little bit about the economic
21 aspects of the project.

22 MR. REXFORD: Could we just go back to that real quick?

23 MR. BARKER: Yes, sir.

24 MR. REXFORD: That other one.

25 MR. BARKER: Okay.

1 MR. REXFORD: Thank you.

2 MR. BARKER: ExxonMobil and our partners have invested
3 about 800 million dollars in drilling the wells and purchasing
4 the leases that make up the Point Thomson Unit. We estimate
5 that to continue to go forward with this project will require
6 an additional one billion dollars, plus or minus. We also
7 estimate that local, state government income derived from this
8 could approach 2.5 billion dollars over the 30 year project
9 life through property taxes and royalties.

10 And maybe important to the people in this room, we
11 estimate that during construction there will be somewhere on
12 the order of 450 to 500 jobs. We intend to have, right now,
13 two rigs running at the same time while we're also bringing in
14 the modules and trying to set up the central processing
15 facility so that we can have at least 10 wells drilled and
16 ready to go by the time the central processing facility is in
17 place. Once we're up and producing, we would estimate there
18 would be about 50 full-time jobs at Point Thomson. And there
19 are going to be opportunities for Alaska businesses and Native
20 corporations.

21 Lastly, I just want to talk a little bit about the
22 project schedule. We're in the midst of permitting this
23 project now. If we're successful in permitting the project and
24 if the economics continue to look favorably, as they do right
25 now, we hope to reach first production in very early 2007.

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1 We'll make a decision when we're much further along in the
2 permitting process. Some time in late 2003, early 2004 is when
3 the companies that own the leases will make the final decision
4 on the development for a Point Thomson gas cycling project. We
5 would start construction that next winter, building ice roads
6 in the November-December 2004 time frame, move rigs out in the
7 summer and then again in the winter of 2005 and then start
8 drilling that winter. Then in 2006, we would do a sea lift and
9 bring in the large modules hoping to start production year end
10 2006, early 2007.

11 MS. BURNS: What about your airstrip, how long is your
12 airstrip going to be?

13 MR. BARKER: You know, I don't remember the exact
14 length on the airstrip. Somebody on the panel may remember for
15 sure but it's going to be sized for a 737 or a C-130. So it
16 will be sized for large aircraft. I'm thinking it's going to
17 be something on the order of about a mile long, 5,000 feet.

18 That's the end of my description of the project. And I
19 look forward to being a good neighbor with you.

20 MR. TAGAROOK: Wait, we're not done yet. Once again,
21 elevated pipe, minimum of five feet, you're talking about --
22 has ExxonMobil or any of your partners, Phillips Conoco, are
23 they going to do a study on the pipeline for that gas or
24 condensate? What temperature it is going to be flowing? Is it
25 feasible to maybe bury the pipe all the way to Badami or

1 something? Has that every been considered?

2 MR. BARKER: I know that's something that we've looked
3 at, George. The condensate will be something on the order of
4 about 100 degrees. So the pipeline will be very warm. And to
5 be able to bury it, we would have to be able to bury it and
6 completely surround it with what geotechnical engineers call
7 thaw-stable ground and that would be very cost prohibitive.
8 They didn't really see that that was something that would allow
9 this project to go forward just because the condensate is so
10 warm. But there are places where pipelines are buried in the
11 Arctic and I'm sure that this team is going to continue to
12 challenge our engineers to look at options just like that.

13 MR. ROCKWELL: And, in fact -- yes, Fenton?

14 MR. REXFORD: I just want to see what the order is of
15 the meeting, you know, Exxon spoke -- well, you spoke first,
16 Exxon was next and as far as questions -- maybe I should look
17 at the agenda maybe.

18 MR. ROCKWELL: Well, I was going to say a couple more
19 things with regard to what we need to do for NEPA and then I
20 was going to ask if people wanted to take a short break to look
21 at some of the materials that were pointed to during the
22 presentations. Then we'd reconvene or if we wanted to just
23 move forward.

24 MR. REXFORD: Okay.

25 MR. ROCKWELL: Okay. Thank you, Mike, first of all for

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1 the presentation. One of the things that I want to emphasize
2 is that in developing the EIS we're going to be using the
3 information that Exxon provided, but that's not all. We're
4 required to develop on our own a full objective and accurate
5 description of the affected environment. And what that means
6 is a description of what's actually here. We're also
7 responsible for describing what impacts we can find from the
8 proposal that ExxonMobil has on that affected environment and
9 then based upon those impacts and also comments that we get
10 from people through the scoping process, we develop
11 alternatives that attempt to mitigate or offset or reduce
12 impacts that we've identified or address issues or concerns
13 that have been identified to us. We then take those
14 alternatives and we compare those alternatives and the impacts
15 that they have. Hopefully at the end we'll have one
16 alternative that's just a stellar alternative and
17 unquestionably the way to go.

18 In the real world, that rarely happens. So I'm sure
19 that we're likely to have a set of alternatives that are going
20 to have some things that are positive and some things that are
21 negative and we're going to have to share that with all of you
22 and get your comments back on that. And that's what we'll be
23 doing at the Draft EIS stage, is asking you to tell us, of the
24 alternatives that we've looked at, you know, which ones are
25 more favorable than others. You know, that sort of thing. And

1 at the end we'll be developing an environmentally preferred
2 alternative; that is, an alternative that from an environmental
3 standpoint is the preferred alternative. And in addition to
4 that, will be developing something called the agency preferred
5 alternative. The agency preferred alternative does not have to
6 be the environmentally preferred alternative. Sometimes it is;
7 sometimes it's not. So they can be two separate things, but
8 they will both get developed.

9 I wanted to make sure that that process is understood
10 so that you know how you play a part in how we're going to be
11 working together with you to get to the decisions at the end.
12 And also so that you know that while Exxon has certainly done a
13 great job of collecting the information that they've collected,
14 they aren't the only source of information. We do not rely
15 simply and exclusively on the information that Exxon has
16 developed but we're working to identify what we need to fully
17 describe the project area and the affected environment.

18 EPA and our cooperating agencies are relying very
19 heavily on our contractor, that's why we have a contractor to
20 help us. And I'd like to turn to Dave at this point and
21 perhaps he can tell you a little bit more about the work that
22 is going on to identify the information that we're going to
23 need and further identify how we're going to be moving through
24 the EIS development process. Dave.

25 MR. BUNTE: Thanks, Ted. Yeah, right now we're in the

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1 process of reviewing all of the data that we can find relative
2 to the environment in the Point Thomson area. All of the
3 biological resources, the physical resources, being surface
4 water, meteorology and socioeconomics, all of the human
5 resource information. We're in the process of looking at what
6 information Exxon has developed and looking at all other
7 sources that are out there. And as part of that process, we'll
8 look to see which areas are covered fully and which areas need
9 additional information. Which areas have gaps in them. And we
10 will identify those and work to fill them. As Ted mentioned,
11 that's the part of describing the affected environment of
12 what's out there now.

13 Now, the scoping process that we're going through now
14 is the key element to make sure we understand what everyone
15 feels, you know, what are the issues, what are the resources we
16 should be looking at and then also, as Ted mentioned, the
17 development of alternatives is a key part of the EIS process as
18 well. ExxonMobil has presented what their project looks like
19 and that will be an element that we certainly have to look at
20 in the EIS as one alternative. But we will look at other
21 alternatives as well based on comments that you have in terms
22 of why don't you look at the pipeline differently, why don't
23 you -- you know, questions like that, you know, difference in
24 access in terms of where the roads should be. Maybe concerns
25 or questions about the dock that would be out there or other

1 components of the project that Exxon has described.

2 So we want to hear what your thoughts are and so that's
3 an important part of the process here. And then what we'll do
4 is we'll take all the components, we'll look at the different
5 options for the dock, the roads, things that are suggested and
6 then, as Ted had mentioned, we'll formulate a set of
7 alternatives and we'll look at all of those in the EIS, not
8 just Exxon's proposed process, but those reasonable
9 alternatives that come out from your input, from other folks'
10 input, we'll include that as well in developing alternatives
11 and that will all be used in the EIS to make sure that we've
12 covered all of the options and all of the alternatives.

13 MR. ROCKWELL: Thank you, Dave.

14 MR. BUNTE: Okay, thanks.

15 MR. ROCKWELL: What I'd like to do at this time is ask
16 you if you'd like to take a break for a few minutes, 10 or 15
17 minutes, have an opportunity to once again look at the
18 photographs and the maps or if you would like to continue
19 forward? Whatever you folks would like. I don't want to hurry
20 things and I don't want to drag things out.

21 (Off record comments pertaining to the time of room
22 rental)

23 Why don't we persevere then. I would ask that you come
24 forward to the microphone and make sure that the red light is
25 on. There's a button that says on/off and if it's not on, push

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1 the "on" button so that our court reporter can get everything
2 that you've said on tape so that we don't lose anything. And
3 be sure to tell us your name so that we've got the correct name
4 for the comments. And with that, I would ask if George perhaps
5 has any comments or anything that he would like to tell us?

6 MR. REXFORD: Good afternoon. My name is Fenton
7 Rexford. I'm the president of Kaktovik Inupiat Corporation.
8 However, my comments at this time will be just representing
9 myself and not the village corporation and its shareholders.

10 My earlier statement was of concern about cultural
11 sites and resources and cabins that have been used, that are
12 being used today; in earlier years by our ancestors. And we'd
13 like to get a copy of the archeological findings. And whether
14 it is too late or -- my question at this time would be whether
15 it is too late to work with CH2M Hill as for people getting
16 further information for subsistence information that will be
17 taken by Steve Braund or some other company?

18 Exxon had a page there with habitat and considerations
19 and there was something missing in Exxon's statement, but I see
20 in the EPA's report the bulleted items such as air quality,
21 habitat, water quality on Page 5 of the EIS -- what is that,
22 the newsletter. Very concerned about earlier usage of this
23 area and presently today we still hunt quite extensively in
24 that area. Whether this area will have buffer zones. I've
25 known for many years that the pipeline at Prudhoe Bay has what

1 they call a buffer zone or no hunting zone and with the
2 pipeline -- proposed pipeline being just offshore, and Wayne
3 mentioned that we use this area and our opportunity during
4 summer is near the beach. I would like for EPA's consideration
5 or Exxon's consideration, I know he mentioned that it is 100
6 degrees, whether they can go further south or further inland,
7 perhaps five miles, where being within the -- give us a buffer
8 zone or give us an area, give the residents an area, a five
9 mile zone or more from the beach or from the coastline.

10 As you can see from one of the maps, Nuiqsut residents,
11 and I'm part of the North Slope Borough Fish and Game
12 Committee, they have to go clear all around or north through
13 the ocean to get clear of the facilities and buildings to get
14 access on the east side of the production area.

15 And now with the proposed -- well, Badami's pipeline is
16 there already and a proposed pipeline going further east, it's
17 going to become harder and harder for local people or people
18 from Kaktovik or Nuiqsut to continue their subsistence hunting
19 and fishing in this area. And with these new pipelines and
20 infrastructures getting in place, the coastline is getting
21 smaller and smaller. Give us consideration, give the residents
22 consideration by moving the pipeline further inland. I know
23 there's a -- I think what they call -- what is that, Slugger or
24 Digger or what's that new unit? It's sort of further inland,
25 but if you can give us consideration or hear our concern to

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1 either make the pipeline a lot higher than five feet or my
2 first concern or my first alternative would be to move the
3 pipeline further inland, six miles perhaps.

4 The other overhead projection I saw was for economic
5 consideration and employment consideration stated on the page
6 there. What sort of impact consideration will that be for this
7 project or for people affected? Especially Kaktovik will be
8 the most affected and there should be some statements that
9 there ought to be some impact consideration. If we're going to
10 be restricted, I hate to even think about there being a second
11 person to put a hole in the pipeline, but I think there ought
12 to be some statements to that effect from maybe the federal
13 government, ExxonMobil if the pipeline is going to be
14 constructed as is or as projected or as proposed.

15 And that would be my current verbal or oral statement
16 at this time. I will just summarize them real quick. Cultural
17 sites and I know there have been cabins. Our forefathers have
18 mentioned that and we know that every 25 miles or a day's
19 journey they had sod houses and cellars. And, you know, that
20 there are cemeteries or burial grounds throughout the northern
21 coast of the Arctic Slope.

22 I would be very interested in working or hearing what
23 anthropologists and archaeologists have found as far as what
24 they found today. And one comment I made earlier was that if
25 there's going to be further information to be sought by

1 residents of Kaktovik, that the information to be given for
2 this project, the people that are being asked questions be
3 compensated as well or as better than the scientists that are
4 being paid. These are very vital information that Exxon or the
5 government will be given.

6 I know that Arctic Cisco is of concern. The North
7 Slope Borough Fish and Game Committee has put in a proposal to
8 the Federal Subsistence Board for an Arctic Cisco study. The
9 decline in Arctic Cisco catch over the past three years have
10 been notable or questionable and they are funding -- there's
11 funding forthcoming for the reasons -- to try to find out the
12 reasons why Arctic Cisco numbers are way off. And we know that
13 there is Endicott, there is a causeway there. We want to find
14 out what is the reason for Arctic Cisco decline of the
15 population. And it's felt as far as Barrow, Nuiqsut, Kaktovik
16 and I'm pretty sure well into Canada. So that would be of my
17 concern if there is going to be dredging. I would like to find
18 out when the dredging will be taking place. Is it going to be
19 during the migration time? I can't quite see -- I know there's
20 probably some -- I don't know if anyone brought along --
21 there'll be an EIS by EPA.

22 MR. ROCKWELL: You mean what time the EIS will be out?

23 MR. REXFORD: Yeah.

24 MR. ROCKWELL: We haven't set the dates on that.

25 MR. REXFORD: And, again -- okay, one last question

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1 then. There'll be -- and I'll just echo Carl's concern that
2 the hearing schedule -- I'm sure you would have a bigger
3 turnout -- we're just coming back from AFN. I know that the
4 deadline for comment is November, what, November 20?

5 MR. ROCKWELL: 30th. The last day of November.

6 MR. REXFORD: We are just coming back from a statewide,
7 Alaska Federation of Native Convention and the Native Village
8 of Kaktovik councilmen that are coming this afternoon, they
9 would have been here this afternoon to make some comments,
10 especially our Native Village of Kaktovik councilmen. I'd like
11 to just say or ask if there will -- the government or
12 ExxonMobil can come back after the Anchorage scoping meetings
13 to give a second chance or a second scoping meeting because it
14 is an important project for the people of Kaktovik, whether the
15 EPA or Exxon can come back, perhaps after the Anchorage meeting
16 and hold another scoping meeting to accommodate those that are
17 traveling today. They are just coming back from AFN, which is
18 an important people for the Natives of, not only Kaktovik but
19 for the Natives of Alaska, their once-a-year gathering and
20 we're just coming back today.

21 So with that, again, please consider impact
22 considerations. Pipeline height. Hunting and fishing of the
23 area. Cisco migration. Archeological findings or reports to
24 date. And any new information that will be taken by
25 consultants or groups of scientists that the residents ask

1 these questions be -- work together to pay these people at a
2 doctorate rate or whatever consulting high rates that you pay
3 for consulting fees.

4 With that, again, I want to thank you for the
5 opportunity. I know that there'll be other opportunities
6 for -- you'll be coming back for comment periods or will you be
7 coming back after EIS is drafted to Kaktovik?

8 MR. ROCKWELL: Yes.

9 MR. REXFORD: And how many times will you be coming
10 back?

11 MR. ROCKWELL: I don't know. As many as we can. And
12 as an interim response to your suggestion that we come back
13 following the Anchorage scoping meetings, let me make a more
14 immediate offer. We are going to be staying the night here in
15 Kaktovik, so it's possible from my standpoint for us to meet
16 this evening. If there's anyone who wants to meet individually
17 or if there's a group of people who would like to meet and we
18 can find a place to meet, I'm more than willing to continue
19 this discussion and have scoping -- additional scoping comments
20 later this evening. So that's certainly an opportunity today.
21 And then as far as being able to follow up after the Anchorage
22 meetings, I certainly will take that back and see if I can't
23 work something out to come back and see if we can't continue
24 the discussion with you folks. Because it is our intent to get
25 your concerns, to discuss as much as we can your views, your

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1 issues and your concerns. I can't guarantee anything. I just
2 simply don't know if I even have the travel money to be honest,
3 but we certainly will give a try to get back following that.

4 One of the things that I want to emphasize is that the
5 public scoping period ends the 30th of November, but that
6 doesn't end the input into the process. That's simply a time
7 we have to -- we have to have a time limit on the formalized
8 process. So if we can't return right after the Anchorage
9 meetings, for example, if we can return, you know, sometime the
10 first or second week of December or something like that, if
11 that works better for you folks and us, that's fine, you know,
12 there's nothing magic about that 30th of December [sic] time in
13 terms of getting input into the process and taking it into
14 consideration. We're trying to do everything before that but
15 there's nothing magic about it.

16 MR. REXFORD: Okay.

17 MR. ROCKWELL: So we certainly want to include
18 everyone.

19 MR. REXFORD: Okay. We'll be looking forward to the
20 specific airport facilities. I suppose that will come with the
21 EIS outline or the look of the buildings. The alignment of the
22 runway, those sort of things will come at a later date?

23 MR. ROCKWELL: In fact, part of that information is
24 contained in the application package that Exxon has put forward
25 and one of the things I'm hoping to do is in future newsletters

1 be able to provide more and more of that information to people.
2 We just couldn't get it in the first newsletter. We wanted to
3 call attention to these meetings and then we'll get additional
4 information out just as soon as we can.

5 MR. REXFORD: All right. Okay. I'll just finish up by
6 saying that, again, from Alpine, Deadhorse, Badami and getting
7 further east and hopefully into ANWR, that the opportunities
8 for coastal hunting is going to be restricted. Give
9 consideration for extra 10 miles by going further inland and
10 giving us an opportunity for a buffer hunting area for the
11 coastal area and fishing especially. So it wouldn't hurt to
12 give the people of Kaktovik an extra 10 miles for that extra
13 buffer zone for hunting. Thank you very much.

14 MR. ROCKWELL: And let me ask if there's anyone who has
15 any questions that they'd like to ask Fenton.

16 MR. LOHMAN: I wasn't introduced yet, but I think most
17 folks know me. My name is Tom Lohman, I work in the wildlife
18 department of the borough. Hi, Fenton, nice to meet you.

19 Fenton mentioned things like that alignment of the
20 runway and airport specifics. From the borough's standpoint --
21 Ted explained the EPA's process and the EIS process, the
22 borough is a participating agency in the EIS process which is
23 something less formal than the cooperating agency status of the
24 Fish and Wildlife Service and the Corps of Engineers.

25 We're participating because we want this document to be

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1 as good as it can be and the information that these agencies
2 have to base their decisions on be as good as it can be. The
3 borough has its own permitting process as most of you are
4 familiar with and we're looking for your input for both the EIS
5 process, but also for the borough process. So if you have
6 views on where you think the runway should be and the alignment
7 of the runway, it may be better not to wait until you see
8 what's proposed but to suggest things yourselves.

9 So those are the kind of specifics that if you have
10 them, if you have desires on the part of the community, we'd
11 like to hear those. These folks would, the borough would. And
12 again, I'm with the wildlife department of the borough and I
13 can be reached through the wildlife department. Martha, who is
14 probably coming in later today is the contact in the planning
15 department of the borough on this project. And you'll be
16 hearing from us, and George is on the planning commission and
17 they'll have hearings on this and there'll be presentations
18 before the planning commission as well. And I'm sure there'll
19 be presentations in front of the Fish and Game management
20 committee that you represent your community on.

21 So lots of opportunity for input. And, again, we'll be
22 around tonight and we can talk later on. Thanks, Fenton.

23 MR. ROCKWELL: Thank you.

24 MR. REXFORD: Thank you.

25 MR. LEFEBVRE: Ted, this is Dick LeFebvre, Department

1 of Natural Resources. I'd just like to echo exactly what Tom
2 just said, is that any of the information that you can provide
3 us now that may have an effect on the state permitting process
4 we'd appreciate it as soon as you would be able to give it.

5 MR. ROCKWELL: Would anyone else like to provide any
6 comments?

7 MR. SONSALLA: My name is Lon Sonsalla. I'd just like
8 to follow up on a couple of things Fenton has mentioned and I
9 was thinking about while we were talking about the proposal. I
10 had the same thoughts. You know, the folks from Kaktovik here
11 are the -- because we're the closest will be the most impacted.
12 And we need to somehow be compensated for that. I'm not asking
13 for any form of -- I'm not sure what I'm asking for but there
14 needs to be some kind of working with us more closely, just
15 because of where we're located and, you know, will be the most
16 impacted. The area along the coastline that we're talking
17 about as George and Fenton have mentioned is still an area
18 where people hunt caribou. And they do it during the
19 summertime near the coast. And from everything I've -- I don't
20 know if it's changed, but from everything I've seen where
21 pipelines are is a no hunting area, usually there's a, what,
22 five mile limit or something.

23 So I would back up Fenton's comments that we would
24 definitely request that the pipeline be moved inland. I know
25 from what the proposal says is that most of the condensates and

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1 the gas will be coming from offshore. And so the processing
2 units and wells and whatever will need to be close to shore but
3 as far as the pipeline, which affects 20 miles or something
4 like that, we'd like to see that away from where we would do
5 our hunting. So that's about all I have for now. Thank you.

6 MR. ROCKWELL: Thank you. Is there anyone else who
7 would like to bring something forward?

8 MS. BURNS: On the fishing part -- I'm Nora Burns.

9 MR. ROCKWELL: Could you please.....

10 MS. BURNS: They can hear me. Nora Jane Burns.

11 COURT REPORTER: Well, ma'am, we can hear you, but we
12 need it on record so it can be transcribed onto a document.

13 MS. BURNS: Okay. Nora Jane Burns. I have a question
14 on fishing. We had bad fishing this summer and usually we
15 have -- the last couple of years we had real low fishing and I
16 was wondering if you did the studies with your fishing in the
17 waters over that way. Did you do your studies?

18 MR. ROCKWELL: You mean to the east?

19 MS. BURNS: Yeah.

20 MR. ROCKWELL: East of here?

21 MS. BURNS: All the way around. I think they --
22 because we have fish all the way, coming from the rivers and
23 stuff and we had real bad -- very low fishing this year. And
24 some of the fish were not as healthy as they used to be. So
25 that was just my concern.

1 MR. ROCKWELL: Okay. We're in the process of looking
2 at the existing data that has been collected on fish. I don't
3 know the status of that right now. I know that we're not done
4 looking at it. And I simply don't know what information has
5 been collected most recently or not. I know that it was an
6 issue that was brought forward a little while ago. Dave, do
7 you know any more about where we are on that analysis?

8 MR. BUNTE: I don't have the specifics. I know there
9 have been a number of studies done to look at the fisheries and
10 we have our fisheries specialists looking at that information
11 right now to see if it's adequate to -- you know, to define the
12 existing conditions. But I don't know, they haven't finished
13 the review of the data to know whether there's enough there so
14 I can't say specifically.

15 MR. ROCKWELL: Could I ask you to come back? I need to
16 ask another question so that I understand your concern. I'm
17 sorry. This year the fishing was bad and what I'm wondering
18 is, how do you see the Point Thomson proposed development in
19 terms of fishing? In other words, is there.....

20 MS. BURNS: Because in your thing it's just you're here
21 to -- you have on your EIS thing here, it says something about
22 fish. But I was just wondering if you guys -- since you'll be
23 dumping that waste back into the -- is it going back into the
24 ocean?

25 MR. ROCKWELL: Yeah, there's one proposal to have.....

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1 MS. BURNS: So is that silt?

2 MR. ROCKWELL: Trench dredge and, yes, we go back --
3 okay, that's what I was after is so you're.....

4 MS. BURNS: Because the fish is really bad this year
5 and I know they've been doing offshore close to our area and
6 it's always muddy and the fish aren't as healthy as they used
7 to be. Because this summer I heard a few people complaining
8 some of the fish were not healthy and we weren't getting that
9 much fish.

10 MR. ROCKWELL: Okay.

11 MS. BURNS: It's kind of going down. Because the last
12 couple years when I fish I got a lot of fish, but this time
13 it's.....

14 MR. ROCKWELL: Not very many?

15 MS. BURNS: No.

16 MR. ROCKWELL: Okay, thank you.

17 MS. TRAYNOR: Hi. My name is Merilyn Traynor and I
18 guess her question carried right into mine. What is the
19 disposal that you're going to be putting into the ocean and how
20 is it going to affect the animals in the water?

21 MR. ROCKWELL: The quick answer to that is that what's
22 being proposed by ExxonMobil is in addition to the 750 foot
23 dock, solid fuel dock, they will need to dredge further
24 offshore to bring barges into that dock. They have the modules
25 that are going to be coming in. In their proposal are some

1 very, very large modules and they will take deeper draft barges
2 than the dock would get out to. So they'll need to dredge a
3 channel. The material that they dredge will need to be
4 disposed of somewhere. And so among the things being looked at
5 is disposing of that dredge material offshore, some of it
6 inside the Barrier Islands, some of it outside the Barrier and
7 looking at different sites. So that's the -- the material that
8 would be disposed of is the material that's been dredged for
9 that channel.

10 MS. TRAYNOR: So what is happening to the ocean floor
11 with that dredging process? I assume that's part of the
12 ecological environmental assessment.

13 MR. ROCKWELL: Right. We would.....

4 MS. TRAYNOR: And what's that doing to the area that
15 our fish are coming through or how does it disturb the fish
16 that they are catching here? Because they've caught fish here
17 on the Hulahula that have been tagged down on the West Coast so
18 we know they come along the shore.

19 MR. ROCKWELL: Right.

20 MS. TRAYNOR: And disposal, I thought it was disposal
21 out of the wells, you know. I didn't know what the term meant.

22 MR. ROCKWELL: Right. No, it's not -- chemical
23 disposal, that's something, you know, from onshore stuff, it's
24 what's being dredged there. And the questions that you're
25 asking are among the questions that we need to be sure that

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1 we're asking and we're answering in the EIS and I don't have
2 the answer to them.

3 MS. TRAYNOR: So when you say disposal, you mean
4 just -- it's not -- it's a movement of soils from one place to
5 another?

6 MR. ROCKWELL: Right. And the term disposal from our
7 standpoint, it's a technical regulatory term and that they're
8 not building anything with it; they're simply getting rid of
9 it. They're disposing of what they dug here and they're
10 putting it over there.

11 AUDIENCE MEMBER: Okay. I think that's what needed to
12 be clarified as to what disposal meant.

13 MR. ROCKWELL: Sure, thank you.

14 AUDIENCE MEMBER: Thanks.

15 MR. TAGAROOK: George Tagarook again. I had a few
16 questions earlier. But I want to support some of the comments
17 that are made by Fenton and some of the people that had
18 questions. But Point Thomson is our hunting area. It's been
19 our hunting area since time and immemorial like someone said,
20 before the State of Alaska or was sold or was bought from
21 Russia. And my comment is that the idea of putting the
22 pipeline in like five or 10 miles offshore would be a good idea
23 or if anybody has a study of, you know, direct barrier --
24 that's even bigger idea. The oil and gas industry has been
25 here almost 40 years now and with the new technology coming up,

1 direct barrier would be a possible better idea. I mean they've
2 had 35 years to study it and I hope some industry -- or oil and
3 gas industry can study the direct barrier process. They do it
4 in Canada. I don't see why they can't do it in Alaska. I mean
5 it's a proven fact that they have almost a thousand mile long
6 pipeline all the way to Alberta, Canada, I mean, that's oil
7 line but I don't know about 100 degree gas line.

8 But my comments are, you know, the dredging, the dock,
9 the location of the dock, dredging, disposal. Maybe the dredge
10 disposal material could be used somewhere else for erosion
11 control. Like Flaxman Island probably needs it right now. I
12 mean, put some of that gravel you're dredging and put it in
13 some areas where there's documented erosion. That's another
14 suggestion. Maybe somebody could find out where the most
15 erosion is happening in that area because, you know, we have
16 erosions every year. And fisheries, the migratory path of the
17 marine fish. Has there been a study done when dredging, what
18 time of year are they going to dredge? Is it during the summer
19 years -- or the summer months where fish are migrating or is it
20 going to be the dead of winter when there's no fish activity?

21 And archeological sites, like Fenton said, there's some
22 areas in Point Thomson area where there's evidence of sod
23 housing, Native allotment. Have EPA or Exxon approached the
24 Native allotment owners or pending Native allotment applicants
25 that have applicants in that area?

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1 The Porcupine Caribou are here during the summer.
2 They're here like 30 to 45 days a year. And I'm glad you
3 brought up the scoping process meeting with Arctic Village and
4 Venetie. I kind of misunderstood why -- or I didn't know that
5 the Porcupine went over that way. But, yeah, like our good
6 neighbors in the south, you know, good planning for keeping
7 them informed of what areas are going to be developed and I
8 appreciate that.

9 Thank you. Look forward to your Draft EIS and like you
10 said, maybe come back for another meeting. So I'll take any
11 questions you might have.

12 MR. LOHMAN: Hi, George. Tom Lohman again. Maybe I
13 don't want to get a specific answer right now; maybe we'll
14 stimulate some discussion later. I've been coming here for 15
15 or 16 years and one of the sections of the EIS that I think Ted
16 alluded to real briefly was, you know, there's the
17 environmental effects section and there's also a cumulative
18 effects section. And it's useful for the borough and the other
19 agencies, I think, at some point to sit down and have a
20 discussion and you'll do that with Steve Braund, I'm sure at
21 some point, and talk about what's going on out there now before
22 this project hits the ground. And, you know, I've been hearing
23 for years concerns about aircraft traffic interfering with
24 things. And there'll be more aircraft traffic associated with
25 this project and so you need to get some baseline information

1 about where things were historically and that's why we need to
2 talk to some of the Elders in the community. How things have
3 changed over the last 15, 20, 25, 30 years, since you've had
4 more people rafting down your rivers. You've had more aircraft
5 associated with science and with ANWR. How vessel traffic may
6 have changed offshore in the last 15, 20 years; what your
7 concerns are now.

8 So before you have the project on the ground, we know
9 what's going on out there now that may be a concern to you. We
10 heard from Nora Jane concerns about fishing impacts. And so
11 it's important that we know the things that maybe have gone
12 down a little bit in the last couple of years before '07 when
13 they're hoping to get their project on the ground. So at some
14 point we need to have more of a conversation about not just
15 what you're concerned about in terms of this project, but
16 what's going on out there right now.

17 And, you know, in addition to that there's a need to
18 get information from Elders and, again, Fenton and I agree
19 completely that there needs to be compensation for people
20 providing valuable information to the process. But we need to
21 talk to people who have used that area. If there's any reports
22 or papers in the community that maybe we don't know about,
23 whether the city itself, or the community or the tribe itself
24 have put out information or assembled information, Steve's
25 going to need to know that.

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1 MR. TAGAROOK: Okay.

2 MR. LOHMAN: You've been working with our wildlife
3 probably now for four or five years on our subsistence harvest
4 documentation process and, of course, we're going to plug Steve
5 into that process. But any information you can provide on
6 what's going on out there on the ground now is useful as well
7 as what you're concerned about in terms of the project impacts.

8 MR. TAGAROOK: Thank you, Tom for the comment. We're
9 always open to, you know, discussion and comment and having an
10 open dialogue. We do have other sources, like Inupiat History
11 Language Commission that does some of the archeological burial
12 sites, old sod houses. Maybe somebody from Inupiat History
13 Language Commission, which is the North Slope Borough, could
14 provide some of the information on that area and wildlife.

15 Like you said, we have some case studies that we did,
16 you know, with surveys from the past 10, 15 years on fish,
17 whale, birds. I look forward to hearing your EIS and look
18 forward to commenting on it, too. Thank you.

19 MR. ROCKWELL: Thank you.

20 MR. LOHMAN: Thank you.

21 MR. TAGAROOK: But we have a lot of traditional
22 knowledge. Maybe that should be a consideration for the
23 process that you're doing.

24 MR. ROCKWELL: Yes, we have written into the
25 requirements for our contractor to incorporate traditional

1 knowledge into the document just as much as we can.

2 MR. TAGAROOK: Yeah, some of that might not be written
3 but verbally. It's pretty useful and helpful.

4 MR. ROCKWELL: Right.

5 MR. TAGAROOK: Thank you.

6 MR. ROCKWELL: Thank you.

7 MS. SIMS: Carla Sims. Just real quick, I just wanted
8 to say my concern is for the caribou and our hunting in that
9 area. I know my family -- my uncles love to go hunting in that
10 area and just recently we've been going out with them, my
11 husband and I. My husband's not from around here and so the
12 last few years we've been going west and hunting west to
13 Brownlow Point and Canning, past Flaxman Island and around that
14 area. And my concern is with the pipeline being so close to
15 the shoreline and I know this was mentioned by Fenton and the
16 other previous people. I had to leave for a few minutes so I
17 don't know all of what was talked about, but my concern with it
18 being so close to the coast is that it will affect our hunting
19 in that area. And I know they hunt past Flaxman Island and
20 they always talk about Pow-3 (ph), I don't know what the other
21 name for it is, but I know they go hunting way out that way and
22 stuff. And so my concern is that the pipeline is going to be
23 too close to shore and I know you can't hunt within, what, like
24 five miles of the pipeline or something like that. I don't
25 know what the -- in Prudhoe Bay, I think that's what it is, or

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1 something.

2 But that's just my concern and I just wanted to say
3 that real quick. I've got a plane coming so I've got to go
4 now. But I just wanted to get that in.

5 MR. ROCKWELL: Great. Thank you very much.

6 MS. SIMS: Uh-huh.

7 MR. KAYOTUK: Hi, there. Melvin Kayotuk. I'd just
8 like to say, I guess, you know, I think it would be good for
9 the state or whatever, if they go through with this project and
10 plus it might mean a job for myself because I worked in Prudhoe
11 and I worked on the Badami project and the NorthStar, and since
12 then there hasn't been much going on. And just say, you know,
13 sounds like a good idea. Thanks.

14 MR. ROCKWELL: Thank you.

15 INTERPRETER: Could he speak in his own language?

16 MR. ROCKWELL: Certainly.

17 MR. AKOOTCHOOK: My name is George Akootchook.

18 (In Inupiat)

19 INTERPRETER: His name is George Akootchook. He has
20 never attended school. He is a real Eskimo person. The area
21 that you are going -- that you have been talking about and that
22 you have applied for has to be studied very carefully and
23 thought of very carefully before you do anything.

24 The pipeline, when there is an oil spill, it's spilled
25 all over, like it runs into the ocean or into any rivers and

1 it's very hard to clean up and it also touches the animals like
2 the birds that migrate down around the ocean shore or the
3 animals that live in the oceans or in the lakes or any kind of
4 water. And it damages the livelihood of the animals that
5 migrate around the water areas. If you're going to be working
6 you have to work very carefully.

7 Every summer the people go hunting around that area
8 where you are thinking of drilling and that's where most of the
9 people go hunting.

10 If you're thinking of drilling around that area, that's
11 where the caribou, the ducks and the fish and the place where
12 the Eskimos hunt around there is located, especially if you are
13 thinking of drilling. And if you're also thinking of putting
14 up the pipeline five feet above the ground, that's not a very
15 good idea at all.

16 The animals migrate around that area ever since they
17 were growing up and they have been hunting around those areas
18 for a long time ever since they were growing up from time and
19 immemorial.

20 If you're thinking of putting a pipeline up, it would
21 be better if it was under the ground instead of above the
22 ground, that way the animals that migrate would not hit those
23 pipeline areas. And if it's possible, it would be best if the
24 pipeline was underground and much better if ever something hits
25 it and also causes an oil spill.

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1 He's also saying that if you are going to have a
2 meeting, to have a meeting at a time when other people are here
3 and not at work or not out of town, that way you can have more
4 people participating and saying what they feel and be involved
5 in this decision-making, especially in this kind of crucial
6 matters.

7 Also his older brother, Isaac Akootchook, if he was
8 here, would also be attending this meeting and also would have
9 put in a word or two as to what could be said. He would have
10 something to say at this meeting if he was here and not out of
11 town.

12 He would also be happy if you could have another
13 meeting set aside in the evening time when people would be
14 present instead of during the day and come back here for
15 another second meeting so that way other people could
16 participate that were out of town and that also have a voice as
17 to what could be done.

18 That is all and he thanks you. He had me write this
19 down up here before George told me to come up here with him.
20 And he missed -- let's see, the Inupiat Eskimo's livelihood are
21 the animals in the area, in the ocean and on land and the birds
22 of the air, especially the people who live and survive on these
23 lands. God worked on these places so that the people could
24 live off of the land no matter what the people may be, whether
25 it be Eskimo, white or any color. To the Inupiat Eskimo

1 people, the land is like a garden to them because they live off
2 of the land and they can depend on these animals that they can
3 eat out of. And that's part of what he missed.

4 MR. ROCKWELL: Okay, thank you. Are there any
5 questions?

6 INTERPRETER: (In Inupiat)

7 MR. AKOOTCHOOK: No.

8 MR. ROCKWELL: Thank you. Is there anyone else?

9 MR. TAGAROOK: Reschedule for another day.

10 MR. ROCKWELL: Well, I was going to ask, what is the
11 availability of this room later tonight? Do you know, George?

12 MR. TAGAROOK: Yeah, well, you got it to 5:30 now,
13 maybe -- I don't know, 4:30. There's a plane just landing. I
14 don't know how many Elders are.....

15 MR. ROCKWELL: I know Isaac's on that plane because I
16 talked to him in Anchorage.

17 MR. TAGAROOK: You should probably break and wait for
18 some other people.

19 MR. ROCKWELL: Is anything scheduled in here tonight?

20 MR. TAGAROOK: Tonight's Bingo night. They come and
21 get ready about 6:30.

22 MR. ROCKWELL: Well, I'm all in favor of calling a
23 recess at this point. We'll leave everything set up. And
24 should we come back at 4:30?

25 MR. TAGAROOK: Yeah, because some of the people are

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1 just coming in from like AFN and maybe if we could.....

2 MR. ROCKWELL: Get on the CB?

3 MR. TAGAROOK: Yes, get on the CB, because I just heard
4 the plane coming in.

5 MR. ROCKWELL: Yeah. Why don't we say five o'clock to
6 6:30? That would give folks who come on the 4:30 plane a half
7 hour. I mean it's not much notification, but would that be
8 okay?

9 MR. TAGAROOK: Yeah, let me clear it with Ron, first.

10 MR. ROCKWELL: Okay.

11 (Off record)

12 (On record)

13 MR. ROCKWELL: We'll reconvene at 10 after five. Since
14 there is no one here and the plane is late and not going to be
15 here until after the hall is going to be taken, we will have to
16 end this scoping session right now at 10 minutes after five.
17 Thank you.

18 (Off record; 5:10 p.m.)

19 (END OF PROCEEDINGS)

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23

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25

1 C E R T I F I C A T E

2 UNITED STATES OF AMERICA)
) ss.
3 STATE OF ALASKA)

4 I, Elizabeth D'Amour, Notary Public in and for the
5 State of Alaska, residing at Fairbanks, Alaska, and court
6 reporter for Liz D'Amour & Associates, Inc., do hereby certify:

7 That the annexed and foregoing PROPOSED POINT THOMSON
8 GAS CYCLING PROJECT SCOPING MEETING PROCEEDINGS was taken
9 before Nathaniel Hile on the 28th day of October, 2002,
10 beginning at the hour of 1:30 o'clock p.m., at Kaktovik,
11 Alaska;

12 That this hearing, as heretofore annexed, is a true and
13 correct transcription of the testimony of said SCOPING MEETING,
14 taken by Nathaniel Hile electronically and thereafter
15 transcribed by Selena Hile;

16 That the hearing has been retained by me for the
17 purpose of filing the same with the U.S. Environmental
18 Protection Agency, 222 West Seventh Avenue, #22, Anchorage,
19 Alaska, 99501, as required by law.

20 That I am not a relative or employee or attorney or
21 counsel of any of the parties, nor am I financially interested
22 in this action.

23 IN WITNESS WHEREOF, I have hereunto set my hand and
24 affixed my seal this 22nd day of November, 2002.

25 Notary Public in and for Alaska
My commission expires: 12/28/02

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

PROPOSED POINT THOMSON GAS CYCLING PROJECT

TRANSCRIPT OF SCOPING MEETING PROCEEDINGS

BEFORE TED ROCKWELL, Hearing Officer
Nuiqsut City Hall
Nuiqsut, Alaska
October 30, 2002
7:00 o'clock p.m.

PANEL:

- MR. MICHAEL BARKER, ExxonMobil
- MR. MICHAEL TODD, ExxonMobil
- MR. DICK LEFEBVRE, State of Alaska Department of Natural Resources
- MR. TOM LOHMAN, North Slope Borough
- MR. DAVE BUNTE, CH2M Hill
- MR. STEVE BRAUND, Anthropologist
- MR. JIM ZELENAK, U.S. Fish and Wildlife Service
- MS. KELLEY HEGARTY, Hegarty & Associates, Community Planner and Policy Analyst

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1 P R O C E E D I N G S

2 (On record; 7:00 p.m.)

3 MS. AHTUANGARUAK: I'd like to thank everybody for
4 coming. This meeting is concerning Point Thomson. It's a near
5 shore development on the east side of Prudhoe Bay. These
6 people are from -- well, they're from all over the place. If
7 you'd all introduce yourselves. And thank everybody for
8 coming.

9 MR. ROCKWELL: Thank you, Rosemary.

10 TRANSLATOR: (In Inupiat)

11 MR. ROCKWELL: Thank you very much. Perhaps we could
12 start with an invocation. Sarah, would you lead us.

13 (Invocation)

14 MR. ROCKWELL: I would also like to thank you all for
15 coming. My name is Ted Rockwell. I'm with the Environmental
16 Protection Agency and my office is located in Anchorage. We
17 are at the beginning of a process that involves the development
18 of an Environmental Impact Statement. ExxonMobil has proposed
19 the development project, a development project in the Point
20 Thomson area over west of the Canning River. Emma?

21 TRANSLATOR: (In Inupiat)

22 MR. ROCKWELL: And the National Environmental Policy
23 Act requires the Federal agencies to look at projects that are
24 being proposed, develop alternatives and assess the impacts of
25 the alternatives and the impacts from the original proposed

1 project. We're here at the beginning of the process asking for
2 information. It is called the scoping meetings and we're
3 looking to be able to describe what is here now, the affected
4 environment, which is both what's on the ground as well as how
5 it's being used, how the area's being used. So we have begun
6 our meetings. We have had a meeting in Kaktovik. We had a
7 meeting in Barrow, and today we're here in Nuiqsut.

8 TRANSLATOR: (In Inupiat)

9 MR. ROCKWELL: The Environmental Protection Agency is
10 the first lead agency in this project. We have also invited
11 and have identified cooperating agencies. Those are agencies
12 that are working with us in the development of this. One
13 federal agency that is cooperating with us in this is the U.S.
14 Fish and Wildlife Service and Jim Zelenak, to my right, is with
15 the Fish and Wildlife Service. Another federal agency that is
16 cooperating is the Corps of Engineers. The person who is from
17 the Corps of Engineers could not make it with us tonight and
18 sends her apologies. Her name is Terry Carpenter and she
19 certainly hopes to be able to make future meetings but was
20 unable to attend tonight. The State of Alaska is working with
21 us and making sure that we exchange information and are working
22 together as closely as possible. Mr. Dick LeFebvre at the end
23 to my left is the representative from the State of Alaska. To
24 my immediate left is a gentleman who works for the North Slope
25 Borough, who I think most of you know, Tom Lohman. And to his

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1 left is a gentleman whose name is Dave Bunte. Dave works for a
2 consulting firm, CH2M Hill. EPA is using a consulting firm to
3 help us write the EIS.

4 TRANSLATOR: (In Inupiat)

5 MR. ROCKWELL: CH2M Hill works directly for EPA and is
6 doing work for us to help us write the document that we need to
7 prepare. The applicant, ExxonMobil is providing the funding
8 for the contract. So CH2M Hill is working for EPA and is being
9 paid by ExxonMobil. We have a signed agreement that separates
10 CH2M Hill from Exxon and makes the line of communication direct
11 from EPA to CH2M Hill.

12 TRANSLATOR: (In Inupiat)

13 MR. ROCKWELL: In order for us to do what we're
14 required to do under the law and prepare the Environmental
15 Impact Statement. As I said earlier, we need to be able to
16 accurately describe the environment that is found in the area.
17 We need to be able to identify issues, concerns that need to be
18 taken into account in the area for the project that's being
19 proposed and we need to be able to develop alternatives, look
20 for ways to offset some of the issues, to offset some of the
21 concerns. In order to do that we need information from
22 everyone involved, everyone who has any information that can
23 help us. That's why we're here. In order for you to be able
24 to better provide us with your concerns and issues, I've
25 invited ExxonMobil to this meeting so that they can tell you

1 what their proposed project is and you'll be able to hear
2 directly from them what they're proposing so that you'll have
3 an idea of the concerns and issues that we will need to address
4 as we write our Environmental Impact Statement.

5 The two gentlemen from ExxonMobil who are here tonight
6 are Mike Barker and Mike Todd.

7 TRANSLATOR: (In Inupiat)

8 MR. ROCKWELL: At this time what I would like to do is
9 I would like to invite Exxon to present to you their project
10 description. I would ask that if you have any questions that
11 you would please come up to the microphone so that our court
12 reporter is sure to get them. We want to be able to capture
13 all of your questions and statements so that we have them when
14 we go back, so I would ask for you to come up to the
15 microphone. Emma will translate, if necessary. Mike?

16 TRANSLATOR: (In Inupiat)

17 MR. BARKER: Good evening. My name is Mike Barker. I
18 work for ExxonMobil and I live in Anchorage and I want to thank
19 EPA and the other agencies for the opportunity to visit with
20 the village of Nuiqsut about our Point Thomson project. And
21 ExxonMobil looks forward to working with all of you over the
22 next year and a half as we permit this project.

23 TRANSLATOR: (In Inupiat)

24 MR. BARKER: I'll begin by pointing out that we have
25 brought some maps and some photographs with us tonight and if

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1 any of you would like to look at them closer or after I'm done
2 or after the meeting is over we would be more than happy to
3 lift the screen and we can go look at some of these things much
4 closer than we will during my overview here.

5 TRANSLATOR: (In Inupiat)

6 MR. BARKER: The Point Thomson Unit is comprised of 43
7 leases and it covers an area of about 116,000 acres. It's
8 located roughly 60 miles east of Prudhoe Bay or about 50 miles
9 west of the village of Kaktovik. The principal owners of the
10 leases are ExxonMobil, BP, ChevronTexaco and ConocoPhillips.

11 TRANSLATOR: (In Inupiat)

12 MR. BARKER: There have been over the past 25 years
13 roughly 19 wells that have been drilled in the Point Thomson
14 area; 14 of those wells were drilled into the Thomson
15 Reservoir. When we proposed to develop the Point Thomson
16 project, we proposed to drill 21 new wells all from onshore.

17 TRANSLATOR: (In Inupiat)

18 MR. BARKER: The project that we're proposing involves
19 the placement of gravel on approximately 225 acres out of the
20 116,000 acres which would represent about two-tenths of one
21 percent of the area in the unit, so the footprint is fairly
22 small. We estimate that in the Thomson Reservoir there is
23 approximately 8 trillion feet of gas which is roughly one-third
24 of the gas that's in the Prudhoe Bay Reservoir. We also
25 estimate that the Thomson Reservoir will produce approximately

1 400 million barrels of condensate and it's the condensate that
2 we're looking forward to producing.

3 TRANSLATOR: (In Inupiat)

4 MR. BARKER: Condensate resembles kerosene and I've
5 brought a small bottle that contains a liquid that resembles
6 condensate to give you a sense for what it will look like. We
7 hope to produce 75,000 barrels a day, which is slightly less
8 than what the Alpine field currently produces.

9 TRANSLATOR: (In Inupiat)

10 MR. BARKER: This is a more detailed map of the Point
11 Thomson area and we were proposing to build three well pads.
12 Point Thomson itself is located here. The boundary of the
13 Arctic National Wildlife Refuge or the Staines River is located
14 there and our eastern well pad is about a mile west of there
15 and then we have a central pad. And pipelines coming in from
16 those well pads into the central pad, a gravel pad and an
17 airstrip but no road from the Point Thomson field back to the
18 Dalton Highway.

19 TRANSLATOR: (In Inupiat)

20 MR. BARKER: There is approximately 13 miles of
21 pipeline between the east well pad and the west well pad and
22 there is approximately 22 miles of pipeline between the central
23 pad and the Badami pipeline. Included with that is about 14 or
24 15 miles of gravel road.

25 TRANSLATOR: (In Inupiat)

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1 MR. BARKER: Our gravel mine will also be used as our
2 fresh water source and we will have a camp for all of the
3 personnel at the central pad. All of our facilities will be
4 onshore with the exception of a short dock which is 750 feet in
5 length located at the central pad and extending out to seven
6 feet of water.

7 TRANSLATOR: (In Inupiat)

8 MR. BARKER: I'd like to tell you a little bit about
9 how we will produce the condensate and it's through a process
10 referred to as gas cycling. The wells that are drilled on the
11 east pad and the west pad will be producing wells that will
12 flow gas from the Thomson Reservoir up to the surface and over
13 to the central processing facility and each well will produce
14 approximately 100 million cubic feet of gas per day.

15 TRANSLATOR: (In Inupiat)

16 MR. BARKER: And once that gas then is collected at the
17 central processing facility it will be cooled and as it's
18 cooled, the condensate that was part of the gas drops out as a
19 liquid, much like water drops out of steam as it cools against
20 a window as it's coming out of a steaming tea kettle.

21 TRANSLATOR: (In Inupiat)

22 MR. BARKER: So once the gas is cooled and the
23 condensate is separated out. The condensate is then sent over
24 to Pump Station 1, or to TAPS, and it goes on mixed with the
25 crude down to Valdez. Any water that was with the condensate

1 goes over to an injection well and it's disposed of and then
2 the gas that's left over, which we refer to as dry gas, is then
3 reinjected back into the Thomson Reservoir. And it will be
4 injected at roughly 10,000 pounds per square inch. The Thomson
5 Reservoir is a very high pressure reservoir.

6 TRANSLATOR: (In Inupiat) What's a dry gas?

7 MR. BARKER: The gas.....

8 ISAAC: (In Inupiat) .

9 TRANSLATOR: Oh, okay.

10 MR. BARKER: I'll bet he's right.

11 TRANSLATOR: Yeah. He said it's a dry gas that's
12 already dried, already cleaned out and dried and really
13 and.....

4 ISAAC: (In Inupiat)

15 TRANSLATOR:injected back into the well.

16 MR. BARKER: That's absolutely right.

17 TRANSLATOR: Okay.

18 MR. BARKER: If some of you have gas in your homes that
19 you cook with, that's a dry gas.

20 TRANSLATOR: (In Inupiat)

21 MR. BARKER: Thank you, Isaac. I want to go back and I
22 want to point out that the gas, the Thomson Reservoir, is
23 really almost all located offshore in this area out here,
24 between the Barrier Islands and the coastline. But we're not
25 drilling from offshore. We're going to drill from onshore.

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1 And the reason we're able to keep all of our facilities onshore
2 is because we're going to be using the extended reach drilling
3 technology.

4 TRANSLATOR: (In Inupiat)

5 MR. BARKER: Over the past 25 years as we have tried to
6 plan for the Point Thomson development, we have done a number
7 of studies out in the area to better understand the environment
8 so we have studied the water, the oceanography. We have
9 studied the weather or the meteorology. We have studied the
10 mammals: the caribou, the muskoxen, the grizzly bears, the
11 whales, the polar bears. We've studied the birds, the eiders,
12 the loons and the old squaw. We've studied the fish. We've
13 studied the vegetation and we've mapped the vegetation. And
14 we've also done archeological surveys.

15 TRANSLATOR: (In Inupiat)

16 MR. BARKER: We have tried to take all the information
17 from those studies over the last several years and we've also
18 tried to take everything that we've learned since we were
19 involved in the Discovery Well at Prudhoe Bay and apply that to
20 this project to try to minimize the environmental impact to the
21 area.

22 Our pipeline will be elevated a minimum of five feet.
23 There will be separation between the roads and the pipeline.
24 Our marine activities, bringing in modules and things like
25 that, will be done in full cooperation with the whaling

1 community so that we minimize disturbance. We're going to do
2 everything that we can to try to minimize any risk from a spill
3 and to try to prevent any spill from occurring. So we're
4 trying to take all of our knowledge and we've tried to apply
5 that to this project. And we've shared all of that information
6 with these gentlemen seated here and they're going to be
7 evaluating that information in trying to help us develop the
8 best project.

9 TRANSLATOR: (In Inupiat)

10 MR. BARKER: To date the owners of the Point Thomson
11 unit have invested approximately 8 million dollars in the wells
12 that have been drilled there, in the engineering work that's
13 been done and in the leases that have been selected. In
14 addition to that, if we're successful in permitting this
15 project and being able to make the decision to move forward
16 with it, we intend to invest an additional billion dollars in
17 this project. Assuming the project goes forward, as we hope it
18 does, we believe the government revenues, through royalties and
19 taxes will be roughly 2.5 billion dollars over the 30-year life
20 of the project.

21 TRANSLATOR: (In Inupiat)

22 MR. BARKER: We estimate that during the construction
23 phase of the project there will be approximately 450 jobs and
24 then once the project comes on line and is producing condensate
25 there would be approximately 50 full-time jobs at Point Thomson

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1 and there will certainly be opportunities for Alaskans and
2 Native corporations.

3 TRANSLATOR: (In Inupiat)

4 MR. BARKER: And lastly I'd like to.....

5 MR. LAMPE: I missed the first part. Are you taking
6 questions now at your presentation or are you just going to
7 wait until the end?

8 MR. ROCKWELL: Yes, Leonard. If you have any, you
9 could come up and ask questions at the microphone so we're sure
10 to capture it?

11 MR. LAMPE: I'm the president of the Native Village of
12 Nuiqsut. I'm very concerned about this project. I feel like
13 this is going to be an impact to the village. Some leaders
14 feel that it's economically stable for us but I'm looking at
15 our cultural and our future, not our economic right now. Cisco
16 is very bad in the village right now. Fish and Game has been
17 telling us for years it's going to get better; it hasn't yet.
18 There's all these ice bridges on the Colville River, the Delta,
19 along the coast. We believe WestStar has contributed to the
20 Cisco low numbers as well as these other docks that are along
21 the coast and now you're proposing probably another dock here
22 as well between McKenzie River and the Colville Delta. So I
23 feel that's going to be an impact to Cisco, very heavy impact.

24 The pipeline height of five feet, I disagree with that
25 minimum. I wish the North Slope Borough would hurry up with a

1 coastal management plan in making it a minimum of 12 feet or
2 more. Let's be realistic, caribou are a lot higher than five
3 feet with antlers. You're going to disturb the migration of
4 the caribou with five feet pipeline.

5 Also you spend so much money on this project. If the
6 corporations have so much interest in this, why haven't they
7 spent any money on you before today? What makes you believe
8 they're going to spend any more money after this project is
9 formed to you? They spent 800 million dollars, 2.5 billion
10 without you, without your help. Eight hundred million dollars
11 didn't go to your corporations, 2.5 million didn't go to your
12 corporations and that was on studies and things that you're
13 familiar with in your area and none of us got anything out of
4 that.

15 Are we to believe that economics are going to come to
16 us in fields that we are not even qualified for? In fields
17 that we are not studied for. The things that we are qualified
18 and studied for have gone, have been spent on according to the
19 presentation of studies.

20 So, you know, I don't think economically the regional
21 or the local corporations are going to benefit from this
22 project as well as, like I said, there are other comments that
23 I wish I made earlier and I will make later on and try to keep
24 notes on. But I strongly believe that this project will not
25 benefit for the village corporations because ExxonMobil, like

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1 you said, has spent a lot of money on this project but I
2 haven't seen any of those monies, not a dollar go to our
3 village or regional corporations, in any of these millions of
4 dollars.

5 Fish and game has a big role here for this village.
6 Our Arctic Cisco has gone down. Other fishes are going down.
7 And yet you still haven't answered to us of what's happening.
8 You still permit activity in this area. You still permit
9 negative impacts in our area. When is this going to stop?
10 When we lose our culture? I thought it was Fish and Game,
11 Wildlife's role to make sure that the Alaska Natives, Alaska
12 citizens keep enduring their lives and their cultures as well
13 as the maintaining their culture and maintaining the habitat of
14 foods they've been eating for centuries. And a lot of our
15 fish, everything is in jeopardy and Fish and Game is not here
16 to help us today. You know Fish and Game needs to get serious
17 as well. Isn't ExxonMobil have a reputation in Valdez from
18 years ago? These are waters you will never be able to clean
19 up. Exxon couldn't clean up Valdez and that's in warm waters.
20 There is no proven method for our waters of oil spill clean up.
21 I can't believe anyone, any agency, state or federal would
22 permit this kind of activity with the waters we live in.
23 And I welcome you to make statements. Thank you.

24 MR. ROCKWELL: Thank you.

25 TRANSLATOR: (In Inupiat)

1 MR. ROCKWELL: Thank you. Mike.

2 MR. BARKER: The last thing I wanted to visit on was
3 the schedule for this project. We're currently in the
4 permitting and preliminary engineering phase which we hope to
5 complete in the very early 2004 time frame. At that point we
6 hope to be able to make a decision to move forward with the
7 project. Assuming that we would, we would start field
8 construction that next winter, the winter of 2004-2005 by
9 building an ice road to the Point Thomson area, building the
10 gravel structures, completing them that next summer and then
11 bringing out two drilling rigs and begin the drilling activity
12 in the winter 2005-2006 and then during the summer of 2006
13 bringing in the modules, setting them up and then in late 2006,
4 early 2007 begin condensate production.

15 TRANSLATOR: (In Inupiat)

16 MR. BARKER: That's the end of my presentation and I
17 appreciate the opportunity and I thank you for your time.

18 TRANSLATOR: (In Inupiat)

19 MR. BARKER: I know that ExxonMobil looks forward to
20 working with the village of Nuiqsut in the future.

21 TRANSLATOR: (In Inupiat)

22 MR. ROCKWELL: Thank you, Mike. As I said earlier, the
23 process.....

24 MS. EDWARDS: Excuse me, can I make comments now or do
25 you wish to wait or.....

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1 MR. ROCKWELL: Just a second and I'll invite you to.
2 We're beginning the process of developing an Environmental
3 Impact Statement. We're collecting scoping comments at this
4 time. We're going to take the comments that we get from you,
5 the information that we collect, we're going to work with that
6 and develop a Draft Environmental Impact Statement. We will be
7 coming back to you to ask you if we heard correctly the issues,
8 the concerns that you had, to tell you what we've done, how
9 we're addressing the issues, what alternatives we've developed
10 and how we've started assessing those alternatives.

11 Following that, we'll be developing Final Environmental
12 Impact Statement and we'll be sharing that information with you
13 as well. So this is the beginning of a process and we'll be
14 visiting with you more time in the future.

15 At this time, I would ask if anyone would like to
16 provide any comment, please do. And please give us your name,
17 very clearly. First, Mr. Lohman.

18 MR. LOHMAN: Sorry to interrupt you. Again, Tom Lohman
19 with the North Slope Borough. I wanted to add one thing to
20 what Ted just said. The EIS is not the end product of this
21 whole effort. Each one of the agencies you see in front of you
22 has permit decisions to make, which we will make based on the
23 EIS and other independent efforts reviewing the project. From
24 the borough's standpoint, I think most of you know how things
25 work by this time. There will be meetings in front of our

1 planning commission, there will be meetings in front of our
2 assembly. I work in the wildlife department of the borough and
3 I've been designated as the contact on the EIS team. You all
4 know Gordon Brower and Johnny Akin, those are the guys that are
5 working on this project in the planning department along with
6 Martha in the borough planning department. So we're available
7 beyond the November 30th date. The November 30th date, which
8 is the end of formal scoping on the EIS process, does not mean
9 that's the last opportunity you have to contribute information
10 or address or raise concerns about the project. The borough
11 has an independent permitting process. Each of these agencies
12 does. And there will be opportunities beyond the EIS process
13 for you to comment on this project. That's all I wanted to
14 say. Thanks, Ted.

15 MR. ROCKWELL: Thank you.

16 MS. EDWARDS: Thank you. My name is Sarah Edwards.
17 The first concern I have is about the speed of this process.
18 I'm wondering also where I can gain access to the studies that
19 Exxon has said it has performed, paid a lot of money for. I
20 want to see where those studies are coming from and who's
21 backing them. I'd also like more information on the facts that
22 he said this is a 30-year project when the numbers that I
23 received from his presentation in the fliers don't add up to 30
24 years based on how much condensate they say is in the actual
25 ground and the rate of extraction. Does this include clean up

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1 after all the resources have been extracted? And what are your
2 predictions of how the environment will recover if, in my
3 opinion, ever?

4 And also I'm a bit concerned about, after reading this
5 flyer put out by ExxonMobil, for spill prevention. There seems
6 to be a lack of Exxon's role in prevention as well as response
7 if a spill should ever occur. And I guess I'm not clear if
8 they're handing that over to the Alaska Clean Seas or if this
9 will be a partnership between the two.

10 I'm concerned about the distance of the proposed
11 drilling in the ocean and the migration patterns of the
12 wildlife as well. And I am really bothered by the fact that,
13 from what I've been told, the farthest east well pad is only
14 one mile from ANWR. And if there's any other options on
15 replacing or moving that well pad to a different area and, if
16 so, how would we gain access to that information?

17 So those are the questions I have and if you could tell
18 me where I could get that information I'd be very happy.

19 MR. ROCKWELL: Thank you. We have started a web site,
20 which will have some information on it. The data and
21 information that Exxon has is something that if you were to
22 contact them, they could decide to release that data to you or
23 not. It's theirs. Do you have anything else?

24 MR. BARKER: We've released that information to CH2M
25 Hill and to your team.

1 MR. ROCKWELL: We have the information and it's in the
2 environmental report, that's true.

3 MR. BARKER: And the documentation and all the
4 literature that's listed in the bibliography, we've now
5 transferred almost all of that information.

6 MS. HEGARTY: And, Ted, I was just going to offer, just
7 as Mike said earlier, the environmental impact process, part of
8 that is us as an independent environmental firm taking the
9 background information that's been developed by the applicant.
10 The first thing that we do and Dave can handle this much better
11 than I, is to evaluate it for adequacy and then perhaps collect
12 additional baseline to fill data gaps. Is that.....

13 MR. BUNTE: Yeah, that's correct. The Environmental
14 Impact Statement will evaluate all the information that's
15 available, all the pertinent information that's available. It
16 will review that information, determine whether it's adequate
17 in both its -- you know, the scope of the studies and the
18 reliability of the data and that will be presented, the summary
19 of that will be presented in the EIS as a section that looks at
20 the existing environment and the studies that have been done on
21 that.

22 MS. HEGARTY: And in the Draft EIS for your review.

23 MS. EDWARDS: Is it evaluated for bias as well, for a
24 full performance study?

25 MR. ROCKWELL: In the EIS we will determine the

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1 adequacy of the information that they've provided and we will
2 determine what, in addition, needs to be done, yes.

3 MS. EDWARDS: Okay.

4 MR. ROCKWELL: The EIS is our document. And I mean it
5 simply is our document; it's not their document.

6 MR. BARKER: I would just address one of the quick
7 things there that Sarah brought up and you're right, if you
8 take 75,000 barrels a day for 30 years it would add up to a lot
9 more than 400,000 million. Our peak production would be 75,000
10 barrels a day, plus or minus. We wish that we would be able to
11 produce that much for 30 years. But we anticipate after the
12 first few years that that production would decline. But we
13 would continue to cycle the gas even though the amount of
14 condensate that we produced would be a lesser amount.

15 MS. EDWARDS: Okay, thank you.

16 MR. BARKER: And, Emma, I don't know if you need to
17 translate that or not -- sorry.

18 TRANSLATOR: (In Inupiat)

19 MR. ROCKWELL: Thank you. Is there anyone else who has
20 anything else they would like to say?

21 MR. LAMPE: So much to soak up in a couple minutes,
22 give us something to say, now or never?

23 MR. ROCKWELL: No. One of the things that I want to
24 emphasize is that it is definitely not the case that we have
25 only one opportunity. As Tom said, this is an ongoing process

1 and.....

2 MR. LAMPE: Again, my name is Leonard Lampe. Thank
3 you.

4 MR. ROCKWELL: Okay, thank you, Leonard.

5 MR. LAMPE: Agencies that are giving permits for these
6 projects, aren't there laws there to help protect state
7 residents of their areas? If this was happening in Anchorage
8 or Barrow, Jacobs Adams' front yard, this wouldn't be
9 permitted. We all know that. The NPR-A is developing over
10 there and they're panicking now because Teshekpuk is being
11 looked into seriously. Oil wells is going 18 miles from Barrow
12 and now they're starting to look around. Oil has been going
13 around Nuiqsut for years and no leaders have looked this way.
14 Agencies are supposed to be looking out for the behalf of the
15 citizens. Can an agency give out a permit to activity knowing
16 there's no proven method of cleaning that oil spill in these
17 waters? Is that legal for you to permit activity knowing that
18 if a spill occurs, there's no way to clean that environment up
19 and the environment is not going to be back at its original
20 state ever again? Does that agency have assurance to the
21 village, to the people of their environment?

22 You know, things have been going on in this village for
23 many years and none of you agencies have ever given us real
24 reasons of why things are changing around us. Everybody tells
25 us global warming. That's why things are happening in your

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1 village, that's why you're not getting your Cisco, that's why
2 you're not getting your caribou migration regularly. Well,
3 there's things that are happening that everyone else doesn't
4 want to take responsibility for. Thousands of millions of
5 gallons are extracted from lakes and ponds throughout the
6 region. Maybe that's a reason why fish aren't coming here no
7 more. Ice bridges that are built on rivers ground down to the
8 bottom of the rivers making ice walls, maybe that's why Ciscos
9 aren't coming in. I've been up here all my life and I see and
10 go to all these meetings and time and time again the agencies
11 permit activities knowing our cultural and our lifestyle is in
12 jeopardy, knowing and just ignoring it seems like to us. We
13 pay taxes just like you. We have children just like you. We
14 have a lifestyle just like you. If this was happening in your
15 back yard and your front yard, you'd be making a stand.
16 There'd be a lot more media coverage, there'd be a lot more
17 things happening.

18 I'm not saying -- I'm against near shore and offshore
19 and this is pretty close to near shore when you're drilling out
20 of the ocean there -- I believe the sea bed temperatures are
21 going to change once you build that pipeline underneath. And
22 with change of temperature, fish change their migration routes.
23 Anything that changes temperature, things change. Things are
24 not the same if temperatures aren't the same. There's going to
25 be a lot of impacts, leading more to than we already are facing

1 with. A lot of air traffic during the summer of all these
2 studies, millions of dollars of studies. There's not -- I
3 don't think any studies on humans, the people that live in this
4 area, the people that hunt and fish those areas, the people
5 that whale in these areas, I don't see anything on your charts
6 of studies of people, of their impacts, of what they feel about
7 this project.

8 And maybe this is the time and the place to start that.
9 But, you know, you're doing a lot of studies on animals and
10 stuff, but you're not doing any studies on people, on their use
11 of the area, on their history of the area. We have families
12 here that reside in Nuiqsut that used to live in Deadhorse
13 which is now called Deadhorse, it used to be called something
14 else, but you call it Deadhorse. Sod houses there, they're not
15 allowed to visit there no more because you restricted those
16 areas to the public. There's historical sites all along the
17 coast. Are those going to be restricted as well on this
18 pipeline route?

19 You know, things like these, answers need to be given.
20 Like I said there's a lot of impacts more on the people than
21 anything else and yet there's no studies and no answers being
22 given to these impacted people. Like I said, you know, we're
23 losing a lot of big part of our culture already to Prudhoe Bay
24 and Kuparuk. And I hate to see any more expansion, any more
25 lost to the people up here.

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1 There's an Elder sitting over here, she grew up in the
2 Prudhoe Bay area. She's the one I'm talking about. Her sod
3 house, she's not allowed to visit it because you restricted
4 that area. Archaeologists going to her and told her, oh, this
5 is a 200-year old sod house. She laughed and said I must be
6 over 200 years old because I watched my dad build it. You
7 know, what kind of scientist, what kind of studies are being
8 done? Are they accurate? Thank you.

9 MR. ROCKWELL: Thank you, Leonard.

10 TRANSLATOR: (In Inupiat)

11 MR. ROCKWELL: Thank you, Emma. One thing I would like
12 to let you know, an issue that Leonard raised with regard to
13 asking about traditional land use, you know, asking the people
14 what -- the people who are being affected. We are, as a part
15 of this process, working on that. We have a person, a
16 contractor who's working with us, Steve Braund, who I did not
17 introduce who is sitting at the side table here who will be
18 working at some length throughout the process to get us
19 information about where people have been using the area and how
20 and what's important, what are the important cultural resources
21 and identifying them so that they can be taken into
22 consideration and aren't simply lost to the process. And we'll
23 certainly want to work very closely with you to get as much
24 information as we possibly can. Thank you.

25 TRANSLATOR: (In Inupiat)

1 MR. ROCKWELL: Thank you.

2 MR. KASILUK: Jimmy Kasiluk (ph) is my name. And I was
3 born and raised around here from the time of Pearl Harbor. And
4 there are times when caribous went by here, a lot of time,
5 every year, every summer, a whole lot of billions and billions
6 of them. Now, I'm talking about caribou route, you're talking
7 about caribou route, what they do. They go down to the water,
8 to the ocean, to cool off during the day when it's hot and they
9 spend the whole day down there in water. And you're talking
10 about five feet high, the pipe. Yesterday, I was traveling
11 from Deadhorse to here and I went under those pipes out there,
12 the snowmachine about that high, the chair level and I had to
13 go under, like this, and the caribous are not going to --
14 they're five, seven feet high, those bull caribous, they don't
15 know how to bend like people. They don't do that. They don't
16 know how. Hey, wait a minute, the pipeline is on the way.
17 When it's hot, those caribous are running down to the water.
18 Hey, we make a mistake, they separate us from the water.
19 What's the matter with these people? That's what they're
20 saying. It's hot during the day, mosquitoes are killing them,
21 they have to get to the ocean. The caribou routes, we're
22 talking about. You don't talk about the ocean. They have to
23 get in the ocean to cool off. Five feet high, that's not high
24 enough. That's my concern. Thank you.

25 MR. ROCKWELL: Thank you. Emma.

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1 TRANSLATOR: (In Inupiat)

2 MR. ROCKWELL: Thank you. Sarah.

3 MS. KANAKNONG: My name is Sarah Kanaknong. (In
4 Inupiat)

5 TRANSLATOR: Her name is Sarah Kanaknong. And she
6 knows the land around here, but she was born in Barrow. When
7 she was three months old her parents took her and her family to
8 Nuparalik, that's Cross Island and it had a lot -- also a lot
9 of Barrow people traveled with them. And in September they
10 caught a whale somewhere around Cross Island and that is the
11 beginning of her talk about her lifetime here.

12 Her father traveled and when her father traveled, her
13 and her brother traveled with their dad and she told them that
14 oil company people -- their dad told them that the oil company
15 people were going to come and look for oil and that was way
16 before anybody ever talked or said anything about drilling.
17 And then three or four people in 1930 came to look for oil and
18 they came by boat. And kerosene was the first one that they
19 used for a lamp to light -- to use for a light and that was
20 used without a mantle. Then the lamp was with a mantle came
21 next. Her father took them to hunt at Cross Island for caribou
22 and they would dry the skins and when the ships came they would
23 trade the skins for food. And once a year the ships would come
24 in and they would trade whatever they could for the staples
25 that they would need for the winter.

1 She is 80 to 81 years old and has followed the men like
2 her father and her brother, Mark, when they went out hunting
3 and out boating in the rivers. She can barely eat the white
4 man's food because she is used to eating Eskimo food. When she
5 was 16 years old they moved to Kupik and hunted for nothing but
6 -- she has hunted for food like animals. It was very hard then
7 when they were trying to make a living, but it was okay. They
8 had built a sod house and then the people, after they had left
9 that place, destroyed that sod house and ice cellars that they
10 had. And then when they went back, those people said the sod
11 house and the ice cellars that Sarah and her family had were
12 artifacts and not theirs. And when her brother and her -- when
13 her and her brother, Mark, listened to the white people talking
14 she heard that some of the artifacts were sent to the
15 University of Alaska.

16 In 1973 they returned here and started making a living
17 like the old times again. Now, in 2002 the younger generation
18 has started running this village and are sort of leading the
19 village in here.

20 The river is now almost empty and Kupik used to be full
21 of water but there's not that much water anymore. When the ice
22 melts the ice melts -- the ice that melts, it melts but the
23 second layer of the ice does not melt. The fish migration has
24 become a problem especially for the spawning of the fish that
25 go there to spawn. And she just sent out a questionnaire on

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1 what kind of foods they eat and she sent that out today.
2 Vegetation was part of what was in the questionnaire. And she
3 filled out that part also. And some of these were what they
4 would be eat -- what they would -- what she had answered in the
5 questionnaire.

6 The pipeline -- if they're going to work on the
7 pipeline, she said it has to be more than the proposed five
8 feet high from above the ground.

9 Also the Cisco used to come and spawn and also migrate
10 up here a lot, but a lot of these animals have diminished,
11 they're getting smaller. And their father used to tell them
12 that before then that this would happen and that it is already
13 happening now because it is also written in the Bible about
14 this. If she and the others went to the white people's land to
15 ask questions like these about drilling and about their habitat
16 and whatever questions and concerns that the Eskimo people had
17 and went to your towns to ask questions like this, then she
18 wonders what you people would say to them about that. But then
19 she would also like for the people to work together on this and
20 work together to do this in a peaceful way.

21 MR. ROCKWELL: Thank you.

22 MR. ALLEN: My name is Jim Allen. I'm a resident here
23 in Nuiqsut for the last 30 years or so. I was born in Canada
24 and -- though both of my mom and dad were born in Alaska. We
25 were Canadian, the other side of the Canadian border and we

1 were told by law we had to go to the nearest school, so we
2 moved to Barter Island and then that's where I got a little bit
3 of my education. Thank goodness there was this one doctor,
4 Harold Kavileak (ph), he was Native and he spoke our language
5 and that's what really helped me to understand some of the
6 things I was supposed to learn because I would never understand
7 the white people's language without his help, or his
8 interpretations.

9 And this Environmental Impact Statement, we've been
10 hearing it off and on since the oil field companies come
11 around. And the thing I mostly disagree with is the impact
12 funding that's been sent out from our impacted area, our
13 hunting grounds, our area of interest. I mean my mom and dad
14 traveled to Canada to follow around those caribous, I guess,
15 and they got married down there and us kids were born in
16 Canada.

17 But anyway, I guess what I'm trying to say is we didn't
18 have no boundaries, no restrictions because we didn't get no
19 airplanes, no helicopters and never even heard of jet planes
20 until later times. But just last time when they had that
21 September 11th down at New York when the president stop all the
22 flights, we could -- we were left alone, we had no roads. The
23 only thing that could survive us was our animals, our hunting
24 grounds. And you take Valdez when they had that big oil field
25 spill, they say they couldn't even clean that and they also had

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1 some exercise down at Prudhoe Bay to clean up supposedly the
2 oil spill and they couldn't even respond to that.

3 I'd like to comment, Leonard Lampe, he's been around
4 and he knows a lot of people's problems in our area and if we
5 have an oil spill around here, they keep telling us they can
6 take care of this, but they haven't done that to Valdez area
7 spill. And if it happens around here, like they say you can't
8 clean up the vast amount of areas that we depend on for
9 hunting. All the farmers down in the states get billions of
10 dollars, like there was 18 billion dollars for the farmers and
11 us, right here in Alaska, we don't even have no farmlands, we
12 can't grow vegetables and the only thing we depend on is right
13 here where we live and it's something like they taking a chance
14 on. If we don't have an oil spill you'll be okay, but you
15 never know we might get a bad blow-out or something. That
16 will -- we never see this funding go to our village. Geez,
17 they send it down someplace out of our impacted area. And I've
18 heard this.

19 It's our home, it's our hunting ground, but ever since
20 United States been discovered by Columbus all the Indians have
21 been driven out of their land. I mean how far is this going to
22 go on. I hear some people down in Iraq -- I mean in United
23 States is getting so much into the interest that they're
24 bombing them in their graves and this is our only survival
25 ground that we're living on. And if we have a bad oil spill

1 and they declare war and grounded all the airplanes, the only
2 thing that we depend on is our hunting grounds. Thank you.

3 MR. ROCKWELL: Thank you.

4 TRANSLATOR: (In Inupiat)

5 MS. PARKER: Hi. My name is Mrs. Parker. There have
6 been several people who have been up expressing personal
7 experiences and I'm sorry mine are not that personal, but I
8 have four basic, very basic questions and a simple comment to
9 make.

10 My first question is, what purpose does condensate
11 serve? Question No. 2: What will it be used for? No. 3: Why
12 do we have such a strong urgency to have it? No. 4: If we're
13 extracting natural gas, why aren't we also using that?

4 And my plea, I guess, we're still sitting a mile from
15 ANWR. Please don't turn the drill the other way; we need to
16 stay out of ANWR. Thank you.

17 TRANSLATOR: (In Inupiat)

18 MR. ROCKWELL: Are there any other comments?

19 MR. LAMPE: How come we're paying 3.50 a gallon for
20 gas?

21 MS. AHTUANGARUAK: Hi. My name is Rosemary. I'm a
22 resident of Nuiqsut. I'm acting mayor at this time. I'm very
23 concerned about this development. I think it's very important
24 to protect the historical/cultural use areas for our people.
25 Our Elders have taught us what's important for us to maintain a

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1 lifestyle that kept them going to get us here. We need to
2 protect what is very important to keep us going in the future.

3 The area adjacent to this development is very important
4 to us during our whaling season. Our community will be
5 severely decimated if there is an oil spill that interrupts our
6 whaling lifestyle. Our people's welfare, not only for the
7 health benefits of a nutritional lifestyle but also the mental
8 well-being that we get from the lifestyle we live will -- is
9 not something that could be replaced by shipping in food from
10 elsewhere.

11 The fear that's put into the people with these type of
12 developments cause a lot of problems with social ills. Our
13 community members have demonstrated increase in social problems
14 during times when our subsistence resources are taken away from
15 us. Previous activity in the ocean has caused us great
16 hardship during our whaling season. We've communicated
17 repeatedly that this is a very strong factor but yet more
18 meetings come to our community to enter into our garden, the
19 ocean that provides for us and sustains us.

20 Our Elders are very important to us. They need the
21 nutritional resources that the land, sea and air provide for
22 us. As we have faced the future, we've seen the badness that
23 comes from modern food styles that come in from the plane
24 loads. It's not healthy for us. We're seeing an increase in
25 health problems related to all of those problems.. Asthma is a

1 severe concern in this community. We've had increased rates in
2 asthma, especially the young children. These are all very
3 strong reasons why this project could cause us some decimation.

4 If it goes through and there is no spill, you got
5 lucky. But you put enough wells out there, sooner or later
6 there will be spill. And it's not worth our future lives to
7 take that risk.

8 We've had a lot of problems with our resources. Many
9 people have already commented their concerns to the fish and
10 the caribou. Air quality concerns with the cumulative effects
11 of all these developments that will come once this area is
12 opened up and allows more pipes to come.

13 My mother would go to the Franklin Bluffs every summer
14 because it's a vital area that provides a lot of resources.
15 I've never got to go there. There's so many pipes, for me to
16 travel from here to get there, I don't know how. I don't know
17 how to get around all those pipes. It's not even worth it.

18 To see further development out there blocking the
19 caribou's access is severely concerning. We haven't seen all
20 the effects of all the push for all the pipes that have been
21 put in the ground in the last few years and yet you want to put
22 in how many more miles. Give us a break. Give us a few years.
23 Let us see what happens first before you start putting more out
24 there that could cause a change to what we depend on. Other
25 communities are facing the same problem.

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1 Anaktuvuk has problem with their fish. The other
2 villages will face what we face as they get closer to
3 development. Learn from what we keep saying over and over.
4 Give us back some of our resources that have been lost before
5 you keep trying to risk more resources. Thank you.

6 MR. ROCKWELL: Thank you.

7 TRANSLATOR: (In Inupiat)

8 MR. ERIKLOOK: (In Inupiat)

9 TRANSLATOR: His name is Joe. He was raised and lived
10 here seven miles from Kupik.

11 MR. ERIKLOOK: (In Inupiat)

12 TRANSLATOR: He thanks the people that came here for
13 this meeting and he thanks all the people coming here.

14 MR. ERIKLOOK: (In Inupiat)

15 TRANSLATOR: He's always happy that you have come here
16 for the meetings and to hear concerns because the young people
17 here have hardly any jobs and there are a lot of young people
18 that have no jobs at all.

19 MR. ERIKLOOK: (In Inupiat)

20 TRANSLATOR: He really thanks you from the bottom of
21 his heart that you have come here to help them.

22 MR. ERIKLOOK: (In Inupiat)

23 TRANSLATOR: He said to come here, and you are welcome
24 to come again and listen to their concerns because a lot of
25 their young people do not have jobs and he really thanks you

1 for being here tonight.

2 MR. ERIKLOOK: (In Inupiat)

3 TRANSLATOR: He has a lot of things to say but he has
4 been living and has lived up here until he's now 71 years old
5 today.

6 MR. ERIKLOOK: (In Inupiat)

7 TRANSLATOR: The hunting is not really a problem in his
8 way of thinking. In his way of thinking, the drilling is not a
9 real big problem to the hunting -- to the people that hunt in
10 this area.

11 MR. ERIKLOOK: (In Inupiat)

12 TRANSLATOR: He, himself, would like to see more of you
13 people come here and listen to their concerns because of the
14 young people that do not have jobs here.

15 MR. ERIKLOOK: (In Inupiat)

16 TRANSLATOR: That is all he has to say. And he said to
17 keep on coming here and listen to their concerns because of the
18 jobs and the unemployment, the high rate of unemployment that
19 is here in Nuiqsut for the young people. And he thanks you for
20 coming.

21 MS. AHNUPKANA: (In Inupiat)

22 TRANSLATOR: Her name is Margie. She was born in 1936
23 and she was born and raised here. And she has heard and seen
24 the Elders and knows that the Eskimos lived all around the
25 coastline here and a lot of the Elders are living here in

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1 Nuiqsut and elsewhere and also the people that Sarah was
2 talking about. They were born and raised with -- or Sarah was
3 raised and born with Daniel, who now resides in Anchorage.

4 Her grandfather, Margie's grandfather lived here and
5 her father and her mother were Roger and Margie. They used to
6 go hunting for seal hunting and then they went inland for fish
7 and for seal. That book that Bud Helmricks has written, he
8 said that there were no Eskimo people living around here then,
9 but Margie knows that in 1946 there were people living right
10 around the coastline here. And in 1943 her and her husband
11 (speaks Inupiat) and land was destroyed around that area
12 (speaks Inupiat). There was also a place that had a small --
13 that had a smell of fresh flowers or real gardeny smell like
14 thing and now when you go there that smell is different. And
15 she also learned how to use a net to fish in 1974. She learned
16 how to use a net so that she could donate fish for the potlucks
17 that they had -- that they would have here.

18 And when the drilling started there was a difference in
19 the migration of the fish and the taste of the fish because of
20 the smell of the lands. Even if the smell -- a small amount of
21 smell -- a small amount of a different scent of fire, like
22 fire, the fish would not be around. And in 1944, she noticed
23 that they would dump diesel and trash right around these areas.

24 And she thanks the people, she thanks you people for
25 coming here to attend this meeting -- to have this meeting.

1 MR. ROCKWELL: Is there anyone else?

2 MS. KANAKNONG: (In Inupiat)

3 TRANSLATOR: She has something else to say.

4 MS. KANAKNONG: (In Inupiat)

5 TRANSLATOR: Her name is Sarah Kanaknong for the record
6 and wanted to talk a little bit more on this oil. She knew
7 that oil was here even before the oil companies ever thought of
8 drilling or even ever thought of looking for oil. Before they
9 even thought of oil, they used to use seal oil for light
10 because they didn't know that there was oil under the ground.
11 And then in 1935, in Umiat they -- Mark, her brother found oil
12 and it looked like water and it was real kerosene. Real
13 kerosene or pure kerosene. He poured this into a can and he
14 took it home. He took it home by boat and this oil was so pure
15 that it didn't need any cleaning. And then they knew this was
16 pure oil even before the white people knew that there was oil
17 under the ground. And up to now she doesn't know if the oil
18 company people have -- knows where it's at or, you know, where
19 it might be or even if they have drilled around there.

20 MR. ROCKWELL: Thank you. Well, I thank everyone for
21 coming and persevering to the very end. We certainly
22 appreciate all the information we've gotten. And we'll call
23 this meeting formally over and look forward to getting back
24 with you as we put together all the information that we've
25 collected. And figure out how we're going to start proceeding

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1 and start asking for your input on that. Thank you, again.

2 (Off record; 10:00 p.m.)

3 (END OF PROCEEDINGS)

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1 C E R T I F I C A T E

2 UNITED STATES OF AMERICA)
) ss.
3 STATE OF ALASKA)

4 I, Elizabeth D'Amour, Notary Public in and for the
State of Alaska, residing at Fairbanks, Alaska, and court
5 reporter for Liz D'Amour & Associates, Inc., do hereby certify:

6 That the annexed and foregoing PROPOSED POINT THOMSON
GAS CYCLING PROJECT SCOPING MEETING PROCEEDINGS was taken
7 before Nathaniel Hile on the 30th day of October, 2002,
beginning at the hour of 7:00 o'clock p.m., at Nuiqsut, Alaska;

8
9 That this hearing, as heretofore annexed, is a true and
correct transcription of the testimony of said SCOPING MEETING,
taken by Nathaniel Hile electronically and thereafter
10 transcribed by Selena Hile;

11 That the hearing has been retained by me for the
purpose of filing the same with the U.S. Environmental
12 Protection Agency, 222 West Seventh Avenue, #22, Anchorage,
Alaska, 99501, as required by law.

13
14 That I am not a relative or employee or attorney or
counsel of any of the parties, nor am I financially interested
in this action.

15
16 IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my seal this 27th day of November, 2002.

17
18
19 _____
Notary Public in and for Alaska
My commission expires: 12/28/02

20 S E A L

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1
2 UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

3
4 PROPOSED POINT THOMSON GAS CYCLING PROJECT

5
6 TRANSCRIPT OF SCOPING MEETING PROCEEDINGS

7 BEFORE TED ROCKWELL, Hearing Officer

8 Venetie Council Office

9 Venetie, Alaska

November 5, 2002

1:30 o'clock p.m.

10
11 PANEL:

12 MR. MICHAEL BARKER, ExxonMobil

MR. MICHAEL TODD, ExxonMobil

13 MR. DICK LEFEBVRE, State of Alaska Department of
Natural Resources

14 MR. DAVE BUNTE, CH2M Hill

MR. STEVE BRAUND, Anthropologist

15 MR. BRIAN LAWHEAD, ABR

MR. JIM ZELENAK, U.S. Fish and Wildlife Service

MS. KELLEY HEGARTY, Hegarty & Associates, Community
Planner and Policy Analyst

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Page 2

1 P R O C E E D I N G S

2 (On record; 1:30 p.m.)

3 MR. RICKY FRANK: First of all, I'd like to welcome you
4 folks to Venetie and be comfortable here. But before we start,
5 I'd like to introduce my people before we go on. First, I'd
6 like to introduce our traditional chief, Abraham Henry, Sr.,
7 and I'm the acting chief. My name is Ricky Frank. And my
8 second chief, Amos Frank. And my council member, Myra Thumma
9 and Eddie Frank, Patrick Hansen, Lance Whitwell. Yeah, I
10 didn't know really much about the hydrocarbon development you
11 guys are reporting, but I thought after that you guys were
12 having a workshop here and today is the day. I just found out
13 about a week ago when I became acting chief. So that's all
14 I've got to say, so I'll hand it over to you, Kelley.

15 MS. HEGARTY: And I'll hand it right to our chief.

16 MR. ROCKWELL: Thank you, very much. My name is Ted
17 Rockwell.

18 MR. RICKY FRANK: Well, excuse me, sir.

19 MR. ROCKWELL: Yes?

20 MR. RICKY FRANK: Oh, sorry about that. I forgot about
21 that, too. Can we all stand up for the.....

22 (Invocation)

23 MR. ROCKWELL: Thank you very much. My name is Ted
24 Rockwell and I'm with EPA and my office is in Anchorage. What
25 I'd like to do is I'd like for all of us on the EIS team to

1 identify ourselves as well so that we know who everyone is. If
2 we'd start with Kelley.

3 MS. HEGARTY: My name is Kelley Hegarty, and I'm a
4 community planner working for Ted through CH2M Hill.

5 MR. BUNTE: My name is Dave Bunte. I'm the CH2M Hill
6 project manager. We're working with EPA. We're the folks who
7 will actually prepare the Environmental Impact Statement for
8 the Point Thomson project.

9 MR. LEFEBVRE: I'm Dick LeFebvre. I'm with the State
10 Department of Natural Resources. I will be coordinating all
11 the state permitting authorizations for the Point Thomson
12 project.

13 MS. HEGARTY: Our pilots are back here.

14 MR. ROCKWELL: Joe and Tom. Joe and Tom, our pilots,
15 are back there.

16 MS. HEGARTY: Joe and Tom.

17 MR. EDDIE FRANK: Good guys.

18 MR. BUNTE: The most important folks.

19 MS. HEGARTY: Yeah.

20 MR. BARKER: My name is Mike Barker. I work for
21 ExxonMobil.

22 MR. ZELENAK: My name is Jim Zelenak. I work with the
23 U.S. Fish and Wildlife Service in Fairbanks, and we're a
24 cooperating agency with the EPA.

25 MR. LAWHEAD: I'm Brian Lawhead. I'm from Fairbanks.

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1 I work for a company called ABR and we're subcontracted to help
2 write the Environmental Impact Statement, the EIS, and I'm
3 working on some of the biological issues, especially the
4 caribou and some of the other mammals.

5 MR. ROCKWELL: And Steve.

6 MR. BRAUND: I'm Steven Braund. I'm an anthropologist
7 from Anchorage and I'm working on the EIS with CH2M Hill and
8 I'm working on the anthropology, cultural resources, and
9 subsistence.

10 MR. TODD: And I'm Mike Todd with ExxonMobil in
11 Anchorage.

12 COURT REPORTER: And I'm Liz D'Amour, court reporter
13 from Fairbanks.

14 MR. ROCKWELL: We have Liz transcribing a verbatim
15 transcript of our scoping meeting so that we're sure to capture
16 all the questions and issues and concerns that are raised at
17 the various meetings we have. We're writing an Environmental
18 Impact Statement on the proposal that ExxonMobil has made to
19 have a development on the Beaufort Sea. Welcome.

20 MR. WHITWELL: This is Clarence Frank. He's the youth
21 representative, the youth counselor in Venetie.

22 MR. ROCKWELL: Our process is spelled out pretty much
23 by the National Environmental Policy Act, NEPA, and we have
24 permit decisions that need to be made at the federal level and
25 at the state level. At the federal level, two agencies in

1 particular are cooperating agencies with EPA as the lead agency
2 for this Environmental Impact Statement. Those two agencies
3 are Fish and Wildlife Service and Jim Zelenak is the
4 representative from Fish and Wildlife Service for this project,
5 and the other is the Corps of Engineers. The representative
6 for the Corps of Engineers is Ms. Terry Carpenter and she was
7 unable to join us here today. Sends her apologies, but just
8 simply was unable to make it with us.

9 One of the reasons that it's so important to us to have
10 the verbatim transcript is that even though Terry won't be
11 here, she will be able to read everything that has gone on and
12 will be able to get a sense of what the issues and concerns are
13 that are raised here.

14 The process is at the very, very beginning and I think
15 there's a hand -- yes, this map over here -- it's not a map.
16 This chart over here shows the NEPA EIS process and the little
17 arrow at the top, right at the very beginning. We're at the
18 beginning called scoping and it's the time when we're asking
19 for information on issues, concerns, any possible alternatives
20 that we need to look at as we're preparing the Environmental
21 Impact Statement. We'll take the scoping comments which in the
22 formal sense are -- the comment period is until the end of
23 November, the 30th of November. Following that, we will put
24 together something that's called a Responsiveness Summary, but
25 what we're doing is looking at the comments and the issues and

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1 trying to figure out what we need to do to address those.

2 When we have the Responsiveness Summary, we will
3 continue to provide the information to you, come back and say,
4 did we -- did we hear it right? You know, we've got the
5 transcript. We think we understand what we heard. Did we get
6 it right? Did we miss something? This is what we're -- this
7 is how we're planning to proceed, this is the direction that
8 we're going in. And follow that, then, with the development of
9 the Draft Environmental Impact Statement, which is another
10 opportunity for us to meet with you and again ask for your
11 comments on what we've been able to produce in that draft
12 document. Following that process, we will revise the EIS,
13 develop a Final Environmental Impact Statement, and move
14 forward toward making decisions on permits and conditions to
15 permits.

16 So we really have a process that has just begun. It's
17 our intention to include as many people as possible, to listen
18 to as many people as possible so that we're sure to get a full
19 set of issues and concerns and make the Environmental Impact
20 Statement something that's very useful to the people who have
21 to make the decisions. I've asked ExxonMobil, who is the
22 applicant, to attend these meetings with us so that they could
23 provide a description of their project and you will be able to
24 hear directly from them what -- what they're proposing. So at
25 this time, unless there are any questions that you would have

1 of me at this point, I would ask Mr. Mike Barker from
2 ExxonMobil to give you a presentation of their proposed
3 project.

4 MR. BARKER: Thank you, Ted. We appreciate the
5 opportunity to be here, and thank you for the welcome here in
6 Venetie. We've put some maps up on the wall back in the back
7 and if you would like to see better where the Point Thomson
8 project is relative to Venetie, we've got a map back there in
9 the hallway that will show you. I think also this map over on
10 the wall over here behind Mr. Braund gives you an indication of
11 where we are today here in Venetie and where the Point Thomson
12 project is up on the Beaufort coastline, just west of the
13 Canning River.

4 I don't know if everyone can see that okay or not.

15 MR. ROCKWELL: How about if I move and you can stand on
16 this side. There we go.

17 MR. BARKER: Sure.

18 MR. ROCKWELL: Yeah, that way -- because I think most
19 folks are here.

20 MR. BARKER: There we go. So today we're down here to
21 the south and the Point Thomson project is this area in yellow,
22 which is, oh, roughly 60 miles east of the Prudhoe Bay field
23 and roughly about the same distance west of the village of
24 Kaktovik, and it's located on the coastline and there are 43
25 oil and gas leases in the Point Thomson Unit. They make up

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1 about 116,000 acres and they're -- those leases are held by --
2 primarily by ExxonMobil and BP and ChevronTexaco and
3 ConocoPhillips.

4 To date, there have been 19 exploration wells that have
5 been drilled in the Point Thomson area, first starting in the
6 early '70s and then drilling continued up through the '90s.
7 Over that period of time, 14 of those 19 wells went into what
8 we refer to as the Thomson Sand or into the Thomson Reservoir,
9 which is about 13,000 feet down and it's that particular part
10 of the formation that we're hoping to develop. When we develop
11 Point Thomson, we would plan to drill 21 new wells and they
12 would all be drilled from onshore and we would be using
13 extended reach drilling technology that allows us to drill down
14 and then as we get deeper into the ground, then, we can begin
15 to drill out and to reach out so that we don't have to drill
16 from offshore where most of the reservoir is located. We plan
17 on placing gravel on approximately 225 acres of the 116,000
18 acres in the unit and that comprises about two-tenths of one
19 percent of the area in the unit.

20 The Thomson Reservoir is mostly a gas reservoir. It
21 holds a lot of natural gas and we estimate that there's
22 approximately 8 trillion cubic feet of gas and then in addition
23 to that -- I'm going to move over this way now, I think. In
24 addition to the 8 trillion cubic feet of gas, we're hoping to
25 produce a liquid that we refer to as condensate. Condensate is

1 a lot like kerosene or maybe even a little bit similar to the
2 fuel oil that you would be using to run the heater over there.
3 It's a higher grade, a higher quality than most crude oil and
4 more like a fuel, more like almost a refined product than what
5 you typically think of as crude oil. And then at the peak of
6 production for the Point Thomson project, we would hope to
7 produce roughly 75,000 barrels a day of condensate.

8 This is a little closer view of the Point Thomson area
9 and I'm going to use a few additional transparencies to show
10 you a close-up of some of these facilities and then also some
11 photos of what the area looks like there today. As I've noted
12 earlier, all of the facilities that we're proposing to build
13 would be onshore with the exception of a small dock, which
14 would be located right here in the center of the proposed
15 development. In addition to just the dock being there kind of
16 at the center of the development, we're proposing to build a
17 central pad right here where our processing facilities would go
18 and where some of the wells would be drilled. This area is
19 about 35 acres in size and I've got a close-up, a closer view
20 of it and you can see in this drawing here the dock extending
21 out into the water approximately 750 feet and then an outline
22 of where the central pad would be located with some wells
23 drilled along this side of the pad, a drilling rig and all of
24 the drilling equipment located up in there, the processing
25 facilities down here, and then the camp facilities where the

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1 workers would be staying down there on the southern end of that
2 pad.

3 The first photo that I have over here is looking from
4 the west towards -- towards Point Thomson and that's -- you can
5 see right along the coastline here and this is more back
6 towards Prudhoe Bay, about halfway between Prudhoe Bay and
7 Point Thomson looking east towards the Point Thomson area. And
8 then the central pad facility that's shown up here in this
9 transparency, this is what that looks like today. There was an
10 exploration well that was actually drilled there in the early
11 '80s and that's the Point Thomson Number 3 Well that was
12 drilled on that pad. So our new facility would be built right
13 on top of that existing gravel pad that's there today. The
14 actual Point Thomson itself is this spit that extends out
15 further into the water and then the dock that we're proposing
16 would be going out into the water, out into that area there.
17 Just another view of that central pad, similar to the one
18 that's up on the wall is shown there. And you can see in this
19 drawing, you can really make out the existing gravel pad that's
20 there today and then in the pink you can make out the new
21 gravel pad that would be built on top of it.

22 (A member of the community attempts to enter meeting
23 room)

24 MR. BARKER: It's an obstacle course. You're welcome
25 to come in. Should I go get him?

1 MS. HEGARTY: Yeah.

2 AUDIENCE: Yeah.

3 MS. HEGARTY: Bring him in!

4 MR. BARKER: They said you can't leave yet.

5 (General laughter)

6 MR. BARKER: In addition to the central pad, we've also
7 got two other pads that are going to be to the east and the
8 west where we'll also be drilling wells, and we just simply
9 refer to them as the east pad and the west pad, and the one
10 that you see here is the east well pad and it's located about
11 six miles to the east of the central pad and on that we're
12 proposing to drill seven wells on that pad. And you can see
13 it's roughly, oh, just under 600 feet by roughly 400 feet, and
14 then you can see the road coming off of that pad that would
15 then connect it back to the central pad. I think that pad
16 is -- it's roughly six acres in size, which is more typical of
17 a well pad up on the North Slope. And, actually, we've got a
18 photo of the area that's there and that's taken -- that's a
19 photo taken today where the east well pad would be built in
20 that area right there.

21 This is -- this transparency shows the west well pad
22 and I believe there's going to be six wells drilled on that
23 pad. And on the east pad and the west pad, these last two pads
24 that I've talked about, the wells that are going to be drilled
25 on those pads are referred to as producing pads -- wells.

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1 Those wells, the gas will flow from the reservoir up to the
2 surface and then it will go through a pipeline over to the
3 central pad and then the wells that are at the central pad we
4 refer to as injection wells and they take that gas and then
5 they reinject it back down into the Thomson Reservoir. And I
6 have a photo of what it looks like at the west well pad today
7 and it would be built in that area right there. And, again,
8 it's about the same size as the east well pad, five or six
9 acres. And you can see here - I hope you can see it from where
10 you're sitting - you know, where the wells would be drilled and
11 then how the drilling rig would sit in that area just adjacent
12 to the wells and would move back and forth as it moved from one
13 well to another, and then how the hooked up pipe and cement and
14 things that are used to drill the wells would be stored and
15 kept on the pad while they're drilling the wells. And, again,
16 a road running from that pad back to the central pad.

17 There would be -- we're not proposing to build a road
18 that would connect the Point Thomson development back over to
19 the Dalton Highway or back to Deadhorse. And so we would get
20 there by air or by water and then in the wintertime, in some
21 winters, we might build an ice road that would go from the
22 Deadhorse area over to Point Thomson. The airstrip that we're
23 proposing to build would be similar to the new airstrip that
24 you're having built here, about 5,000 feet long if we need it.
25 It would be sized for a C-130 or a 737, but probably most of

1 the air traffic that would go in and out of there would be more
2 like the smaller aircraft that you typically see here: Twin
3 Otters and Beechcraft 1900s and just similar aircraft to that.

4 I've also got a close-up of the dock area because one
5 of the other things that we'll be doing in addition to building
6 the dock is we'll be dredging an area just offshore of it. The
7 water is very shallow in the Point Thomson area and a lot of
8 the facilities that would be brought in to that central pad
9 will be coming in on a barge and those barges would require
10 nine feet of water. And in order to be able to achieve nine
11 feet of water, we'll be building the dock out to approximately
12 seven feet of water and then dredging off of the front of it to
13 get it down to nine feet so that we would be able to bring the
14 barges in.

15 Once all of that was built, in addition to all of this,
16 there would be a pipeline, then, that would run from the
17 central pad back west and it would tie into other existing
18 pipelines and the condensate would go down that pipeline and it
19 would end up at Pump Station 1 and then it would go down the
20 TransAlaska Pipeline along with the crude oil that's produced
21 at Prudhoe Bay and Kuparuk and then down to Valdez and loaded
22 into tankers there.

23 I guess the next thing I'd go over would be a little
24 bit about what gas cycling is. Gas cycling is something that
25 we do at Prudhoe Bay today, but you don't hear people talk

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1 about it so much because most of the production that's at -- in
2 most of the North Slope oil fields is pretty routine crude oil
3 production. The oil flows up through the wells to the surface,
4 it's separated from the gas and the oil in the facilities and
5 then goes into the Pipeline and is shipped on down to Valdez.
6 In addition to standard crude oil production on the North
7 Slope, there's a lot of gas, natural gas in the Prudhoe
8 Reservoir and that gas also has condensate in it. When it's in
9 the ground at pressure, a lot of these fluids won't look like a
10 fluid. They'll behave and look more like a gas. But as you
11 bring them to the surface and you relieve that pressure and you
12 cool the gas, then, that condensate drops out. Somewhat like
13 steam as steam coming off of a tea kettle begins to cool in the
14 kitchen, as it hits a cold window, you'll see the water
15 droplets drop out on the glass. That water was a gas and then
16 it condensed on the window, and that's why we call this
17 high-grade crude that drops out of the gas, that's why we refer
18 to it as condensate. So as it comes up out of the production
19 wells that are located on the east and the west pads, it's
20 cooled and then it's separated from the gas. It's then
21 stabilized. Any water that might be with it is reinjected into
22 the rocks way down below the surface and then the condensate
23 goes off to the TransAlaska Pipeline. The gas that's
24 separated from that condensate, it's reinjected into the
25 Thomson Reservoir and it's reinjected in those central wells.

1 Then, the gas moves through the rocks over to the east and the
2 west wells, it comes back up to the surface and brings more
3 condensate with it where it's separated out in the central pad
4 and then it's reinjected in those wells. And so you can see
5 that we kind of -- we cycle that gas in order to get the
6 condensate from it.

7 We have known about the gas reservoir at Point Thomson
8 for a number of years. The first well that was drilled into
9 the Thomson Reservoir was drilled in 1977. And there's a lot
10 of gas there, but there's no gas pipeline and so we've never
11 had an ability to develop that resource until we decided that
12 we could come up with a gas cycling process that would work in
13 a high-pressure reservoir like the Thomson Reservoir. So over
14 all of that time that we've been evaluating what to do with the
15 Thomson Reservoir, we've done a number of studies and many of
16 them have been -- we've studied it even more in the last few
17 years, of the oceanography of the area, the weather, the
18 meteorology, all of the animals of the area - the fish, the
19 birds, the mammals, the caribou, the polar bears and the
20 other -- the critters that all live up there - trying to
21 understand what's important to them so that we are careful
22 about where we build our facilities and where we put our
23 pipeline. And then in addition, we've mapped the vegetation in
24 the area, trying to understand where the higher quality
25 habitats were, again, using that influence where facilities

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1 would go, and then also doing archeological surveys in the
2 area.

3 So those studies, coupled with all of the experience
4 that we and our partners have had over the last tens of years
5 up on the North Slope, we've tried to incorporate those
6 learnings into the Thomson project. So we're elevating our
7 pipeline to a minimum of five feet; we're proposing to separate
8 our roads and pipelines to make it easier for the animals to
9 move through the area. We're doing a variety of things like
10 that to try and minimize our impact.

11 We -- I suppose we wish we hadn't spent so much, but we
12 have spent roughly 800 million dollars on the Point Thomson
13 area to date, just purchasing the leases and oil and gas lease
14 sales, drilling the 19 wells that I mentioned earlier. They're
15 very expensive wells to drill. We also estimate that if we
16 were to move forward with this project, we would spend roughly
17 an additional billion dollars in building the facilities and
18 building the roads and the pipelines and the camp facilities
19 for the people up there. We estimate that the project could
20 last 30 years. There's enough gas and enough condensate in
21 that reservoir that we could cycle the gas for 30 years. It
22 wouldn't always produce 75,000 barrels a day. You know, after
23 the first few years that production would decline, but it would
24 still be enough for the project to remain a viable project. We
25 would estimate that the taxes that would be paid to the state

1 and the North Slope Borough and other folks would amount to
2 something on the order of about 2.5 billion dollars over that
3 time.

4 Not as many jobs as some of the other projects that
5 you've seen over the years like the Pipeline and Prudhoe Bay
6 and all. At Point Thomson, the construction jobs would peak at
7 around 450 jobs in the 2004 to 2007 time frame and then when we
8 went into production, full-time jobs would be something on the
9 order of 50 jobs. And we believe that there would be a lot of
10 opportunities for all Alaskans on this project.

11 The last slide I'll show is a slide of our schedule for
12 the project. We first began writing reports and submitting
13 permit applications in the middle of 2001. We're in the
14 permitting phase now. We hope to receive our permits by late
15 2003, early 2004. Once we received our permits and we -- if we
16 receive our permits and they're acceptable and all, then we
17 would make a decision on whether or not to move forward with
18 the project at that time. Assuming that we were to move
19 forward with the project, we would begin construction in the
20 winter of 2004-2005, building an ice road out to the area,
21 mobilizing excavation and hauling equipment out there and
22 beginning to build the airstrip and the dock and the pads and
23 the roads that I showed you. And then in the summer of 2005,
24 beginning to barge out the drilling rigs and the drill pipe and
25 mud, things like that, and then beginning drilling in the

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1 winter of 2005-2006. Then in the summer of 2006, we would hope
2 to bring in the large modules that would comprise that Central
3 Production Facility at the central pad and begin installing
4 them in the fall of 2006 and then hoping to go into production
5 by late 2006, early 2007.

6 And that completes my summary of the project. And I
7 appreciate your attention, and I didn't mean to run that young
8 fellow off when he walked in the room.

9 MR. ROCKWELL: Thank you. I would also like to ask at
10 this time -- Brian Lawhead is working for us on biological
11 matters and, in particular, I wanted him to give just a very
12 brief description of the project and what we know about the
13 various caribou herds and the project.

14 MR. LAWHEAD: I'll stick it up here.

15 MR. ROCKWELL: Yeah.

16 MS. HEGARTY: And, really, our goal here is to learn
17 from you. As Ted said earlier in the meeting, the goal of
18 scoping is to learn from the people who live in the area. So
19 we're here today to collect your comments and Brian, as he
20 would be quick to tell you, would not presume to know as much
21 as you all know about caribou, but wanted to share with you the
22 latest Western science about caribou and get your comments on
23 that data and that information.

24 MR. LAWHEAD: Yes. What I'm going to talk about is our
25 current understanding of the biology of the caribou herds that

1 use that area and then where the project is located in relation
2 to the caribou that you would hunt in this area, that migrate
3 south from the North Slope.

4 MR. ROCKWELL: Would it help if I turned this light on
5 to light -- brighten it?

6 MR. LAWHEAD: Is there too much reflection on there?
7 Is that okay?

8 AUDIENCE MEMBER: That's good.

9 MR. ROCKWELL: That's better?

10 MR. LAWHEAD: All right. So these are the four Arctic
11 caribou herds. It doesn't have the Fortymile Herd or any of
12 the Interior herds on here, but just the Western Arctic Herd.
13 And the way wildlife biologists define caribou herds is by the
14 calving grounds; their fidelity or their tendency to return to
15 the same areas to calve. So these are the calving grounds of
16 the Western Arctic Herd. This is the calving grounds of the
17 Teshekpuk Lake Herd. The calving grounds in red are the
18 Central Arctic Herd and the calving grounds in blue of the
19 Porcupine Herd. Now, the Point Thomson project is located
20 right in this area here. And these maps are based on, in most
21 cases, up to 20 years or more of radio collar locations and
22 then they look at the areas that the animals move to in the
23 winter and then come back to in the calving period. Most of
24 them are collared females or cow caribou. So they have a
25 pretty good idea of the calving grounds.

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1 Point Thomson project is right in this area and it is
2 used for calving by the -- what's called the eastern segment of
3 the Central Arctic Herd. The Central Arctic Herd tends to
4 split into two groups in the summertime, east and west of the
5 Prudhoe Bay Oil Field, which is right here, and the calving by
6 the western segment is over here near Nuiqsut and Colville
7 River and the calving by the eastern segment is over here, sort
8 of to the southwest of the proposed Point Thomson development.
9 And then this is the boundary of the Arctic Refuge here, which
10 is the Canning River, and then in -- and then when you get east
11 of the Canning River, you get into the area that is -- begins
12 to be used by the Porcupine Herd for calving. The other shaded
13 areas here are the summer ranges of those herds and this -- I
14 should mention this information that this map was based on was
15 a couple years old. We're now updating that information and
16 the herd boundary of the Porcupine Herd now is considered to
17 run more in a straight line from here down to here. So there's
18 overlap. The main point is there's overlap in this area around
19 the Canning River between the Central Arctic Herd and the
20 Porcupine Herd.

21 Based on the radio collar locations over the years,
22 there's no known calving by the Porcupine Herd over in the
23 Point Thomson area. That's all -- all the calving by the
24 Porcupine occurs east of the Canning River, but in some years,
25 especially in the late 1980s, some of the Porcupine Herd

1 animals moved west across the Canning during the insect season,
2 which is the period in July when the mosquitoes are harassing
3 them. Most of these animals, certainly the Central Arctic Herd
4 animals, use the coastline a lot. When it's cool and windy,
5 they'll move inland away from the coast when the mosquitoes
6 aren't so bad and then when it gets warm and buggy, they turn
7 and they go back up to the coast. So those are the types of
8 movements that would be occurring in the Point Thomson area.
9 Inland movements in cool weather and coastal movements in warm,
10 buggy weather.

11 The Porcupine Herd, after calving, they'll often stay
12 in this area and then there is some movement along the -- this
13 is Camden Bay. There is some movement along the coastline near
14 Camden Bay. But in most years, they don't hang out here nearly
15 as long as the Central Arctic Herd does and the Porcupine Herd
16 animals begin moving south in July. The Central Arctic Herd
17 will stay here through July. And in the late 1980s, there was
18 substantial overlap in this area between some of the Porcupine
19 Herd animals and the eastern Central Arctic Herd animals.

20 So in general the project area is used by Central
21 Arctic animals. In some years in July there may be some use of
22 the area by the Porcupine Herd. And then they move south, as
23 you're aware of, in the fall and so the animals that you're
24 getting down -- here's Venetie down here, are thought to be
25 primarily Porcupine Herd animals, but in some years these

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1 Central Arctic Herd animals come pretty far south as well.
2 And, for instance, last winter the people in Arctic Village got
3 a fair number of Central Arctic animals. I think that Evon
4 Peter told me yesterday they thought they got seven -- they got
5 at least seven radio-collared Central Arctic Herd animals up
6 there from Arctic Village last winter. And then again in the
7 spring, you know, the movement is back up to the coastal plain
8 for calving.

9 The Central Arctic Herd is the herd that's been studied
10 the most in relation to the impacts of oil development. So
11 there's a lot of information available on that herd and this is
12 the herd primarily that we will be using when we do the
13 analysis of probable environmental impacts: what we think is
14 going to happen, how we think caribou will react to the project
15 development.

16 As I am -- just now, we're beginning to prepare to
17 write the EIS sections and I'm going to make an effort to
18 incorporate all of the latest information that I can get from
19 the U.S. Fish and Wildlife Service and the Department of Fish
20 and Game on all the telemetry locations, all the radio collar
21 locations, and also ExxonMobil has sponsored some summer
22 surveys in this area during calving and insect seasons since
23 about 1993. So all of those data will be incorporated into the
24 analysis. And then Steve Braund will be looking at the
25 subsistence harvest information of caribou by various villages

1 and communities. Any comments or questions? Yes?

2 MR. EDDIE FRANK: You said you were going to do most of
3 your study information from the Central Herd and you made a
4 comment earlier that Prudhoe Bay was in the middle and there's
5 two sections of the Central Herd. My question would be how
6 effective will that be? Because that herd has already been
7 exposed to development.

8 MR. LAWHEAD: Well, all I meant was that the available
9 information on how caribou react to development comes from that
10 herd because.....

11 MR. EDDIE FRANK: Yeah, I mean but it comes from that
12 herd, but that's -- I mean they've already been exposed to
13 development.

14 MR. LAWHEAD: Right. Right.

15 MR. EDDIE FRANK: Now, if you were to study the
16 Porcupine Herd, which hasn't been exposed as much, maybe you'll
17 have quite a different answer.

18 MR. LAWHEAD: Right. And that's correct. Early on in
19 the studies of behavior or the responses of the Central Arctic
20 Herd to pipelines and roads -- for instance, we saw pretty
21 strong behavioral reactions to a pipeline overhead. And it's
22 rare now to see those types of reactions. We believe that
23 what's happened there is a process called habituation or
24 learning, so that the -- and this hasn't really been well
25 worked out in terms of, you know, statistics, but the

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1 impression of biologists that have worked up there for a long
2 time is that you see many fewer of those severe reactions to
3 the pipe, for instance, that you saw in the first year.

4 So in any situation where you have a group of animals
5 that hasn't been exposed to things like that, you would expect
6 that the first time they encounter them, they might react more
7 strongly than they would after being exposed for some period of
8 time. You know, as far as the Point Thomson project and.....

9 AUDIENCE MEMBER: You've got to move away from the
10 door.

11 MR. LAWHEAD: Thanks.

12 MR. ROCKWELL: Actually, there's two people coming in.

13 MR. LAWHEAD: If I stand here, I'll be safe. Since the
14 east and west portions of the Central Arctic Herd are not
15 exclusive - there's movement back and forth among years - so
16 that most of the animals in the Central Arctic Herd have been
17 exposed to, you know, pipelines or roads. So we feel pretty
18 confident that we can predict the reactions of caribou, Central
19 Arctic caribou to those developments and since that's the herd
20 that uses it most, that should be a fairly accurate picture.
21 Now, admittedly, if we did get large numbers of Porcupine Herd
22 animals moving west, as they have on occasion in the past like
23 in 1988 for instance, then you might expect that there would be
24 a different reaction. And we'll -- you know, we'll try and
25 factor that into our analysis. The herd that actually

1 encounters development the least is the Teshekpuk Herd and
2 you'll see that, you know, movements of these collared animals
3 come way down here into the Central Brooks Range as well down
4 near the Dalton Highway. And there have been a few crossings
5 in this area, but the biologists that I've talked to that have
6 looked at them in relation to some of those areas think that
7 they may be more sensitive to pipelines and roads than the
8 Central Arctic Herd animals. The Porcupine Herd, a lot of
9 those animals do cross the Dempster Highway in Canada, but they
10 don't have to encounter pipelines.

11 MR. RICKY FRANK: So how big is the Central Herd area
12 right now? How many.....

13 MR. LAWHEAD: How many animals in the herd?

14 MR. RICKY FRANK: No, how many acres are they
15 covered -- covering?

16 MR. LAWHEAD: Oh. The year-round range, I don't have a
17 good -- I don't have.....

18 MR. RICKY FRANK: No, I was talking about what the
19 color of the pink.....

20 MR. LAWHEAD: Oh, the calving ground area here? You've
21 got me. I don't have that at the tip of my tongue.

22 MR. RICKY FRANK: So, would that number -- compare that
23 to 25, 30 years ago, is there any difference in that area?

24 MR. LAWHEAD: In the area that's used? See, it -- the
25 calving still occurs in the same general area. Now, within

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1 this area there have been some shifts over time, both east and
2 west of the Prudhoe field. The caribou tend to calve farther
3 to the southwest than they did in the early 1980s when --
4 people didn't really start even looking at the calving ground
5 use of this area until about 1978. That's when they started
6 doing the first good aerial surveys to map those areas. But in
7 general there has been a southwestward shift in both sides and
8 there's been a pretty well documented avoidance response around
9 roads and pipelines in the Kuparuk Oil Field, extending out
10 to -- well, I think depending on which data you look at,
11 anywhere from a mile to three miles there's this -- for
12 calving. This area that cows with young calves tend to stay
13 away from roads and pipes, which is the concern that has been
14 expressed by the Fish and Wildlife Service for ANWR; that if
15 roads and pipes were built in that area, that there would be
16 localized displacement of cows with calves more into the
17 foothills and expose them more to predators.

18 So in our -- in the EIS, we will include maps showing
19 these proposed facilities in relation to what's known about
20 where the caribou have calved in the Central Arctic area and
21 use that to predict the impacts. We expect in years when there
22 was -- if there was calving up in this area, that there would
23 be this zone of localized avoidance during the calving period.
24 That tends to break down during the insect season when the
25 mosquitoes comes out. These animals all get pushed to the

1 coast and they'll cross roads and pipelines at that point. And
2 what's been learned over the years is that at that time it's
3 important to make sure that traffic levels are controlled
4 because they can be turned back from crossing by high rates of
5 traffic and also from that has -- we learned that they didn't
6 cross corridors that had pipelines with roads right next to
7 them as well as they do if you separate them. Either a road
8 alone or a pipeline alone is an easier thing for them to cross,
9 but when you get a pipeline, an elevated pipeline right next to
10 a road with high traffic rates, it becomes a barrier or it can
11 impede crossings. So that's why most of these pipelines now
12 are separated by up to, you know, more than 100 yards or even
13 500 feet is about the minimum recommended distance, 500 to 1000
14 feet. And pipelines are elevated off the tundra surface and
15 it's important for the operator to try and reduce traffic as
16 much as possible and to educate their drivers to -- if they see
17 caribou approaching to stop. That has a lot to do with helping
18 to get the caribou across.

19 MR. RICKY FRANK: Yeah. One of the reasons I asked
20 that question earlier is, see, the blue shade up there is the
21 caribou -- that's the Porcupine. To me, that shaded area is
22 shrinking, you know. Thirty years ago, you know, even when I
23 was a kid, I'm pretty sure that shaded area was bigger, you
24 know, because there's no proof that -- I mean I never did see
25 any picture like this. This is the first time I've seen a

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1 picture here. This is an area where the calving -- calving
2 ground happens.

3 MR. LAWHEAD: That's a good point. These.....

4 MR. RICKY FRANK: But I'd like to see a history of it,
5 you know.

6 MR. LAWHEAD: Yeah. And there is a publication that I
7 brought along and I don't have any extra copies of this. This
8 is actually produced by the U.S. Geological Survey and the U.S.
9 Fish and Wildlife Service, but Jim Zelenak -- where's Jim?

10 MR. ZELENAK: I'm here.

11 MR. LAWHEAD: Jim can get some of these and send them
12 up. It's got good maps in here of -- these maps show the
13 seasonal locations of all their satellite collars in the late
14 1980s, early 1990s, and then there are also maps of the -- maps
15 of nearly 20 years of the use of the calving grounds by the
16 Porcupine Herd. So this is a handy reference. It's -- a lot
17 of it is pretty difficult reading; it's a lot of sort of
18 painful scientific analyses to try and read through. But there
19 are some good summary information and good maps, and this was
20 just finished earlier this year and so Jim is going to send
21 some copies to Arctic Village and also some copies here.

22 MR. ZELENAK: Yeah. Please let me know if you'd like a
23 handful of those sent here or how many, and I'll make sure we
24 get those in the mail to you here pretty quick.

25 MR. LAWHEAD: But most of the data that are summarized

1 in here, when they started using the radio collars, was about
2 1983. It was in the early '80s. Before that, there were
3 studies of the Porcupine Herd that began in the 1970s in
4 relation to the proposal to run a gas pipeline across -- was it
5 the Arctic Gas Line that people were looking at to send through
6 the Arctic Refuge? So there is -- the earliest data, good data
7 on the use of those calving grounds is probably from the mid
8 1970s. So about, you know, 30, 30-some years.

9 MR. RICKY FRANK: So, again, there's a West Central
10 Herd and there's an East Central Herd?

11 MR. LAWHEAD: Well, the Central Arctic Herd, they tend
12 to separate. They tend to calve in this area or in this area,
13 but they don't always stay on the east side or the west side.
14 There is movement back and forth like over the winter. But the
15 animals that tend to calve on one side -- that calve on one
16 side, tend to stay on that side during the insect season. So
17 they move more in a north-south direction, but there is some
18 drift back and forth over the winter. So it's not like this is
19 a separate herd from this herd. This is still considered a
20 one-herd range, but they do tend to have -- you know, this area
21 tends to be used more than this area more in calving than right
22 in the center. They don't really calve in the Prudhoe Bay
23 area.

24 MR. ROCKWELL: Thank you.

25 MR. EDDIE FRANK: Can I say something jokingly?

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1 MR. LAWHEAD: Yeah.

2 MR. EDDIE FRANK: Maybe it brings up the idea of united
3 we stand and divided we fall.

4 MR. LAWHEAD: Yeah.

5 MR. ROCKWELL: So what I'd like to do is to bring us --
6 our attention back to why we're here. We're beginning to
7 prepare an Environmental Impact Statement. The EIS is
8 designed -- we need to identify and describe the affected
9 environment, which is the physical natural environment as well
10 the cultural environment. We need to assess the impacts of the
11 proposal that ExxonMobil has. As a result of scoping comments
12 and our assessment of Exxon's proposal, looking at those
13 impacts, we'll be developing alternatives that are designed to
14 address those issues, address those impacts. We will then
15 compare those alternatives and their impacts in an effort to
16 identify the best alternative to go forward with, the
17 agency-preferred alternative. And that process, as I said, has
18 just begun. We have scoping meetings scheduled for tomorrow in
19 Fairbanks and, lastly, in Anchorage. We had scoping meetings
20 in Kaktovik, Barrow, and Nuiqsut and Arctic Village. And at
21 this time, what I would ask for is I'd ask for any comments
22 that you would have, any issues that you want to bring forward
23 or concerns, or if there are any alternatives if -- you know,
24 alternatives to the pipeline or whatever, whatever you see.
25 So with that, I will stop talking and try to listen a

1 little bit more.

2 MR. WHITWELL: Has there been any biological impacts on
3 that Central Arctic Herd since Prudhoe Bay was put there?

4 MR. ROCKWELL: I don't know exactly how to answer that.

5 MS. HEGARTY: Or maybe.....

6 MR. ROCKWELL: Certainly there have been some
7 displacements, as Brian noted. Is your question with regard to
8 the Point Thomson that we're sure that we include a full
9 discussion of.....

10 MR. WHITWELL: Of any of the health effects of the
11 Central Herd since that -- you know, that may have -- that
12 would have been caused from the development at Prudhoe Bay.

13 MR. ROCKWELL: Okay. Okay.

14 MR. WHITWELL: What you're saying is that last year,
15 Arctic Village got a lot of Central caribou herd, the Central
16 Arctic Herd, and that's -- we got some pretty bum caribou meat
17 last year from Arctic Village that had a lot of anomalies in
18 it. There's like a cyst. And I don't know if that was ever
19 sent in, but, you know, when you said that Arctic Village got a
20 lot of that Central Arctic Herd and their calving grounds are
21 Prudhoe Bay, and I remembered what Eddie found in his meat last
22 year, that could have been from the Central Herd.

23 MR. LAWHEAD: Yeah, it's hard to say without seeing it,
24 but one other thing that -- I don't know if you folks have them
25 here or not, but the Department of Fish and Game now has a real

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1 handy little pamphlet on wildlife diseases and that's a real
2 good one in general to use if you do find anomalies like that.
3 You can describe, you can find what it looks like and the
4 biologists in Fairbanks would certainly be interested in that
5 kind of information. Have you -- do you know what I'm talking
6 about? Have they.....

7 MR. WHITWELL: Is it on the web site? Is it on the web
8 site?

9 MR. LAWHEAD: I don't know if Fish and Game has one on
10 their web site. They developed it from one that was first
11 published in the Northwest Territories, and I know in the
12 Northwest Territories they have that on their web site. A lot
13 of it is the same type of information: photos of these
14 different disease conditions, like whether it's a parasite,
15 cyst, or, you know, tape worm cysts or whether they're
16 abscesses or things like that.

17 MR. WHITWELL: Is that taiga.net?

18 MR. LAWHEAD: You know, I think it's actually the
19 Northwest Territories -- if you searched on something like
20 Northwest Territories and wildlife and disease, something like
21 that, you might pop that up. But I'll check with the
22 Department of Fish and Game and see if they can send some of
23 those out here. It is something that everybody that harvests
24 wild game should have these things because it's real useful.
25 You can identify disease conditions, you know, based on these

1 photographs and the descriptions and things like that.

2 MR. RICKY FRANK: So is this some kind of worms or
3 disease or something? Is that caused from the environmental
4 impact from the oil company or is it just naturally?

5 MR. LAWHEAD: Nobody has made any kind of links like
6 that. You know, the concerns with regard to wildlife health in
7 the oil fields are generally if they're exposed to any kind of
8 chemicals or something like that, you know, that -- but there's
9 no evidence that the disease conditions have been related to
10 that. I know some of the people in Nuiqsut were wondering if
11 brucellosis had been caused by oil development, but brucellosis
12 is a disease that occurs naturally in -- especially in the
13 Western Arctic Herd. And so nobody has been able to
14 demonstrate any kind of a link like that. Most of concerns
15 with regard to development are if they get exposed to like a
16 spill or if they ingest something, you know, that was left out
17 that shouldn't have been, which is pretty rare.

18 MR. RICKY FRANK: Yeah, you know, we haven't
19 experienced -- a number of years we still were hunting here on
20 the land, on our tribal lands. I don't think we hardly even
21 see parasites. But then you mentioned that -- you know, I
22 wasn't hunting part of Arctic Village. We went up about 80
23 miles up there to shoot caribou. Maybe that was the Arctic
24 Central Herd where we shot when we got the parasites in it.
25 Don't know which -- I never know which caribou I shot, if it's

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1 Porcupine or, what they call the other one, Arctic Central
2 Herd.

3 MR. LAWHEAD: Just from a biological.....

4 MR. RICKY FRANK: So maybe.....

5 MR. LAWHEAD:standpoint, I would expect that they
6 would be.....

7 MR. RICKY FRANK: Yeah. With the Arctic Central Herd
8 that were way down, maybe we shot those caribou and that's
9 where the parasites came from, I would suppose because, you
10 know, it's just -- I can't say it's this or that, because.....

11 MR. LAWHEAD: Yeah. I'm not aware of any information
12 that would suggest that, you know, the parasite load is higher
13 in the Central Arctic Herd than the Porcupine Herd. They
14 should -- you know, from a biological standpoint, you would
15 expect that they would be fairly similar and would have the
16 same types of parasites, you know, in the same general
17 geographic range that they're spending time in.

18 MR. RICKY FRANK: Have you ever seen a lot of parasites
19 in caribou?

20 MR. LAWHEAD: Pardon me?

21 MR. RICKY FRANK: Have you ever seen a lot of parasites
22 in caribou?

23 MR. LAWHEAD: In the Delta Herd, you get these little
24 yellowish cysts. They're -- it's a tape worm.

25 MR. RICKY FRANK: What about Porcupine?

1 MR. LAWHEAD: I.....

2 MR. RICKY FRANK: Porcupine Caribou Herd.

3 MR. LAWHEAD: I haven't spent any time -- you know, I
4 haven't looked at any Porcupine Herd. I'm not a
5 parasitologist. I haven't harvested any, but.....

6 MR. RICKY FRANK: How much do you know about Porcupine
7 Caribou Herd?

8 MR. LAWHEAD: About the parasite loads?

9 MR. RICKY FRANK: No. How much do you know about
10 Porcupine Caribou?

11 MR. LAWHEAD: I've worked in the area of the Central
12 Arctic and in the northwestern part of the Porcupine Range and
13 I will be relying on data from the biologists in Fairbanks from
14 the Fish and Wildlife Service and the Department of Fish and
15 Game who have worked in that area for -- you know, since the
16 early 1980s. I work closely with them.

17 MR. WHITWELL: And so you're saying that the primary
18 impact of developing that area is going to be the displacement
19 of -- that they won't go and calve close to that development
20 area? That they'll be -- they could just be steered off to
21 another calving area?

22 MR. LAWHEAD: Well, we're just beginning -- we getting
23 into those analyses now, but the data that I'm aware of don't
24 show much calving out near the coast where those facilities
25 would be. I would expect that the use of that area is greatest

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1 during the summer when they're moving to and from and along the
2 coast during mosquito harassment. So they would be around
3 those facilities. What that means is they have to cross
4 pipelines and roads to get to the coast, moving back and forth.
5 And so that's something that when they're designing this
6 project they need to make sure they raise the pipeline high
7 enough or they make buried ramp sections; that they separate
8 the pipes from the roads. These are all what are called
9 mitigation measures that are usually built into a project like
10 this because we know that in the Prudhoe field, for instance,
11 the pipes -- the original Prudhoe field, the pipes were too
12 low. They were too close to roads and there were impacts on
13 caribou movements in that area. So the newer developments as
14 they've gone out from there, they've moved the pipes away from
15 the roads, they've moved the pipes higher, and made more of an
16 effort to reduce traffic levels and things like that.

17 MR. ROCKWELL: And as far as the EIS goes, we don't
18 know the answer to that question yet. That's part of what we
19 have got to identify and we've got to be able to describe in
20 the Draft EIS. We don't know what the impacts are likely to be
21 that are associated with the proposed project; we've got to
22 figure that out.

23 MR. WHITWELL: Another thing along those lines is has
24 there been or do you expect any increase in predators closer to
25 the development areas that are in there now, because the

1 predators aren't as afraid of a pipeline or road. So if the
2 predators increase in that area, then they start killing more
3 calves.

4 MR. LAWHEAD: That's one thing that we'll look at in
5 the analysis. In the Prudhoe Bay area there was -- you know,
6 the early thought was that predators were eliminated in that
7 area, but then they began to realize that without good garbage
8 controls, that the bear populations increased. And so
9 management of food waste is very important in all these new
10 developments. It's very strictly controlled now because they
11 are aware that not just bears that might prey on caribou, but
12 also foxes that prey on birds. So that's a well known impact
13 and that's something that's looked at pretty carefully and
14 it'll be part of the mitigation package that Exxon has to, you
15 know, make sure that they incorporate into their project to
16 control food wastes very strictly and not allow open garbage.
17 And I think, you know, how they handle the garbage will be part
18 of the analysis and part of their mitigation requirements.

19 MR. WHITWELL: What kind of a -- what kind of noise
20 levels will come out of the plant? Will it have any waterfowl
21 impacts? Because I see a lot of lakes on those pictures and
22 that could be a prime nesting habitat.

23 MR. ROCKWELL: No, it -- noise is one of the areas that
24 we are looking in the EIS. We're working with Exxon to get a
25 good description of the equipment, the facilities, the

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1 processing that's going to take place, description of the
2 noises that will be associated with that so that we can start
3 looking to see whether there will be effects. We know that
4 we've got a significant amount of longtail ducks that use the
5 lagoon area. There is -- as you say, I mean, there are plenty
6 of other little lakes and ponds around where other waterfowl
7 and shore bird can be. So that is one of the items that we're
8 looking at in the -- in developing more information on the EIS.

9 MS. HEGARTY: And so what we're looking for today are
10 other additional questions that you would like to make sure
11 that we ask when they do the Environmental Impact Statement,
12 about whether or not this proposed hydrocarbon development
13 that's located up here would affect Venetie in any way. And so
14 your thoughts today about what kinds of issues we should
15 research as we put together the impact statement, it would be
16 very helpful because you are the experts on where you live and
17 the land here. So anything that -- ideas that you can give us
18 about that would be helpful because we're just beginning our
19 study and you can help define for us what we should be studying
20 as we look at this project.

21 MR. AMOS FRANK: I think this is a really important
22 meeting and so I think it's going to be -- I think the Elders
23 need to hear what these people came here for. I think it's
24 good that the elders understand, too. So I think it's going to
25 be explained to the Elders in Native.

1 MR. RICKY FRANK: (Speaks to Elders in native language)

2 MS. HEGARTY: Ricky, can you share with us what she
3 said was important so that we can -- what her question was so
4 that we can make sure.....

5 MR. ROCKWELL: Also, I'm wondering, would there be any
6 value -- we could take a break and give you some time to talk,
7 to think about what we just presented, and then we could come
8 back together. Would that be helpful in any way?

9 MR. RICKY FRANK: Yeah, we can do that. I mean I'm not
10 really in a rush for -- the rest of you guys have an airplane
11 over here.

12 MR. ROCKWELL: Well, yeah, but we've still got some
13 hours of.....

14 MR. RICKY FRANK: Okay.

15 MR. ROCKWELL:of time. Sure.

16 MR. RICKY FRANK: Yeah. We'll take a break and we'll
17 have -- we'll talk among these other.....

18 MR. ROCKWELL: Sure.

19 MR. ZELENAK: And if you have any more questions on the
20 specifics of the project that would be helpful for that
21 conversation, just let one of us know and we can make sure you
22 have that information.

23 MR. RICKY FRANK: Okay.

24 MR. ROCKWELL: So we'll take a break until 3:30? Would
25 that be okay? Four o'clock?

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1 MR. RICKY FRANK: Yeah. How long you think we need to
2 explain all this stuff to those Elders and we'll discuss it
3 among ourselves how -- what, you know -- how can we make a
4 short decision on this? What kind of questions that we should
5 raise?

6 MR. EDDIE FRANK: Sure, maybe half an hour would
7 be.....

8 MR. RICKY FRANK: Yeah, maybe half an hour. We'll call
9 you guys. We'll call you guys back.

10 MR. ROCKWELL: Okay.

11 MS. HEGARTY: Ted, do you -- I'm wondering -- I just
12 wanted to explain that -- so what we would be looking for today
13 are the questions and there would be time -- I'm sorry. There
14 will be time in the EIS process where we will come back to you
15 and offer the answers to the questions that you raise. So
16 there will be other opportunities to raise questions again.
17 This is just the first.

18 MR. ROCKWELL: Right.

19 MS. HEGARTY: In the scoping.

20 MR. BUNTE: But today we'd certainly want to hear as
21 much as we can.

22 MS. HEGARTY: As much as we can, yeah. So should we
23 take a walk?

24 AUDIENCE MEMBER: Take a walk.

25 MS. HEGARTY: Okay. We'll go take a walk.

1 AUDIENCE MEMBER: You can't get lost.

2 (Off record; 2:30)

3 (On record; 3:07)

4 MR. ROCKWELL: Okay. Well, we can begin again.

5 MR. RICKY FRANK: Where's Lance? We selected a
6 spokesperson. We selected Lance and he -- he thinks that maybe
7 some of us are going to have other questions.

8 MR. WHITWELL: One of the questions that we had asked
9 each other was to what extent is Point Thomson going to be a
10 pilot project to opening ANWR.

11 MR. ROCKWELL: One of the tasks that we identified very
12 early on before we actually even decided to become lead agency
13 was that we were going to need to be able to describe in the
14 EIS the relationship between the Point Thomson development that
15 ExxonMobil is proposing and ANWR and any ANWR development.
16 That's -- it's going to be very, very important that the EIS do
17 a good job of articulating that as accurately as possible.
18 There isn't -- the Point Thomson development that Exxon has is
19 not a pilot, if you will, for ANWR. It's not a staging area as
20 proposed for ANWR. That isn't to say that the EIS is not going
21 to look at the relationship between the Point Thomson project
22 and ANWR, but as it stands, the project as proposed by Exxon
23 isn't about ANWR; it's about Point Thomson and it's a project
24 that's focused on the west side of the Canning River. But it
25 is -- it's clearly an issue that we need to do a good job of

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1 discussing so that everyone knows what -- you know, what we're
2 dealing with and what the consequences are.

3 MS. HEGARTY: And so the value of you raising that
4 today is very important because we will take this back now and
5 look at that and it will become, you know, something that is
6 discussed.

7 MR. RICKY FRANK: Basically.....

8 MR. WHITWELL: Yeah, another item we had talked about,
9 has there been any studies on the herd size of the Porcupine
10 Herd since Prudhoe Bay?

11 MS. HEGARTY: I missed that. On the herd size since
12 development of Prudhoe.....

13 MR. WHITWELL: On the herd since development of Prudhoe
14 Bay.

15 MR. RICKY FRANK: And before.

16 MR. WHITWELL: Yeah. And before. Any historical data
17 before and after.

18 MR. ROCKWELL: That's -- yes, that's clearly one of the
19 data sets that we're going to be looking for. Don't know the
20 answer to that yet.

21 MR. LAWHEAD: Yeah, it's there.

22 MR. ROCKWELL: Okay.

23 MR. RICKY FRANK: Most of the data information we have
24 from the Elders, we have huge quantity of caribou before the
25 pipeline. And, you know, from what I got from the Elders,

1 after the Pipeline was created, the caribou were starting to
2 decline. So I -- and I'm from the generation raised from my
3 mom here and I still see the caribou declining.

4 MR. ROCKWELL: One of the tasks that we also have in
5 the EIS is to try to collect and try to put together as much
6 traditional knowledge as we can find and bring that into the
7 document and into the decision-making along with the Western
8 science knowledge. So that's very important information for us
9 and Steve Braund is our person that I'm relying on to collect
10 that information and I'm not sure how we will follow up on
11 that, but Steve is the one who will be doing that. That's very
12 important to us.

13 MR. EDDIE FRANK: Do they do any studying on the health
14 on the caribou side or any other animals that's on the Pipeline
15 before or after the Pipeline? The condition of the caribou on
16 the Porcupine Herd and the Western Herd. Because in the early
17 days about -- back in about 15 years ago, they do a little
18 study on it, or not studying, but comparing the meat -- caribou
19 meat of the Western Herd and the caribou herd and it seemed to
20 us that Western Herd is more different color than the caribou
21 meat. So do they -- do they do any kind of study, you know, any
22 animals that's stayed on the Pipeline? On the healthwise, you
23 know.

24 MR. ROCKWELL: Right.

25 MR. AMOS FRANK: I was wondering, when did they start

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1 on those? When did they start looking for -- like checking
2 caribou for sickness or caribou (indiscernible) for many kinds?
3 Is that they started -- around that the Pipeline started or
4 when did they start to find out about the caribou health?

5 MR. ROCKWELL: Don't know the answer to that. That
6 will have to be part of the research that we do in looking for
7 the information that we put into the EIS. I guess the point of
8 the question is to be able to look at the effect of continued
9 development; it's sort of a cumulative impact question. If
10 there is information from before development and compares that
11 with after development and we can see if there's any cumulative
12 effect that Point Thomson might contribute to, is that --
13 that's the sort of thing that you're thinking about?

14 MR. RICKY FRANK: You know, we are not only connected
15 to the caribou; we are also connected to the waterfowl. Is
16 there any environmental damage to the waterfowl?

17 MR. ROCKWELL: That will be part of the description of
18 the -- first, the affected environment in terms of what's there
19 and then, secondly, in looking at impacts of the Exxon proposed
20 project and then any of the alternatives to that proposed
21 project. We'll have to look at that. Do we have -- and I
22 guess this is a question that Steve would be asking. We're
23 going to need to have a complete set of -- a complete
24 understanding of the waterfowl that you do use so that we know
25 that we're not missing any. And I would think that Steve --

1 Steve will probably be talking with you to make sure that we've
2 got that so that we make sure that we're including that.

3 MR. RICKY FRANK: You know, I understand there's a huge
4 impact on the -- to the Native development especially with the
5 Exxon-Valdez. It's destroyed the community down there. I'm
6 pretty sure there's a change of lifestyle and now the thing --
7 another incident happened recently is the Pipeline -- a bullet
8 will not penetrate through the Pipeline, but eventually it did.
9 And I don't know how long they had that Pipeline going but
10 there's something like 460,000 crude oil spill. That's -- was
11 that over in Fairbanks?

12 MR. ROCKWELL: Uh-huh.

13 MR. RICKY FRANK: I know they've been environmentally
14 damaged there. And who knows what's going to happen next.
15 It's going to impact us less or it's going to impact us big
16 time. If it does happen, you know, I'm related to caribou;
17 it's my culture. My parents have hung onto their culture and
18 I've been hanging onto my culture and maybe my kids will hang
19 onto their culture which I'll pass over to them. I think
20 there's still a lot of answers we need to this. I'm pretty
21 sure I'm going to be -- I mean we're being attacked
22 environmentally ever since Pipeline started because I've seen a
23 lot of changes in my time.

24 MR. WHITWELL: Another issue that arose was, what will
25 the Point Thomson project benefit for the people here?

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1 MR. EDDIE FRANK: The question I might have is, you
2 know, development -- okay, you look at Prudhoe Bay and you know
3 that Prudhoe Bay has affected, well, the animals, the caribou.
4 I mean our people, we depend on caribou. Subsistence is a
5 major part of our economy here. We don't have jobs. You know,
6 we don't have money to come in to buy the beef that you guys
7 eat. We live off the land pretty much, quite a bit at least.
8 You know, I mean we hunt every fall for moose, we hunt every
9 spring for ducks. If the caribou come close, we hunt for them,
10 you know, and there's going to be an impact on us, economic
11 impact on us if somehow this development affects those
12 resources for us. What are we going to have to replace that I
13 mean if something does happen? We don't know. What kind of --
14 what kind of future do we have in terms of replacing something
15 that we used to have all the time. I don't know how to pose
16 the question, but I mean I'm just thinking in terms of, you
17 know, the economic impact on our smaller communities where jobs
18 are hard to come by and a lot of our -- a lot of the food that
19 goes on our table comes from the land. We don't have the money
20 to put that kind of food out. That hurts us. You know, they
21 always talk -- when they talk development, you know, I in the
22 past have always said that, is that, you know, when the
23 Pipeline was being built, they talked about it and they said,
24 oh, all these jobs are going to be there, you know. You know,
25 sure, we got all the dirty work, but after all the dirty work

1 is done, we're back in the same old boat, you know. Every time
2 we look at development, that's what's happened because we're
3 not educated enough. We're not prepared for these jobs and
4 it's -- it has a long-term impact on us. For a while we're
5 doing good, you know, and having all this money and everything
6 and all of a sudden, whoosh, it's gone, you know. And then
7 we're back down on the bottom of the chain again and it -- that
8 has some psychological effect on people, too. You know, so I
9 just think that, you know, some of these things need to be
10 answered. I don't know how, but somehow.

11 MR. WHITWELL: Is there any data on which herds the
12 Native people of the North Slope hunt or prefer to hunt? Has
13 there been any change? And another part of that would be, what
14 impact will Point Thomson have if it does scare some of the
15 herd -- some of the Central Herd out of those areas? Will they
16 start hunting predominantly the Porcupine Herd?

17 MR. ROCKWELL: We heard from Kaktovik that they do most
18 of their hunting from boats and they hunt in the area of the
19 Point Thomson project and they take both Porcupine and Central
20 Arctic Herd caribou. They said that they preferred the Central
21 Arctic Herd. I think it was because they -- the animals were
22 fatter where they were located. So, clearly, they take both.
23 And the question that you ask is a question that we need to be
24 able to address in the EIS, or at least give some ideas about
25 that.

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1 MR. WHITWELL: Because you were talking earlier about,
2 well, it's in teaching, you know, the caribou get used to the
3 people being there, get used to the roads. Is that making them
4 more docile so the Central Herd stays put and just eats more
5 often while as the Porcupine Herd being more skiddish and
6 staying away from -- which would keep them moving more to stay
7 away from other areas that they're not secure in, that they
8 don't feel secure in?

9 MR. ROCKWELL: Hmm. I don't know, but that's -- I
10 suppose part of the discussion that we have to be able to put
11 forward is to describe the actions of both herds and how this
12 project will interact with those and whether there's a change
13 or not, and then what that change looks like. And that, then,
14 I think feeds into the question of what will the effect be on
15 the subsistence hunting here and then that leads to what do you
16 do if there is a subsistence hunting effect here. So there's a
17 long chain that has to be put together, but we certainly -- I
18 mean it's important for us to hear that these are concerns that
19 you have so that we're able to try to build that discussion
20 into the analysis.

21 MR. RICKY FRANK: When you tap into a reservoir, in
22 place you pump water back in there, does it change the
23 permafrost or does the heat change down in there?

24 MR. ROCKWELL: Yeah. We'll have to describe that.
25 They're not pumping water back in. They're.....

1 MR. RICKY FRANK: Okay. So recycle it, yeah.

2 MR. ROCKWELL: They're just pumping gas back in. The
3 effect, as I understand it at this point, the effect on the
4 permafrost above should be -- there shouldn't be any. It
5 should be negligible, if there's any effect at all. They're
6 not going to be pumping water in, so there's not a question of
7 that. The gas that they're reinjecting, they're having to
8 repressurize so the pressure will be actually a little bit
9 higher than the pressure in the ground so it will actually go
10 into the ground and actually go out. So I don't think there
11 will be an effect on the permafrost up above, any melting or
12 anything associated with this project at least. That's how I
13 understand it now.

14 MS. HEGARTY: But it will be looked at, right?

15 MR. ROCKWELL: Yes.

16 MR. WHITWELL: Will there be any danger of chemical
17 releases at Point Thomson as far as like air emissions? A lot
18 of our weather comes out of the north.

19 MR. ROCKWELL: There are -- we will have to describe
20 that in the EIS, the situation that we have. We'll have to
21 describe the air emissions -- there will be air emissions
22 because there will be power generators, compressors. There
23 will be some air emissions, but we will have to describe those.
24 The possibility of chemical spills are all -- I mean it's an
25 industrial facility so, of course, there are going to be some

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1 chemicals around. I don't at this point know the full list.
2 That's part of the description that we will have to put
3 together in the EIS and describe what will be there, what the
4 safeguards will be. It's one area where we're going to be
5 working very closely with the State of Alaska and the agencies
6 in the State of Alaska who also regulate those kinds of things
7 so that we're disclosing everything that we know about what
8 we're expecting there and the measures that are being taken to
9 safeguard the environment from unintentional releases.

10 MR. WHITWELL: You had -- they had listed on the
11 initial construction of it, employing approximately 400 people.
12 What effect is the human waste from all those people going to
13 have and how will that be dealing -- how will that be dealt
14 with?

15 MR. ROCKWELL: Yeah, again -- and there's the question
16 also continues on into the development and the ongoing
17 operation. While it won't be 400, there will be people that
18 live there and the waste will have to be dealt with one way or
19 another. I think Exxon has some ideas already in their
20 proposal. We'll have to describe what they're proposing, look
21 to see if there are alternatives to those, and try to describe
22 those as best we can in the EIS and identify whether there is a
23 significant effect or not. The opportunity to inject -- use an
24 injection well to inject waste below the permafrost certainly
25 is present and tends to keep any of the -- any discharge

1 material from having an effect at the surface. So I think
2 we're likely to see that as one of the alternatives that will
3 be looked at pretty seriously in the EIS.

4 MR. WHITWELL: Throughout the development of this
5 project, the EPA will be present monitoring any of the -- any
6 of the impacts as they happen so if they see something adverse,
7 the government could step in and stop it until those items are
8 corrected?

9 MR. ROCKWELL: Not necessarily EPA because we don't
10 have authority over everything. But, yeah, the state and
11 federal agencies together will be working together to monitor
12 the project as it's being constructed, as development proceeds,
13 and then as it's operating, we'll continue to provide
14 surveillance. So it won't be EPA because, as I say, we don't
15 have authority over all of it. So I can't be there for
16 everything, but there are other -- you know, we each have our
17 authorities and can work together to make sure that somebody is
18 paying attention, and intend to. And we need to describe that
19 in the EIS, you know, how does this all -- how does this entire
20 mix of different permits fit together and how does any of the
21 mitigative measures -- you know, how do we assure that those
22 mitigative measures are actually taken and that they're being
23 effective?

24 MR. WHITWELL: During the initial construction phase,
25 the airport will pretty much have to be in place or in --

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1 you'll be flying people in and out and bringing supplies in and
2 out. I would be interested to have -- to get some data on what
3 is the expected impact of all of the flights coming in and out
4 during construction. That would pretty much be the peak time.
5 After it's already running, I'm sure there wouldn't be as many
6 flights coming in, but during the initial construction, there's
7 going to be plenty in and out of that place, a lot.

8 MR. ROCKWELL: We're -- among things that we're looking
9 for in the EIS is information on the expected flights during
10 construction, how that would change with operation. It may or
11 may not be smaller during operations, but we certainly need to
12 know. We need to establish flight routes, where the planes --
13 are they planes or are they helicopters? They make different
14 kinds of noises, they fly differently, can fly different
15 routes. And then we intend to use that information to look at
16 any potential effects on waterfowl, for example, or shore
17 birds, you know, any effect to the animals that are there that
18 might also displace them and be an effect. So that's another
19 set of issues that we need to identify. The noise, the
20 disturbance caused by the air flights, yeah.

21 MS. HEGARTY: And air quality. The noise and -- or
22 maybe that was before. Just the impact of air traffic.

23 MR. ROCKWELL: These are great issues and questions
24 that you've shared. We certainly need to hear them all and I
25 personally appreciate your willingness to share them with us.

1 I wish I had answers to the questions; I don't. But we're at
2 the beginning of the process and hopefully we can get to the
3 point where we can get to some answers. Your questions will
4 play a major role in shaping the way that the Environmental
5 Impact Statement looks and the issues that we address in that
6 document. So I thank you very, very much.

7 I would like to point out that if you have any
8 additional questions, you have any additional issues, please
9 give us a call. We have -- in the handouts we have, which, in
10 essence is up here on the wall, we have a web site that you can
11 leave comments at, we have an e-mail address, we have an 800
12 number and we also have a snail-mail address. And the formal
13 scoping comment period is over the end of November, but that
14 doesn't limit the -- having a good idea and sharing that good
15 idea. If there is an issue, if there is a concern that comes
16 up after that, please, by all means, give us a call. You know,
17 communicate it with us somehow. We want to have them all. We
18 want to be sure that we get as much together as we can before
19 we write that Draft EIS.

20 As I said also earlier as soon as we can do something
21 with the information that we're collecting this couple weeks
22 during scoping and can get a little bit further along to
23 identify how we're going to be dealing with it in the
24 Environmental Impact Statement, then we'll be sending some more
25 information back to you and letting you know what we're doing,

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1 how we're proceeding. We're intending to continue to send
2 newsletters, for example, to also keep you informed of what
3 we're doing. And if at any time you want EPA to come back to
4 discuss the project, either formally as a government-to-
5 government coordination or informally in just a meeting, let us
6 know. I don't have an infinite travel budget, but if it's at
7 all possible, I certainly will make every effort to come back
8 either just myself or with other folks who might be, you know,
9 better able to answer questions on specific issues.

10 So we really want to do the very best job that we can
11 on this particular EIS and make sure that we've heard from
12 everyone and have made an honest effort to address issues that
13 are raised. Thank you all again. Thank you for having us
14 here.

15 MR. WHITWELL: I have one more question.

16 MR. ROCKWELL: Certainly.

17 MR. WHITWELL: The E- -- the presence of the EPA, does
18 this mean you're promoting this or are you just the moderator
19 for the EIA -- the EIS?

20 MR. ROCKWELL: EPA is not promoting the project. It is
21 ExxonMobil's project and EPA has to issue some permits. In
22 order for us to issue the permits, we have to satisfy the
23 National Environmental Policy Act. That requires us to prepare
24 an Environmental Impact Statement and in order to prepare the
25 Environmental Impact Statement, we need to go through this

1 process over here. What we have done is we have enlisted the
2 help of CH2M Hill, contractor, to help us write the documents,
3 to collect the information. There is one of me. Okay. Exxon
4 is paying for the work that CH2M Hill is doing for me, but I
5 direct their work. Exxon does not direct their work; they
6 can't direct their work. Contracts that we have don't allow
7 that. Yeah, here's a -- this is a drawing of -- that sort of
8 shows the way that it works. EPA is the -- you know, we're the
9 lead agency, we're managing the EIS in that we work directly
10 with the contractor.

11 MS. HEGARTY: So the people that you see here today
12 are -- Ted is our official EPA boss and we are working for him.
13 The money, the funding does come from the applicant in all of
14 these third-party EIS projects. But there are very strict
15 guidelines in the Memorandum of Understanding and we have --
16 Ted asked me to bring a copy in case you want to look at it,
17 about how the applicant can and cannot communicate with the
18 third party. There's kind of like a bit of a.....

19 MR. ROCKWELL: Firewall.

20 MS. HEGARTY: Firewall, as Ted calls it here. And so
21 one of the things that we do get are the original environmental
22 studies that the applicant has done. But we are asked by EPA
23 to review those studies for adequacy and for -- you know, to
24 update them and to do that kind of analysis. So it's very much
25 an independent third party look at the project in order to

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1 answer the questions about whether or not it should be
2 permitted. Is that helpful?

3 MR. WHITWELL: Yes.

4 MR. ROCKWELL: Yeah. And the EIS will be EPA's EIS and
5 our cooperating agencies, Fish and Wildlife Service and Corps
6 of Engineers, are cooperating and they intend to be able to
7 adopt that EIS for their purposes as well because they have
8 permitting -- or decisions to make. So it is -- that's ours.
9 We're not promoting Point Thomson. That isn't to say that
10 we're -- we're neutral on it. They've applied for that
11 development to go forward. As a result, we have to do this
12 work.

13 MR. RICKY FRANK: Anything else? Well, as the people
14 of Venetie, we appreciate that you're coming and sharing all
15 the information and taking our comments seriously. And, you
16 know, you guys are welcome back here again. This information
17 that we have collected, I'm pretty sure we're going to share
18 that with our whole tribe and we're going to have a meeting
19 here soon. If we do have any further information or comments
20 that we're -- we'll call you guys.

21 MR. ROCKWELL: Excellent.

22 MR. RICKY FRANK: Okay. And, again, we appreciate you
23 guys coming and hope you guys enjoy your stay here. We welcome
24 you guys back any time. The door is open at all time.

25 MR. ROCKWELL: Thank you. Thank you very much. We'll

1 be back.

2 MS. HEGARTY: Thank you very much.

3 MR. ERICK: I've got one little comment. Back to the
4 caribou. And when our Elders telling us when we were kids, you
5 know, they tell us don't let the caribou get disturbed. It's
6 shown now that our caribou is getting disturbed. And when I
7 heard -- I talked to the Elders about what I ought to do, I
8 said what's happening, because our caribou don't come back.
9 They turn around. They went back to Canada. I believe they're
10 getting disturbed and I'm still following my grandfather's
11 words and my Elders. Our caribou is getting disturbed. Our
12 main issue is our caribou. If we don't see caribou, we don't
13 see meat.

14 The money will be here all the time; the caribou ain't
15 going to be. We'd like to save our caribou for our people, for
16 our generations, for our grandchildren and our kids for future
17 use. Our main issue is our land and hunting and stuff like
18 that. You know, we're really concerned about caribou. They're
19 getting disturbed. They turned around. They don't do that.
20 They never did that before. And they moved back to Canada.
21 They usually get their route and around here for the full
22 winter. They never come around.

23 MR. ROCKWELL: Could I ask your name?

24 MR. ERICK: My name?

25 MR. ROCKWELL: Yes, so.....

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1 MR. ERICK: John Erick.

2 MR. ROCKWELL: John Erick. Thank you. I wanted to
3 make sure we had it. Is there -- a question on that: Where
4 are they turning around? I mean.....

5 MR. ERICK: I don't really know where at -- where, but
6 I know it's between here and Arctic -- here and Old Crow area.
7 In that area, in some places they were coming back this way.
8 There were some years they just went back. And, you know,
9 what's causing it? You know, we never had that kind of problem
10 with the caribou before. The Porcupine Herd is a pretty touchy
11 herd. You can't disturb it. Like I said earlier, I said our
12 grandfather and our Elders been telling us that. Every time
13 the caribou come around this kind of country -- this way, we
14 don't bother with it at first. We just let it sit here; we
15 don't disturb it.

16 MR. WHITWELL: We were tracking them on the -- we were
17 tracking the collared ones on our computer and they seem to be
18 turning around right when they hit -- right before they hit the
19 Sheenjek River and that's right where all the hunters fly in.
20 They fly in and they shoot the leaders and then the rest of the
21 herd won't come across. They've sat there for months and
22 months at a time, and then they either turn around and go back
23 or they'll just sit right there until they finally appoint new
24 leaders or whatever they do and then they -- and then they'll
25 move across. But, you know, it seems to be a direct impact of

1 the hunters flying into that area.

2 MR. RICKY FRANK: And mainly the leaders are the ones
3 that have the big horns, you know.

4 MR. ROCKWELL: And so they're the ones that the trophy
5 hunters are going after.

6 MR. RICKY FRANK: You know, with my traditional
7 knowledge, I've never been taught but it's always in me that we
8 don't waste animals. You know, there's 10,000 caribou out
9 there. I'm only going to go after what I need. I'm not going
10 to shoot 20, not going to shoot 30. I take whatever I need.
11 That's the kind of knowledge I have in my system. It's been
12 there and maybe continue there. Yeah, and the Gwitch'n people
13 play major role with the caribou. We are connected. If one
14 goes down, they both go down, you know.

15 MR. ERICK: You know, since the caribou -- since the
16 caribou and moose are kind of scare here in this, our country,
17 even the white man's foods here is foreign. No more caribou,
18 no more skins. I've got no way to fix my boots.

19 MR. ROCKWELL: Well, thank you again.

20 MR. RICKY FRANK: And, again, yeah, you are just as
21 welcome to our village. Thank you guys, you came around. And
22 leave your names, if you've got a card leave them behind.

23 So.....

24 (Off record; 3:55 p.m.)

25 (END OF PROCEEDINGS)

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C E R T I F I C A T E

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UNITED STATES OF AMERICA)
) ss.
STATE OF ALASKA)

I, Elizabeth D'Amour, Notary Public in and for the State of Alaska, residing at Fairbanks, Alaska, and court reporter for Liz D'Amour & Associates, Inc., do hereby certify:

That the annexed and foregoing PROPOSED POINT THOMSON GAS CYCLING PROJECT SCOPING MEETING PROCEEDINGS was taken before me on the 5th day of November, 2002, beginning at the hour of 1:30 o'clock p.m., at Venetie, Alaska;

That this hearing, as heretofore annexed, is a true and correct transcription of the testimony of said SCOPING MEETING, taken by me electronically and thereafter transcribed by me;

That the hearing has been retained by me for the purpose of filing the same with the U.S. Environmental Protection Agency, 222 West Seventh Avenue, #22, Anchorage, Alaska, 99501, as required by law.

That I am not a relative or employee or attorney or counsel of any of the parties, nor am I financially interested in this action.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal this 22nd day of November, 2002.

Notary Public in and for Alaska
My commission expires: 12/28/02

S E A L

Final

Point Thomson EIS Scoping Summary Report

Prepared by

CH2MHILL

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Anchorage, Alaska 99503
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January 2003

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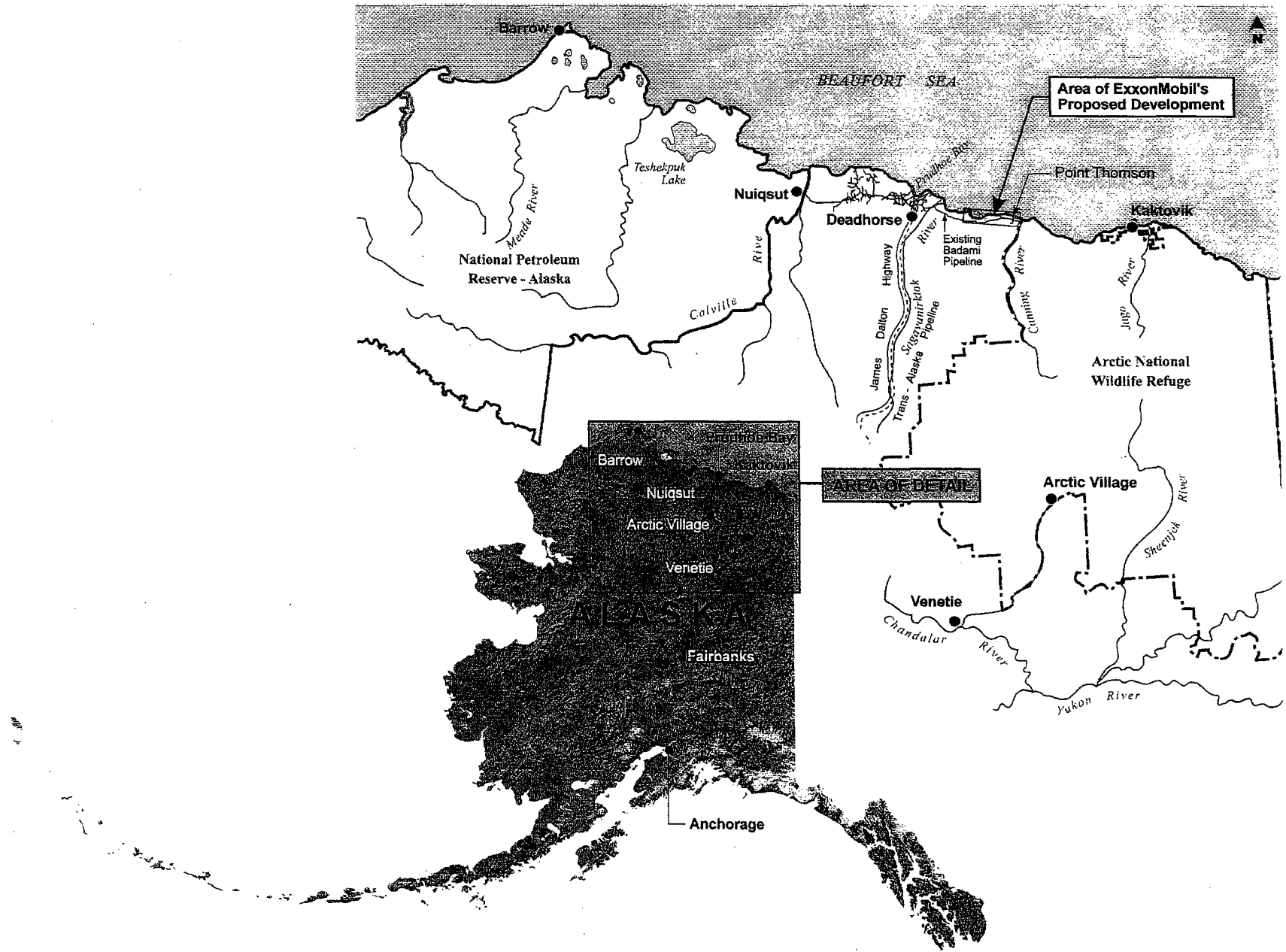


Figure 1
Vicinity Map

Hydrocarbon condensate would be separated from the natural gas and water at a central processing facility (CPF). This condensate would be sent through a proposed aboveground pipeline, about 22 miles long, to connect with the existing Badami Pipeline west of Point Thomson. The Badami Pipeline feeds through other existing pipelines into the Trans-Alaska Pipeline System at Pump Station No. 1.

A central well pad would support wells used to reinject the natural gas following removal of the condensate.

The applicant's proposed development includes the following components:

- Three well pads: two for extraction and production and a central pad for natural gas injection
- A waste injection well on the central well pad
- A CPF located on a pad adjacent to the central well pad
- Aboveground pipelines connecting the east and west extraction well sites and the CPF
- An aboveground transport pipeline connecting the CPF with Badami Pipeline
- Support facilities:
 - A self-sufficient infrastructure (crew camp, electric power generation and distribution, fuel storage, water treatment and storage, communications facility)
 - An airstrip
 - A dock
 - A dredged channel to the dock (spoils would be disposed of in the ocean)
 - A road system connecting the east, west, and central well pads; airstrip; and mine site (The roads would not connect to other North Slope roads or developments.)
 - A gravel mine
 - Water sources, including an abandoned mine site and a proposed new mine site that would be excavated

This description of the proposed development is based on information provided to EPA by ExxonMobil. A full suite of options and alternatives for components of the proposed development, including the No Action Alternative, will be developed and evaluated in the EIS.

SECTION 2

Scoping Process

This section presents the purpose of the scoping process, describes the notification process that was implemented for the scoping meetings, and presents details of the meeting locations and meeting attendance.

2.1 Purpose and Notification

The scoping process was designed to give the public an opportunity to review and comment on ExxonMobil's proposal. The issues raised by the public during scoping will help EPA identify pertinent issues that should be addressed in the EIS. In addition to providing the public with the means to voice concerns, questions, and recommendations to EPA about ExxonMobil's proposed development, scoping provided the opportunity for EPA to explain the EIS process to the public, and to identify opportunities for public comment and involvement during the EIS process.

EPA published a Notice of Intent (NOI) in the *Federal Register* on April 19, 2002, announcing the anticipated preparation of the Draft EIS. This document can be found online at <http://www.epa.gov/EPA-IMPACT/2002/April/Day-19/i9657.htm>. Notices of public scoping meetings were advertised in three newspapers: the *Arctic Sounder* (October 24, 2002), the *Anchorage Daily News* (October 31 to November 6, 2002), and the *Fairbanks Daily News-Miner* (October 30 to November 5, 2002). Public announcements were also made on radio stations in Barrow, Anchorage, and Fairbanks.

Before the start of the scoping period, EPA published a newsletter that advertised scoping meetings, described the scoping process, and provided the public with instructions on how to provide comments to EPA. This newsletter was mailed to approximately 850 individuals.

2.2 Scoping Meetings

EPA conducted seven public scoping meetings between October 28 and November 7, 2002, to solicit input from the public on potential development impacts, the significance of impacts, the appropriate scope of the EIS, proposed mitigation measures, and potential alternatives to the proposed development. The locations and dates of the meetings are listed below. The total number of attendees at each meeting includes the EIS team members and is noted in parentheses.

1. Kaktovik
(24 attendees)
Kaktovik City Hall
Monday, October 28, 2002

2. Barrow
(21 attendees)
Barrow City Hall
Tuesday, October 29, 2002
3. Nuiqsut
(28 attendees)
Nuiqsut Community Center
Wednesday, October 30, 2002
4. Arctic Village
(19 attendees)
Arctic Village Council Office
Monday, November 4, 2002
5. Venetie
(20 attendees)
Venetie Community Hall
Tuesday, November 5, 2002
6. Fairbanks
(38 attendees)
Chena River Convention Center
Wednesday, November 6, 2002
7. Anchorage
(37 attendees)
Loussac Library
Thursday, November 7, 2002

The villages of Nuiqsut, Kaktovik, and Barrow were identified for scoping meetings because of their proximity to the proposed development area. Arctic Village was included because of its reliance on the Porcupine caribou herd (PCH), which migrates from within the proposed development area to the traditional hunting grounds of Arctic Village. Venetie was included because of the traditional sharing of subsistence foods between Arctic Village and Venetie and because this community shares a tribal government with Arctic Village. Scoping meetings were held at Fairbanks and Anchorage to solicit comments from urban populations with ties to the North Slope.

According to sign-in sheets, a total of 187 people attended the scoping meetings. All seven scoping meetings were recorded by certified court reporters who provided verbatim written transcripts of the proceedings. The transcripts can be found on the Point Thomson EIS Web site at <http://projects.ch2m.com/PtThomsonEIS>. An Inupiaq language translator was available at Nuiqsut, Barrow, and Kaktovik to facilitate questions and comments between the EIS team and villagers. EPA offered to provide an Athabaskan translator for the Arctic Village and Venetie meetings, but tribal leaders determined that this service was not necessary.

2.3 Public Document Repositories

Copies of all e-mail, faxed, and written scoping comments received on the proposed hydrocarbon development project, as well as verbatim transcripts of each public scoping meeting, are available for public review at the following public repositories:

- Nuiqsut: Nuiqsut City Hall
- Kaktovik: Kaktovik City Hall
- Barrow: Barrow Public Library
Inupiat Community of the Arctic Slope Office
North Slope Borough Planning Department
- Arctic Village: Arctic Village Tribal Hall
- Venetie: Venetie Village Council Office
- Fairbanks: Noel Wien Library
- Anchorage: Loussac Library

2.4 Next Steps in the EIS Process

The issues raised during scoping will form the basis for developing a reasonable range of feasible alternatives that will be evaluated in the Draft EIS. These alternatives to the proposed development will be evaluated, and some may be eliminated from further study. The reasons for their elimination would be documented in the Draft EIS. After alternatives for further study have been selected, the EIS team will prepare a comprehensive Draft EIS. The Draft EIS will describe the existing physical, biological, and social conditions of the proposed development area and evaluate the effects of the applicant's proposed development and alternatives in accordance with Council on Environmental Quality regulations. The Draft EIS will be available for public comment.

Scoping Comments Summary

This section summarizes the number and general content of the comments received during the scoping period. This written summary is complemented by the verbatim transcripts of all scoping meetings, which are available at the Point Thomson EIS project Web site at <http://projects.ch2m.com/PtThomsonEIS>. As appropriate, comments received will be addressed in the Draft EIS.

3.1 Number of Comments

Several means to provide comments to EPA on the proposed development were announced to the public through the Point Thomson EIS Web site, newsletter, and scoping meetings. Comments were received by e-mail, fax, and mail, as well as through the Web site; no phone comments were received. During the scoping period, from October 14 to November 30, 2002, 272 comments were received through the following media:

- E-mail 91
- Fax 1
- Online 47
- Mail 133

The comment form distributed at the scoping meetings was used for two of the comments received by mail. The mail responses also included two varieties of form letters: one set consisted of 74 letters, and the other set consisted of 30 letters.

3.2 Summary of Comments

This section summarizes written and oral comments on ExxonMobil's proposed development and the EIS process received during the scoping period. The summary of scoping comments are presented under two main subject headings: (1) EIS technical issues, and (2) EIS process issues.

In addition to the technical and process comments summarized in this report, many general statements of opposition to or support for the proposed development were submitted based on the applicant's history and previous experience in the industry. Many people strongly supported ExxonMobil's proposed development and stated that the industry has developed techniques to lessen the industrial footprint and improve care for the environment. Conversely, many commenters expressed skepticism about the proposed development, citing Exxon's track record both in Alaska and developing countries. As is the case with all comments submitted, however, only those portions of these general statements of opposition or support that contained specific information about the proposed scope for the EIS are included in this summary.

SUMMARY OF SCOPING COMMENTS ON EIS TECHNICAL ISSUES

The summary of scoping comments on EIS technical issues is grouped alphabetically for ease of reference; the order in which the comments are listed is not intended to reflect the priority values of commenters. Some comments apply to more than one category, but are listed only once in the summary. The comments listed in this section represent only those concepts raised by commenters during the scoping process for the Point Thomson EIS. As the EIS process proceeds, these comments will be complemented by issues raised by EIS team members, who are specialists in each of the subject areas to be analyzed. The additional input of EIS team members will result in a scope of work for the EIS that is both comprehensive and responsive to issues raised by the public and regulatory agencies.

Access and Transportation

- What kind of road system would be allowed? Would it be isolated or connected to the haul road? Pass-through vehicle impacts need to be assessed.
- What would the road surface be? Has matting been considered?
- Aircraft operations should be confined to a land route during active subsistence activities and on the onset of the annual bowhead whale migration, unless terms of a Conflict Avoidance Agreement provide otherwise.
- Describe design load capacity for infield roads and bridges and evaluate whether drill rigs could be moved on ice roads.
- Increases in fixed-wing and helicopter air traffic would harm quality of life in the area.
- The people of Kaktovik would benefit if the development were situated inland 5, 6, or even 10 miles from the coastline. The presence of pipelines is reducing our access to our coastline.
- Analyze the effects of pipeline height and drifting snow on local access and transportation routes.

Arctic National Wildlife Refuge

- The distance from the Arctic Refuge at which sight, smell, and hearing would be affected should be identified to eliminate these effects.
- Trashing the banks of the Canning River would trash the quality of the wilderness in the Arctic Refuge.
- Directional drilling east into the Arctic Refuge should not be allowed.
- What guarantees would ExxonMobil make to the public and Congress that the proposed development would not affect the wilderness qualities of the Arctic Refuge?
- The Arctic Refuge is considered a cultural resource to people all over the United States.
- Activities in the Arctic Refuge might increase.
- Wilderness values must be taken into account in the EIS, regardless of whether development is proposed in the Arctic Refuge itself.

- The Arctic Refuge itself is a huge buffer.
- The wilderness character of the Arctic Refuge would suffer from loud noise; aircraft disturbance; impairment of scenic vistas; blowing garbage; disturbance of wildlife, particularly in the Canning River Delta; and potentially oil spills.
- The remaining North Slope area needs to be kept unspoiled; ecological richness of the area is globally significant.
- The noise, air pollution, and visual effects of the east pad would carry beyond the boundaries of the Arctic Refuge, leading to potentially significant impacts on the wildlife of the region as well as significant major impacts on the wilderness qualities of the Arctic Refuge. We recommend elimination or relocation of the pad as far as possible from the Arctic Refuge and a minimum 5-mile buffer zone around the Arctic Refuge.
- The effects on designated wilderness in the Arctic Refuge need to be evaluated.
- A permit stipulation that no permanent facilities be placed within the Arctic Refuge to support the Point Thomson operation needs to be included in the EIS.
- There needs to be a zone of at least 10 miles between the boundary of the Arctic Refuge and the proposed development for protection from potential air and water quality impacts.
- A buffer zone of at least 5 miles from the Arctic Refuge should be evaluated.
- Maintain a 2-mile buffer zone along the boundary of the Arctic Refuge.
- A buffer zone of 75 feet is sufficient.

Birds

- Pacific black brant could suffer weight-loss from development impacts that would affect migration success.
- The habitat of migratory birds could be harmed.

Climate, Meteorology, and Air Quality

- Include evaluations of the potential effects of the proposed action and alternatives on air quality, including cumulative effects on the North Slope air shed; surface water (fresh and marine) quality; and lands, including wetlands.
- Consider the effects of global warming and climate change when evaluating the proposed development.
- Air pollution from a development should be subject to reasonable standards.
- What would be the impacts of water use, air emissions, water extraction, and gravel extraction? How would this affect migratory and resident wildlife? Air quality, habitat quality, and water quality are concerns we share.

- We are concerned about the releases of nitrogen oxides and carbon into the atmosphere from current North Slope facilities and the impacts on smog, acid rain in the arctic, and the ecosystem.
- Consider the potential effects of air emissions and solid and hazardous waste management on air quality, fresh and marine waters, vegetation, soils, human health, and fish and wildlife resources.

Cultural Resources

- Conduct an archaeological consultation with local residents. We are interested in hearing what anthropological and archaeological information has been found to date.
- It is not acceptable to have restrictions on our use of traditional and historical sites.
- Traditional cabin sites, camps, burial grounds, and cemeteries exist along the coast.
- Some of our people in Nuiqsut can't visit their own sod huts anymore because of operator's restrictions on movement near pipelines and other facilities.
- I'm related to the caribou, and it is important to me being able to hang onto my culture, and for my children, too. The fate of the Gwich'in people is linked to the caribou's fate.
- The potential impacts to cultural values, subsistence harvest, and availability of resources should be addressed in the EIS.
- The EIS must evaluate the social and cultural impacts to the Inupiat and Gwich'in people.
- Consider the effects on Flaxman Island—a site on the National Register of Historic Places and an important area for wildlife and subsistence resources.
- NEPA requires that cultural resources be considered along with all others. Cultural resources encompass more than just archaeological and historical resources; they include landscapes, symbols, place names, and aesthetics.

Cumulative Impacts

- There is concern about the continuous pipeline that would be created by this proposed development and subsequent cumulative impacts on wildlife. A specific item of concern is the displacement impact on caribou.
- More development in the north, plus sportfishers, really affect our people in Arctic Village. Our community has had an increase in social ills since increased development has been allowed.
- The footprint description does not include all of the components that it should to be considered complete; the impacts are beyond those suggested in the applicant's description of the proposed development.
- The cumulative effects of all oil and gas development—onshore and offshore—should be evaluated. All of the development on the North Slope is of interest.

- ExxonMobil should coordinate with other developers in the area to determine if their plans might tie in with the pipeline systems ExxonMobil is proposing.
- Would there be enough fresh water for Alaskans after all of this development?
- The location of the proposed development would put development pressure on the coastal plain of the Arctic Refuge.
- Exploration and development in the Arctic Refuge must be considered as being reasonably foreseeable.
- Arctic Refuge exploration and development and a northern route gas pipeline are too speculative to consider in the cumulative impact analysis and would remain so even if a change in federal law were to occur during the EIS process.
- The proposed development could result in increased offshore development.
- The cumulative effects of the development of all Point Thomson resources and the proposed over-the-top natural gas line to the lower 48 need to be evaluated.
- The proposed gas cycling development is only one aspect of the full development of the oil and gas resources of Point Thomson. Our organizations oppose the over-the-top route for the natural gas pipeline because it is a frontier route crossing wilderness lands and waters that are not industrialized at this time.
- The EIS need not duplicate comprehensive and rigorous assessments of affected environment, potential impacts, and cumulative impacts already included in other documents, such as the Trans-Alaska Pipeline System (TAPS) Right-of-Way Renewal EIS, Liberty Final EIS, and Alpine and Badami environmental assessments. The cumulative impact analysis should tier from other relevant and applicable documents.
- Employment opportunities for North Slope residents and contracting opportunities for business based on the North Slope offer potential to provide a strong positive cumulative impact of oil and gas development.
- The review of cumulative effect should include areas affected by ocean dumping and dredging and by past activities such as exploratory and delineation of gravel islands and pads, exploratory airstrips, mines, and seismic programs.
- The scope of the cumulative impacts analysis identified should include geographic scope and reasonably foreseeable future development and actions.
- The development would be within sight and earshot of the Canning River, and the cumulative effect of such development on visitors floating down the river, could be significantly adverse.
- Would the proposed development pose problems for TAPS under both its present pump station configuration and under the strategic reconfiguration modifications that Alyeska is planning?
- There has been too much change to this area. Developments have ruined the land, the culture, and the way of life of people on the North Slope.

- Experience on the arctic coastal plain suggests that there is already damage from exploratory pads and the 20 wells that have already been drilled in this area.
- A development with no connecting roads, capitalizing on in-place and underutilized hydrocarbon transmission pipelines, has many merits.

Fish

- Consider the impact on whitefish, pike, char, sculpin, and flounder.
- Arctic cisco is a species of concern if there would be dredging.
- Include consideration for grayling and their habitat.
- Fishing was poor in summer 2002, and some of the fish were not as healthy as before. Does the offshore activity affect fish returning?
- Fish habitat and movement impacts from the proposed dock should be analyzed.
- Fish and other marine life could be harmed by the proposed dock and dredging.

Freshwater Resources

- Evaluate the effects of point and nonpoint surface water discharges on the quality of fresh water.
- Describe existing ambient water quality and past or planned baseline monitoring that may be relevant to permitting for wastewater discharges and meeting Alaska Water Quality Standards.
- Freshwater hydrology studies should identify estimates of recharge for lake and flooded mine sites, as well as estimates of stream size and flood flows that would be useful for design of stream crossing structures.
- Is there a big enough water supply for this proposed development? Identify additional lake water sources.
- Consider the potential effects of underground injection of wastes on freshwater quality.
- Consider the potential effects of maximum anticipated storms on the proposed action and alternatives.
- Provide detail on proposed stream-crossing structures.

Geology and Geomorphology

- The pipeline could produce heat that affects soils in the area and could lead to melting of permafrost.
- What is the long-term impact of reinjection of fluids back into the ground, given environmental changes? With global warming, would the ground stay frozen?

Land Use

- The proposed development could affect Native allotments. I have identified 16 Native allotments within the proposed area of development that are not identified on the applicant's map.
- Some rezoning would be necessary.
- What would happen when the facility and pipeline are finally abandoned?
- What effect would the human waste from too many employees during the construction phase have?

Marine and Coastal Biological Resources

- Evaluate the effects of point and nonpoint surface water discharges on marine biological resources.
- How would dredging affect fish coming through and other environmental factors?
- The polar bear denning areas could be affected.

Noise

- The proposed location is on the doorstep of the Arctic Refuge. I've been there, and you can hear production facilities from dozens of miles away on the North Slope. Gas-handling plants are among the loudest.
- Would noise levels affect waterfowl nesting?
- What noise impacts would result from air traffic during the construction phase? And from a large airport during the operations phase?
- Consider state-of-the-art noise barriers to reduce the deafening sounds of compressors and generators.

Physical Oceanography and Coastal Water Quality

- Evaluate the effects of point and nonpoint surface water discharges on marine water quality.
- How would dredging affect the ocean floor and other environmental factors?
- Consider the potential effects of underground injection of wastes on marine water quality.
- Determine and study the time of year when dredging would have the least impact.
- There is concern about coastal erosion and oceanographic changes that alter shorelines and habitats of the Arctic Refuge.
- Placement of dredged materials should occur in places with documented erosion.
- Analyses related to dredging and the proposed dock should include benthic communities at the spoil disposal sites, coastal erosion rates, and sediment transport.

- Discuss the impacts of erosion, including effects of potential contaminants on the marine environment.

Recreation

- Recreational guiding businesses would be affected.
- Recreation access and snowmachine travel by village residents would be affected if the pipeline were only 5 feet high.

Socioeconomics

- I'd like to see the proposed development go forward. It might mean a job for me, which is important because there hasn't been much going on around Kaktovik. The proposed development would create many construction, maintenance, and engineering job opportunities.
- The negative impact of this proposed development not going forward would affect thousands of people.
- Continue with the proposed development because we need the jobs to address the high rate of unemployment.
- In past developments, there were resulting jobs, but here locally in the village we were only eligible for the short-term, dirty work.
- I don't think this proposed development should be allowed. I don't see a benefit for our kids. Lots of money is being made on resource development without local benefits. There is still not enough money for education.
- The economic gains from this proposed development would not go to the local communities.
- How would the proposed development benefit local communities?
- ExxonMobil should develop an Economic Opportunity Plan to enhance locally based economic and employment opportunities for local businesses and residents.
- The proposed development would add to the wealth of the state and would provide many economic benefits.
- The proposed development represents an opportunity to fill the revenue gap.
- Subsistence is a major part of our economy. What would replace subsistence if the proposed development affects this economic resource?
- What percent of profit and percent of royalty would result from the proposed development?
- Is the proposed development really feasible as a stand-alone project? Would the market be able to support the proposed development?
- Buffer zones limit our ability to develop our resources.

- The numbers that ExxonMobil offered for recoverable resources don't add up over the projected 30-year life of the proposed development.

Spills and Safety

- Would there be toxic chemicals left in the ground?
- Because oil spills or fuel spills from vehicles into rivers or other waters, including offshore, touch all animals (caribou, ducks, fish) and migration, work must be done very carefully. We need to be able to subsist from the resources on our land. We can't afford to have an oil spill.
- Additional oil spill contingencies should be in place because of the higher pressure and high temperatures associated with the Point Thomson development that could rapidly melt snow and ice.
- Booms do not work with ice and snow; they are more for open water. The issue of boom use needs to be addressed.
- There is no proven method for oil spill cleanup in our colder waters.
- Identify physical, chemical, and toxicological characteristics of condensate; reservoir characteristics and risk of blowout; well-control systems; means of managing high reservoir pressure; effects of oil contributed from the Brookian formation; and equipment and methods for responding to condensate spills.
- Where would the responsibility for spill-cleanup response fall?
- What if someone shoots a caribou and the bullet ricochets and hits the pipeline, causing an oil spill?
- Bullets in pipelines or spills could result in habitat damage.
- Consider the effects of oil and hazardous substance spills from well blowouts, the pipeline, storage tanks, and transportation-related accidents on air quality, fresh and marine waters, vegetation, soils, human health, and fish and wildlife resources.
- Make sure that the criteria used in siting facilities for the proposed development include mitigation measures that would be employed to minimize the risk of oil spills reaching open water, where the ability to contain, control, and clean up spilled oil can be limited, especially during broken ice conditions.
- Include containment and cleanup systems that would be used in the case of oil spills.

Subsistence

- Our primary hunting and fishing grounds used today and in earlier years by people from the villages are in the proposed development area.
- The proposed pipeline extension east from Badami would make it difficult for people from Kaktovik and Nuiqsut to continue subsistence hunting and fishing.
- Village residents hunt quite extensively in and use the area of the proposed development.

- Our main concern is our land and our ability to hunt. We are very concerned about this proposed development, specifically the impact to caribou.
- The Badami pipeline and additional infrastructure is squeezing out our traditional uses of the coast. We would like to see that processing plant and the pipeline away from where we do our hunting.
- Consider the effects of the pipeline on whaling and fishing.
- I am concerned about the distances of the proposed drilling in the ocean and the migration pattern of wildlife.
- Drilling is not a big problem to hunting.
- Consider that explosives could be a problem in construction of the pipeline; for example, ground squirrels and the TAPS experience.
- Some communities have reported an increase in social problems during times when subsistence resources are taken away.
- Replacement of western food for the traditional diet has caused health problems.
- Kaktovik subsistence hunters need to be able to freely harvest animals at traditional locations and with the use of traditional methods.
- The area adjacent to this proposed development is very important to village residents during whaling.
- Nuiqsut and Kaktovik begin whale harvests around the end of August and the very beginning of September. Timing of the sea lifts should consider whale harvest activities.
- Because of subsistence whaling activities, barge operations should cease on September 1, unless terms of a Conflict Avoidance Agreement state otherwise.
- The impact of the dock on whaling activities is a concern. Scheduled barge movements should be changed from mid-July to mid-September.
- Minimum pipeline height is becoming an issue. Our primary subsistence is caribou bulls. There is a difference between the impact on bulls and on cows and calves from pipeline height. The pipeline needs to be 10 feet, 12 feet, or higher.
- The North Slope Borough (NSB) would prefer 7-foot-tall vertical support members, not 5 feet tall.
- We hunt caribou on the coast, and because the pipeline corridors are "no hunting" zones, we would prefer development be away from the coast.
- The development should have a 10-mile coastal buffer zone for hunting and fishing.
- There are whales inside the barrier islands. What kind of impacts would the dock and related activities such as water traffic have on migrating whales and subsistence?
- Residents are connected to the waterfowl, and are concerned about impacts to the waterfowl hunted.

- Movement restrictions placed on us for purposes of homeland security could affect our subsistence hunting and fishing practices, and should be considered in the design of the proposed development.
- Because our tribe (in Arctic Village) hunts both the PCH and Central Arctic caribou herd (CAH), any impact to either herd is of concern to our people.
- The caribou is part of everyday lives of the Gwich'in people, and any impact to the PCH is going to affect the health and well-being of the Gwich'in Nation.
- Kaktovik residents primarily hunt the CAH, not the PCH. PCH animals retreat quickly back into the mountains. The CAH, seeking insect relief along the coast, are hunted by Kaktovik residents by boat.

Terrestrial Wildlife

- Caribou need to have access to the coast to cool off and for insect relief, and the pipeline would be directly in their path. A pipeline height of 5 feet is not adequate for caribou movement and migration.
- The effect of development on caribou behavior, migration, and movement needs to be studied.
- The proposed development is too close to the Arctic Refuge and too close to the coast to ensure that our caribou would be protected.
- Although Point Thomson is not within the Arctic Refuge borders, that area is the post-calving area—and the caribou become stressed when there are intrusions on these grounds.
- Would the primary impact of this development be possible displacement of calving grounds? Have there been shifts in the amount of area used by the CAH as calving grounds? The PCH calving grounds are shrinking over time.
- The proposed development is in the post-calving grounds for the PCH.
- Reasons for CAH increases include killing of predators, clear cutting near the pipeline, and the presence of a big coastal plain to move to their calving grounds. Our PCH down here (near Arctic Village) can't move like they do up there.
- Is an increase in predators expected in the proposed development area?
- Poor quality caribou meat with anomalies such as cysts has been report found in recent years.
- Impacts of the pipeline on caribou movement and subsistence harvest must be thoroughly addressed. Elders say that caribou populations have declined significantly since the pipelines came to the area.
- We are concerned about oil field activities creating a superabundance of predators such as the arctic fox and grizzlies that might prey on ground nesting birds and their eggs.
- Drilling could cause detrimental effects to the musk ox population.

Traditional Knowledge

- Consider and integrate our traditional knowledge, some of which is just verbal, into the EIS decision-making process.
- Hire local subsistence and cultural resource experts for information. Information should be sought from people of the local villages. We would like to see compensation for helping the team on projects of this magnitude.
- We are the experts about the land and the animals that are part of our lands, and we ask that our traditional knowledge about the caribou be respected.

Visual and Aesthetic Characteristics

- Aesthetic impacts on neighboring areas, specifically the Canning River and other designated wilderness areas, must be considered.
- The lights from the drill pads would be impressive. Can the east drill pad be moved to the west (to avoid light impacts) and still permit access to the resource?
- Aesthetics became an issue in Deadhorse because of the flashiness of the pipelines there.
- A buried pipeline, perhaps inside the road, would be best aesthetically, and because it would be less likely to spill. Look at the Canadian direct-bury process.
- We want to see more specifics on the proposed facilities. We are interested in the look of the buildings, the outline of buildings, the alignment of the runway.

Wetlands and Vegetation

- Pass-through vehicles could affect wetlands and vegetation.
- In a broader context, we are concerned about the size and scope of the footprint of the proposed development and the resultant impact on wetlands.

SUMMARY OF SCOPING COMMENTS ON THE EIS PLANNING PROCESS

During the scoping comment period, commenters also spoke to process issues that must be dealt with in the development of an EIS. As with the technical EIS issues, the EIS process issues will be complemented by the independent, third-party analysis provided by the EIS team as the EIS moves forward.

Purpose and Need for the Proposed Development

- The EIS process should define a purpose and need for the proposed actions.
- What purpose does condensate serve? Is it critical? Do we really need to do this proposed development?
- The production of up to 400 million barrels of gas condensate from Point Thomson would add a significant high-value component to the existing North Slope hydrocarbon production stream, and the establishment of the field infrastructure would introduce several major opportunities for additional resource development with relatively little additional infrastructure.

- Badami facilities are underutilized. Alaska needs this proposed development because (a) it creates a lot of high-tech jobs, as well as construction and modular installation jobs, and (b) Badami would use the product that originates at Point Thomson.
- Presidential Executive Order 13212 mandates the expeditious handling of proposed energy development projects.

EIS Process, Schedule, and Public Involvement

- The EIS process should be extended so that people can carry on more thorough dialogue.
- Limit the scope of this EIS; do not include broader issues, which would lengthen the process. Time delays cost money and halt workers' family income.
- The proposed scope of the EIS is appropriate.
- The EIS should focus on impacts to the most heavily affected communities.
- Site-specific information is needed for the proposed development.
- Current users of resources in the area should be involved.
- Use information from other studies, existing ExxonMobil data, other EIS reviews, data from the NSB, AFS Journal articles, minutes from the Scientific Advisory Committee, USFWS information, and other sources.
- Existing studies should be checked and verified for scientific accuracy and should be evaluated for bias.
- Site-specific ecological studies should be completed.
- There is a need to compensate people in the community who provide traditional and contemporary knowledge to this process.
- Keep the public involved in this process as much as possible. Make all documents and descriptions of the proposed development available to the public.
- Look at the impacts to people in the proposed development area, and consider their sentiments concerning the development.
- The NSB will conduct its own independent assessment concurrently with the EIS process.
- The EIS analysis needs to be sufficiently broad to capture and address critical concerns associated with the need to consolidate facilities, such as docks and gravel mines, and to avoid where possible multiple pipeline and road routes from the eastern North Slope to concentrated infrastructure at Deadhorse, the TAPS, and the Dalton Highway.
- Will the EPA be present throughout the proposed development process? What about beyond the EIS process, including monitoring through construction and operations?
- Does EPA's presence at village scoping meetings mean that EPA is promoting the proposed development?

- A firm EIS schedule with major milestones should be identified. Completion should be achieved by early 2004.
- Complete design of the proposed development before starting the EIS so that later changes in engineering design don't raise new relevant issues.
- The NSB needs to be involved in all aspects of this proposed development.
- Tribal governments should be consulted to address Native allotment issues.
- Tribal government-to-government dialogues need to take place.
- Use the NSB Planning Department information for the EIS.
- Make all efforts to benefit the communities closest to the proposed development and therefore most heavily affected.
- Take advantage of the extensive knowledge in local communities.
- I like this public process—it allows everyone to have their say and be involved.
- Approach Native allotment owners and pending allottees for their issues and concerns on the proposal for development.
- Pay attention to requests of environmental and conservation groups.
- NEPA does not dictate that local input should dominate other-than-local input.
- I hope this isn't the last time we see you. We want to be involved in the planning process, and be kept informed.
- I'm glad that you came here to our village instead of us having to go somewhere else to testify.
- I feel that for this proposed development, as for every project, that although questions are asked, the answers are already decided.
- We recommend public meetings to report the research findings.
- The verbatim scoping minutes from the seven communities should be sent to each village council.

Development of Alternatives and Mitigation Measures

- Distinguish between genuine alternatives for the proposed development and a series of differing mitigation measures.
- Consider the cost and feasibility of the proposed development when evaluating alternatives.
- Document technical reasons that ExxonMobil considered but then but rejected some alternatives from further detailed review, so that this information is readily available if public or agency comments suggest evaluation of nonviable alternatives that do not merit further review; for example, drilling/well pad(s) on existing natural offshore

barrier islands with facility pad(s) onshore and drilling/well pad(s) on offshore manmade gravel islands in Lions Lagoon with facility pad(s) onshore.

- Each alternative, except for the no action alternative, should represent an approach for the proposed development that is distinct from the proposed alternative.
- Each alternative should address expected impacts and achieve the purpose and need of the proposed development.
- Consider alternatives for the location or existence of the east pad.
- If we are thinking about the needs of local communities, we need to stop thinking about nonrenewable resources and move toward renewable energies. We're destroying the earth and tapping into something that's not sustainable. We need to invest in sustainable resources.
- The state should not rely exclusively on oil.
- Consider more advanced drilling technology to allow drilling 10 or more miles, which would allow the proposed development to be moved farther west and still access the same resource.
- Alternatives that put all facilities farther from the coast need to be evaluated.
- Alternatives to the causeway, ocean dredging, and a major airport that reduce impacts need to be addressed.
- One range of alternative considerations for many aspects of the proposed development is the use and expansion of Badami project facilities as a base of operations. In effect, this approach would render the proposed development a satellite facility of the Badami project and would result in use or expansion of Badami support facilities instead of installation of comparable facilities at Point Thomson.
- Consider bringing the modules in by ice road rather than building a dock.
- Evaluate the option of shortening the dock or eliminating dredging with the use of module-containing barges that are frozen in shore-fast ice within the barrier islands and modules moved onshore over ice roads.
- The fluids that are produced from the wells would be cooled into a condensate. Does it have a temperature that is different from the crude going through the pipeline? Would that cause some problem because of the "paraffin situation" with oil?
- An analysis of alternatives and conditions necessary to fill the completed gravel mine site with water is needed.
- Can a telecommunications tower less than 300 feet tall be used if communications are relayed to Prudhoe Bay and Deadhorse through Badami's communication system?

Point Thomson EIS Caribou Meeting

ATTENDEES: Ted Rockwell/U.S. Environmental Protection Agency
Jim Zelenak/U.S. Fish and Wildlife Service
Jack Winters/Alaska Department of Fish and Game
Jonathan Solomon/International Porcupine Caribou Board
George Tagarook/City of Kaktovik
Lee Kayotuk/Kaktovik
Audrey Tritt/Arctic Village
Gideon James/Arctic Village/Native Village of Venetie Tribal Government
Lance Whitwell/Venetie/Native Village of Venetie Tribal Government
Ernest Erick/Venetie
Rosemary Attungaruk/Nuiqsut
Faith Gemill/Gwich'in Steering Committee
Craig George/North Slope Borough Wildlife Department (by Teleconference)
Gar Carothers/CH2M HILL
Dave Bunte/CH2M HILL (by Teleconference)
Bob Burgess/ABR, Inc.
Steve Murphy/ABR, Inc.
Brian Lawhead/ABR, Inc.
Steve Braund/Stephen Braund and Associates
Kelley Hegarty/Kelley Hegarty and Associates, LLC
Al Maki/ExxonMobil
Robert Appleby/ExxonMobil

FROM: Gar Carothers/CH2M HILL
Kelley Hegarty/Kelley Hegarty and Associates, LLC

DATE: December 16, 2002, 9:00 a.m. to 5:00 p.m.
Westmark Hotel (Birch Garden West Room), Fairbanks, Alaska

Convening and Introductions

The meeting was convened at 9:00 a.m. by Ted Rockwell, Project Manager for the U.S. Environmental Protection Agency (EPA) Point Thomson Environmental Impact Statement (EIS). Mr. Rockwell presided over introductions at the roundtable discussion and stated the purpose of the meeting.

Purpose of the Point Thomson EIS Caribou Meeting

Mr. Rockwell explained that the meeting was being held to inform the people who are going to write those portions of the EIS that relate to caribou. He noted that it is important that the wildlife biologists, as well as the cultural anthropologists who will be writing the subsistence section of the EIS, be able to communicate directly with the people who hunt the

caribou. He explained that the scientists need to understand the local knowledge that only residents of these villages can bring to the table.

These meeting minutes are approximate summaries of the discussions that followed. The EIS writers (biologists and cultural resource specialists) also took notes for their use in researching and writing their sections of the EIS.

Meeting Ground Rules

The following ground rules were presented by the meeting facilitator and accepted by the group assembled:

1. Active participants will be defined as villagers and EIS writers.
2. All others will be defined as "attendees" and will observe only, reserving their comments and questions for breaks and scheduled periods.
3. After breaks, the meeting will begin at the scheduled times.
4. Cell phones will be set to vibrate, and participants will leave the room to answer them.
5. Mutual respect, courtesy, and patience will be the concepts guiding the discussions.
6. One speaker will speak at a time.
7. Participants will speak openly and honestly.
8. Participants will listen carefully and seek to understand the ideas and concerns raised by all parties.
9. Participants will stay focused on the purpose of the meeting.

Proposed Development Description

It was explained that the applicant is proposing a hydrocarbon development project at Point Thomson, Alaska. Large format maps and illustrations were used to point out geographic reference points for the proposed development.

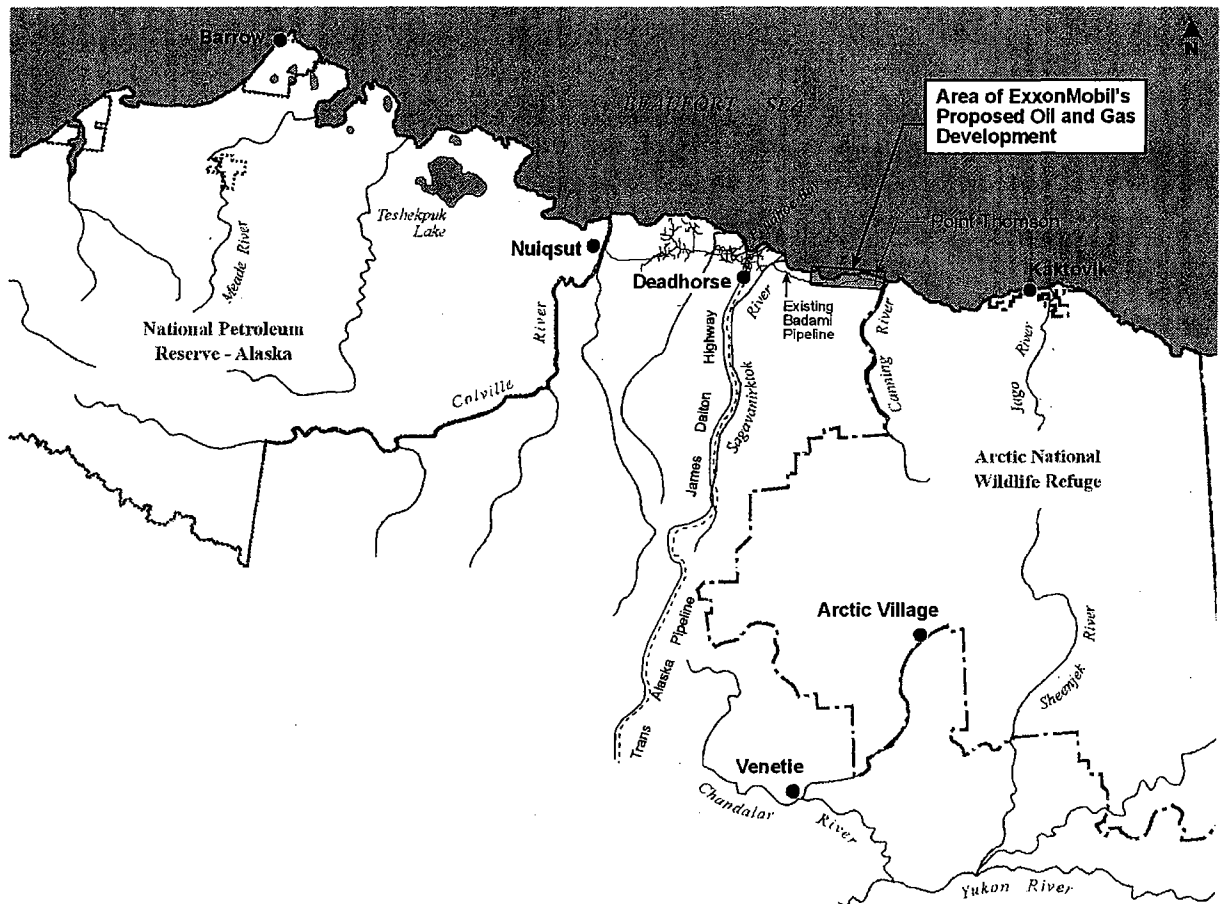
Point Thomson is located on the Beaufort Sea coast of the North Slope, 50 miles east of Prudhoe Bay. (The location is shown in the figure on the next page.) The proposed development would occur within the Point Thomson Unit, which consists of about 117,000 acres of state-leased lands. As shown in Figure 1, Point Thomson is west of the Canning River and the Arctic National Wildlife Refuge (Arctic Refuge). A reservoir of hydrocarbons beneath Point Thomson—called the Point Thomson Sands—contains an estimated 8 trillion cubic feet of natural gas and more than 400 million barrels of recoverable condensate (a hydrocarbon liquid similar to kerosene).

ExxonMobil proposes to extract the high-pressure natural gas from the Point Thomson Sands reservoir, separate out the condensate, and reinject the natural gas. Onshore east and west pads would be used to drill for and extract natural gas from the reservoir. Extended-reach drilling would be used to drill to about 13,000 feet deep and to as far as 20,000 feet laterally to the primarily offshore reservoir.

Hydrocarbon condensate would be separated from the natural gas and water at a central processing facility (CPF). This condensate would be sent through a proposed aboveground pipeline, about 22 miles long, to connect with the existing Badami Pipeline west of Point Thomson. The Badami Pipeline feeds through other existing pipelines into the Trans-Alaska Pipeline System at Pump Station No. 1. A central well pad would support wells used to reinject the natural gas following removal of the condensate.

It was explained that the proposed development includes the following components:

- Three well pads: two for extraction and production and a central pad for natural gas injection

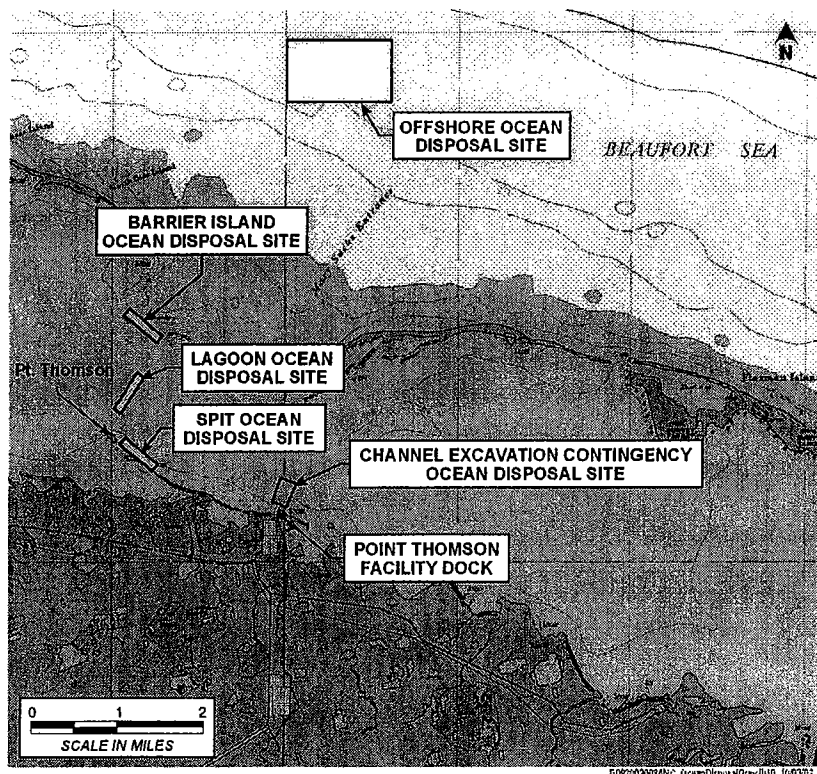


- A waste injection well on the central well pad
- A CPF located on a pad adjacent to the central well pad
- Aboveground pipelines connecting the east and west extraction well sites and the CPF
- An aboveground transport pipeline connecting the CPF with Badami Pipeline
- Support facilities including:
 - A self-sufficient infrastructure (including crew camp, electric power generation and distribution, fuel storage, water treatment and storage, and communications facility)

- An airstrip
- A dock
- A dredged channel to the dock (spoils would be disposed of in the ocean, as shown on the figure titled "Offshore Ocean Disposal Sites Under Consideration")
- A road system connecting the east, west, and central well pads; airstrip; and mine site (The roads would not connect to other North Slope roads or developments.)
- A gravel mine
- Water sources, including an abandoned mine site and a proposed new mine site that would be excavated

It was also explained that this description of the proposed development is based on work done by the applicant, ExxonMobil. It was explained that a full suite of options and alternatives, including the No Action Alternative, will be developed and evaluated in the EPA's EIS.

Questions about the description of the proposed development and existing infrastructure at Point Thomson were addressed by the facilitator.



Offshore Ocean Disposal Sites Under Consideration

Caribou Meeting Methodology for Discussion of Issues

The primary methodology for the meeting was information exchange. To stay focused on the exchange of scientific and local or traditional knowledge, the following methodology was adopted by the group:

1. Address each scoping issue one at a time (such as pipeline height and buffers from pipelines).
 - a. Community participants: Address whether EIS writers have identified the issue correctly? Additions? Changes?
 - b. Community participants: Describe local or traditional knowledge about these issues.
 - c. Community participants: Describe view of possible effects and impacts related to issues.
 - d. EIS writers: Describe level of information needed to address the issues in the EIS and where information is still needed. (Participants are not attending the meeting to address impacts; it is premature to do so because the information is still being gathered.)
2. During "a" through "c" above, EIS writers may ask for clarification to ensure they understand what community participants have said.
3. After each issue discussion, attendees will have an opportunity to ask a question or make an observation.

Discussion of Issues

On the basis of the discussion methodology above, the meeting facilitator led a discussion by introducing topics relevant to caribou that were raised by commenters in the villages and elsewhere during the EIS scoping period. The starting point for each discussion point was a caribou-related issue statement gleaned from the Scoping Meeting Minutes by ABR, Inc. The facilitator would state the issue as understood by the EIS team from the scoping process, and then ask the group of village participants if the EIS team had adequately understood the issue. Village participants made efforts to ensure that they provided accurate information; on several occasions they asked that certain topics be revisited after taking a break and conferring on the telephone with other village residents.

Issue: Elevated Pipeline

Commenters during scoping indicated that 5-foot pipeline elevation was inadequate and suggested that the pipeline height would need to be at least 7 to 12 feet to allow caribou and human passage on snowmachines, especially during winter due to snow buildup. In the discussion that followed, the following caribou issues were raised: bottlenecks of migration patterns; seasonality; height at river crossings; and movement of trail access points. It was suggested that it would be helpful to identify on a map the locations of the primary snowmachine trails for which pipeline heights have posed problems for residents. It was also suggested that further research be done on this issue because most of the studies have been done in the summer. The EIS writers indicated that the issue of pipeline height related to snowmachine use and caribou crossing in winter has not been explicitly studied.

There have been studies on snow accumulation under pipe, but this research has not addressed caribou.

Issue: Buried Pipelines

The meeting facilitator reported that during scoping meetings in the villages, some residents suggested that the pipeline be buried and/or that it be buried under the road infrastructure. He asked, "What are your thoughts on this relative to caribou movement? Did we miss anything?" The following primary issues were raised by participants: the availability of accurate information on the corrosion potential of buried pipe; the preference for buried pipe because it minimizes spill potential; impacts of spills from elevated pipe into watersheds; better equipment to protect against and clean up spills; allowance of open country for hunting; the benefits of burying pipe for improving hunting access and for allowing animal movement; and the need to be able to monitor underground pipe for leaks. EIS writers indicated that biologists have favored burying the pipe because it eliminates many issues associated with an elevated pipeline. Burying the pipeline requires analysis of engineering feasibility.

Issue: Pipeline Distance from the Coast

The meeting facilitator reported that at scoping meetings the EIS team heard the proposed development is too close to the coast. Commenters suggested moving it 5, 6, or even 10 miles inland because Kaktovik residents go west to hunt and a pipeline along the coast would interfere with their hunting. Participants in this meeting raised the following issues: the importance of caribou access to the coast for insect relief; coastal hunting access for caribou, fish, and seal; the negative effect on hunters of firearm restrictions near (within 5 miles) pipelines constructed in hunting areas; the potential effect of a coastal pipeline on bowhead whaling activities; the effect of traffic monitoring for the pipeline on hunting; and the potential "blocking" effect of an east-west pipeline on caribou migration. The EIS writers pointed out that in the Kuparuk area the Alaska Department of Fish and Game (ADF&G) sought to maintain a corridor along the coast that was as development-free as possible and that more information is known about summer caribou movement than about related winter issues.

Issue: Pipeline Buffer—Risk of Bullet Strikes

The facilitator reported that the scoping issue was a concern that if the pipeline is near hunting areas, a bullet may hit the pipeline and cause oil to leak and affect resources. The North Slope Borough (NSB) just completed a review of oil spill probability which concluded that 60 percent of all spills to date have been related to sabotage. Participants stated that any buffer zone around a pipeline is a concern to hunters because it would decrease hunting areas; they acknowledged that the buffer zone is added to protect the environment but pointed out that an indirect impact is to reduce their hunting area. The following additional issues were raised: increased length of response time before a spill would be detected by passers-by if the pipeline corridor were open to traffic; adequate monitoring, spill response systems, and timely communications about spills; the possibility of a caliber restriction instead of a buffer area; the need to evaluate the effects of homeland security requirements on local hunting practices; and past and current experience with "no hunting" buffers. It was suggested that one alternative in the EIS needs to include a no access buffer zone and

another should not include a buffer zone, so that both can be evaluated. EIS writers indicated that if there will be buffers or restrictions on use in the pipeline corridor, this information should be in the description of the proposed development so that the writers can address the correct scenario.

Issue: No Hunting Buffer Zones Near Pipeline

The facilitator reported that during scoping community commenters indicated that there are usually buffer zones in which hunting is not permitted along pipelines. They also said that if the Point Thomson pipeline is located along the coast, a buffer zone could affect traditional hunting areas. The commenters asked that the no hunting buffer zone be considered during pipeline placement decisions. The following issues were raised during discussion: the effect a buffer zone would have on residents' access to caribou and other resources; hunter avoidance of developed areas to prevent any risk of a spill; the difficulty of hunter access into developed areas; 1997 data that suggest a change in hunting areas before and after development; the need for access to these data so that they can be evaluated in the EIS; the possibility of seasonal considerations to allow for important hunting periods; the desire for no restrictions, no buffer zones, and access in traditional hunting areas ; and the need for baseline mapping showing where buffer zones with no hunting are and are not in place, as well as information on who establishes the buffers and how and whether they are being enforced.

Issue: Separation Between the Pipeline and the Road

The facilitator reported that during scoping, community commenters expressed a desire for roads to be built away from pipelines to reduce the obstruction to caribou. (Roads and pipelines in the same place retard caribou movement.) Community participants discussed the following: having a road and pipeline together creates more impact to hunting and to caribou; a pipeline without a road will have less traffic; increased flight activity is more likely if adequate road access to the pipeline is not permitted; flight activity would also have an effect; an option other than an east-west pipeline is needed; ABR research suggests that there is a reduction in impacts on caribou movement when roads are separated from pipelines; the NSB has a policy requirement that the road be no more than 1,000 feet from the pipeline so that people can see when leaks occur; and input from the EIS caribou scientists' that had indicated a separation of at least 300 feet is needed to mitigate negative impacts on caribou movements. Community participants indicated that a separation of a half mile was usually adequate, depending on the terrain.

Issue: Color of the Pipe

The facilitator reported that during scoping it was suggested that painting the pipe a nonintrusive color might serve to mitigate some of the visual and wildlife impacts. ABR reported that this issue came from Nuiqsut. Normal pipeline coatings are reflective metal and highly visible from miles away and could interfere with caribou movements. A new, nonreflective, coating with a dull finish has been used recently. Community participants reported that the elders say shiny coloring deters caribou, which can see it from miles away. Participants said that research on this mitigation technique has just begun and, in terms of western science, there will be no conclusive results available in time to inform this EIS. It was suggested that the Point Thomson EIS writers review Nuiqsut's comments from the

Meltwater Environmental Assessment. It was concluded that the issue of pipe color can be addressed by pipeline design.

Issue: Potential for the Pipeline to Squeeze Traditional Uses from the Coast

The facilitator reported that some participants in the scoping meetings reported that they don't go to the coast to hunt caribou as much anymore because of all the industrial development located there. The discussion of this issue included the following statements: fly-in activity and harassing activity from the road do not coexist well with caribou; subsistence activities and development are not compatible; caribou may change their distribution because of the infrastructure; residents' access to this resource should be evaluated in the EIS; and the existing traditional land use mapping should be used in the EIS analysis. It was suggested that many different elements affect caribou movements from year to year, and although it is very difficult to determine what is affecting what, as many links as possible need to be identified.

Primary Issue: Unimpeded Caribou Movement

Participants were asked to comment on how or whether pipelines restrict caribou movement

Sub-issue: Calving Grounds

A primary concern of community participants was any development in the calving grounds for either the Central Arctic Caribou Herd (CAH) or the Porcupine Caribou Herd (PCH). The discussion raised the following issues: people in the region around the proposed development depend on caribou and any effects to caribou will affect these people; related social and health effects to people who depend on caribou; the community concern that any kind of blockage to calving areas will affect calving and therefore the whole herd; similar Canadian concerns about blockage to calving areas; the special needs and increased sensitivity of pregnant caribou and calves; the reported high quality of the habitat in the Arctic National Wildlife Refuge (Arctic Refuge); and the movement of caribou calving grounds. The EIS writers reported "the significance of this movement to the health of the herd is a major subject of debate" (source: U.S. Geological Survey, 2002, *Arctic Refuge Coastal Plain, Terrestrial Wildlife Research Summaries*, USGS/BRD/BSR-2002-0001). It was acknowledged that there is a lot of data on whether cows and calves are behaviorally sensitive to industrial activity, and that the EIS writers will cover the range of opinions on this issue.

Sub-issue: Unimpeded Access to Coastal Insect Relief Areas

The facilitator reported the scoping issue as, "Five-foot pipelines impede the movement of caribou to the coast where they cool off and escape insects." Participants acknowledged that maintaining access for the caribou to insect relief areas is especially important. The discussion that followed raised the following issues: the availability of considerable research to conduct this discussion in the EIS; the need for caribou access to and from the food inland and insect relief along the coast; the animals' insensitivity to harmful distractions during insect harassment; the need to assess both the movement to the coast for insect relief and movement inland for food; the use of theoretical models to identify where these movements occurs (because hard data are not available); and whether animals that are subjected to unmitigated insect harassment have increased parasite loads. Participants then addressed the goal of minimizing the interference with caribou movement. Issues discussed included

the possibility of increasing seasonal restrictions on activities in calving areas; looking at ways to limit the industrial activity around the caribou at all times; and Native guidance on techniques that would allow construction crews to avoid impacts to caribou.

Sub-issue: Seasonal Migration Routes and Winter Ranges

Whether caribou movement from human interference causes health issues with a herd is an issue on which scientists do not all agree. The following issues were raised during this discussion topic: the need to study caribou nutrition relative to caribou forage as well as migration patterns; an aversion to caribou research techniques involving collaring, which harass and scare caribou and also may result in misleading results due to suffocation and loss of navigational skills; the need to recognize the difference between the PCH and the CAH on this issue in that PCH have no alternative place to which to move, given the topography; and despite the fact that collaring studies seem to indicate that there are two distinct calving areas for the CAH, distribution and review of the data collected to date has not been very good.

Sub-issue: Baseline Development Impacts

Participants suggested that it may be important to identify the negative impacts to the CAH from existing Prudhoe Bay development. Issues raised included possible shifts in calving grounds; potential differences in quality in the kind of caribou that are newly brought into the area, as opposed to the quality of caribou already exposed to development; calf mortality in development areas; and elders' input that caribou numbers have been declining since the introduction of development.

Sub-issue: Health and Condition of the Caribou—Are They Safe to Eat?

Scoping comments suggested that there may have been effects on the health and condition of the caribou meat caused by development, such as yellow and pale (rather than bright red) meat and cysts in the liver and kidneys. When participants were asked to comment on this observation, the following issues were raised: detection of yellow caribou meat in the area where there is oil development; the observance of bumble bees in caribou throats; less experienced hunters shooting animals with brucellosis and other conditions; stomach ailments among the PCH in spring; the need to understand the effects of persistent organic pollutants (POPs) on the caribou and, in turn, on residents who consume these caribou; the need for research studies in which the hunters cooperate closely with the scientists to ensure timely delivery of fresh meat for analysis; and the need for the EIS writers to have access to the data collected on this issue by NSB scientists and for the information to be clearly conveyed to residents. It was reported that although some studies have been initiated on this issue, the data from which to draw reliable conclusions on the effects of oil development on the health of individual caribou are not yet available.

Sub-issue: Continued Access to Caribou Along the Coast

Scoping commenters expressed concerns about maintaining continued access to caribou along the coast. Discussion on this point raised the following issues: changes in land uses in the area as a result of increases in development; the need for continued access for caribou hunters to their hunting grounds; and concerns about the effects of development components such as gravel pads, airports, gravel roads on caribou in this area.

Sub-issue: Caribou Availability

During scoping meetings, commenters expressed a desire to maintain existing access to existing herds of caribou at traditional hunting locations. When meeting participants were asked if caribou continue to be available when and where hunters expect to find them in seasonal harvest areas, the following issues were raised: the effects of trophy hunting and the elimination of herd leaders on migration patterns; the effects of hikers, hunters, and congressional fact-finding teams doing visual reconnaissance; the possibility of constant changes in migration patterns; the effects of sport hunting, aircraft, and predator-attraction practices on caribou populations and migration patterns; and the inability to monitor or enforce hunting practices. A Gwich'in community reported not seeing caribou close to where they used to hunt. When the caribou come back from the calving grounds, they were farther from the village, and it took longer to hunt. This occurrence persisted for 5 years and changed the local hunting pattern, causing concern for the whole community whose residents could not get what we needed because the caribou were too far away.

Sub-issue: Predator Increase Effect on Caribou Populations

Scoping commenters expressed concern that predators in the area will increase because of the presence of camps and other human activities—and that this would result in consequences to caribou herds; for example, an increase in the taking of calves. Participants raised the following related issues: increases in bear around camps that attract birds; the presence of wolves along the Dalton Highway since development; potential for habituation of caribou to people; the potential for wolves to use infrastructure to assist in herding; effects of increases in bird populations in areas used for subsistence harvest drying; and the potential for caribou to be forced into areas with more predators. The EIS writers indicated that this issue was a known area for which research has been conducted and data are available, and will be addressed in the EIS.

Sub-issue: Disturbance From Aircraft, Buildings, Facilities, and Equipment

Participants commented on the potential effects of the infrastructure for the proposed development on caribou. The following issues were raised: noise from electrical generation; noise from drill rigs and construction equipment; aircraft noise relative to altitude and angled turns; preferences for higher altitudes by hunters on the ground; potential for regulation of noise; inability to control transient operations of helicopter pilots; seasonality of noise regulation; worker health and safety protection from noise; potential for habituation to noise; and the availability of data from noise studies conducted at Prudhoe Bay, Alpine, and military installations.

Issue: Competition from Nonlocal Hunters

Concerns were expressed that competition by nonlocal hunters could increase with improved access. Specific issues raised included the following: trophy hunters who kill herd leaders and affect migration patterns; local practices to limit hunting; the need to determine whether the baseline for the CAH is so different from that of the PCH that application of lessons learned from studying one cannot be applied to the other; and land ownership as a mitigation measure.

Issue: Cumulative Effects of All Past, Present, and Reasonably Foreseeable Projects

Participants were asked to comment on the potential for cumulative impacts on caribou as a result of all past, present, and reasonably foreseeable future projects, including the proposed Point Thomson development. Issues raised in this discussion included the following: potential health, social, and economic impacts, given residents' close cultural and biological relationship to the caribou; air quality; water quality; Anaktuvuk Pass residents' and Canadian residents' respective relationships with the PCH; EPA cleanup powers and responsibilities; potential impacts to future generations; health and socioeconomic impacts that have been on the rise ever since pipeline construction first began in Alaska; holistic effects of subsistence impacts; and the need for impartial analyses and public access to all study results.

Meeting Conclusion

At the close of the meeting, village participants said that they would like to see something in writing come back to the communities about the proceedings at the meeting. EPA Project Manager Ted Rockwell said that a summary of the meeting and the issues raised will be posted on the EIS project Web site at <http://projects.ch2m.com/PtThomsonEIS> as rapidly as possible.

Note: As the meeting progressed, issues were raised that were not within the scope of the Caribou Meeting purpose, but do fall within the scope of the overall EIS. These issues were noted by Mr. Rockwell, who posted them on a notepad at the front of the meeting room. They included the following:

1. Why develop Point Thomson? Why not another area?
2. Consider the effects of the proposed development on whaling and fishing.
3. Consider the fact that explosives could be a problem in construction of the pipeline in that sea mammals could be diverted farther offshore by noise.
4. Concerns about oil spill effects and response.
- 5: Movement restrictions placed on villagers for purposes of homeland security could affect subsistence hunting and fishing practices, and should be considered in the design of the proposed development.
6. What will happen when the facility or pipeline is finally abandoned?
7. Consider the effects of global warming when evaluating this proposed development.

The EPA Project Manager asked the EIS team to include these issues in the Scoping Summary Report.

Attachments: Agenda
Sign-In sheet