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## **DNR** issues decision on Colville River Unit expansion

(Anchorage, AK) – The Department of Natural Resources has issued <u>a decision</u> on ConocoPhillips' proposed 5th expansion of the Colville River Unit focused on responsible development of oil on state and Arctic Slope Regional Corp. jointly-owned lands. The decision contains key provisions related to commitments to drill and creating jobs for Alaskans.

"It's important for the State of Alaska to find common ground with our oil industry partners and local stakeholders as we work to bring much-needed oil to the trans-Alaska pipeline," said Governor Bill Walker. "To get the full benefit of the decision, at least 80 percent of the hires must be Alaskan. ConocoPhillips has a strong record of training and hiring Alaskans. Because jobs in Alaska should go to Alaskans, my team and I will continue to ensure strong local hire provisions on this and other projects."

Oil was discovered on these lands before ConocoPhillips took ownership of the leases. Development has stalled due to logistical challenges and disagreements over drilling commitments. The decision issued this week sets forth proposed drilling commitments and other terms under which DNR would agree to include the leases in the company's Colville River Unit.

If ConocoPhillips and Arctic Slope Regional Corp. agree to the terms, DNR anticipates initial drilling will begin this winter with completion of the well by the second quarter of 2018. If drilling is successful, the decision lays out a path to development.

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