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UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ALASKA

SOVEREIGN IÑUPIAT FOR A LIVING  
ARCTIC, et al.,

Plaintiffs,

v.

BUREAU OF LAND MANAGEMENT, et al.,  
Defendants,

and

CONOCOPHILLIPS ALASKA, INC., et al.,  
Intervenor-Defendants.

CENTER FOR BIOLOGICAL DIVERSITY,  
et al.,

Plaintiffs,

v.

BUREAU OF LAND MANAGEMENT, et al.,  
Defendants,

and

CONOCOPHILLIPS ALASKA, INC., et al.,  
Intervenor-Defendants.

Case No. 3:23-cv-00058-SLG

Case No. 3:23-cv-00061-SLG

**DECLARATION OF CONNOR A. DUNN**

*Sovereign Iñupiat for a Living Arctic, et al. v. BLM et al.*, Case No. 3:23-cv-00058-SLG  
*Center for Biological Diversity, et al. v. BLM et al.*, Case No. 3:23-cv-00061-SLG

I, Connor A. Dunn, hereby declare and affirm as follows:

1. I make this declaration in support of ConocoPhillips Alaska, Inc.'s ("ConocoPhillips") opposition to the motions for summary judgment filed by the plaintiffs in the above-captioned cases. I have personal knowledge of the matters stated below, and I am authorized and competent to make this declaration.
2. I am currently employed by ConocoPhillips Company and have worked for ConocoPhillips-affiliated companies for 18 years. In my current position, which I have held since June 2023, I am the Vice President of Willow for ConocoPhillips Alaska, Inc. As such, I oversee more than 120 company employees and contracted personnel who are charged with all aspects of project execution and development plan implementation for the Willow oil discovery in the northeast portion of the National Petroleum Reserve in Alaska (the "Petroleum Reserve" or "NPR-A"), including construction of the project infrastructure. I have budget control over the work of about 600 additional contractor company personnel from diverse disciplines who are preparing for successful development of Willow. My essential tasks are to lead, integrate and optimize the work of geologists, engineers, economists, scientists, and others to complete the environmental review and permitting processes for the Willow development, prepare subsurface development plans, prepare facility construction plans, assess and manage project risk, manage the procurement process, and present the project for capital funding within the corporate project authorization process. Before holding my current position, I was the Willow Asset Manager for ConocoPhillips, starting in August 2016, and, in that role, I

oversaw a core team of approximately 15 direct-report employees charged with creating, permitting, and implementing the development plan for the Willow oil discovery.

### Willow Project Construction and Investment

3. Construction for the Willow project began on April 3, 2023, immediately after issuance of a court order denying motions for a temporary restraining order and preliminary injunction. In the 2023 Willow construction season, which was shortened by permitting delays, ConocoPhillips opened a new gravel mine, built two miles of gravel road from the Greater Mooses Tooth 2 (“GMT2”) pad west toward Willow, and started construction of a subsistence boat ramp for local community use, providing access to the Tiġmiaqsiuġvik (Ublutuoch) River from the GMT2 road. This work ended on May 3, 2023, after which no further winter construction-related work was possible because the season had changed. The 2023 Willow gravel construction work was executed primarily by Nanuq, Inc., which employed 130 Alaska residents for their portion of the work, including residents from the nearest community, Nuiqsut.

4. Willow construction that does not depend on ice roads is ongoing. Our selected major fabrication contractor started construction of the Willow Operations Center (“WOC”) modules on April 26, 2023, in Texas. Fabrication work remains underway now, with approximately 200 fabrication contractor company personnel working on the project. The WOC modules are:

- WGL1 Water Treatment Module
- WGL2 Waste Water Treatment Module
- WGL3 Fuel Tank Module
- WGL4 Waste Injection Module South (WIF)

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- WGL5 Waste Injection Module North (WIF)
- WGL7 Injection Liquids Facility Module (ILF)
- WGL8 Waste Injection Facility (WIF) TTLA Pump Module
- WGL9 REIM Module
- WGPT Potable Water Tank Module
- WGRT Raw Water Tank Module
- WGZT Firewater Tank Module
- WGZ1 Firewater Pumphouse Module

Through July 2023, ConocoPhillips has already spent \$115 million, and by the end of 2023 ConocoPhillips expects to have spent \$207 million on the WOC. The total engineering, fabrication, and installation cost for the WOC is anticipated to be approximately \$917 million. In 2024, the WOC modules will be transported to the North Slope to meet the Willow construction schedule.

5. Pipe for vertical support members (“VSMs”), horizontal support members and saddles (“HSMs”), and culverts for road crossings are also being fabricated in 2023 for installation in late 2023 and 2024. These supports will be fabricated from approximately 95,000 linear feet of 12” – 18” pipe and will be completed in 2023 at shops in Anchorage and Fairbanks. Through July 2023, ConocoPhillips has already spent \$20 million, and by the end of the year we expect to have spent \$81 million on pipelines and supports for the 2023 – 2024 scope of work. By the end of the 2023 – 2024 winter construction season, approximately \$175 million will have been spent on the pipeline work.

6. Summer work in support of Willow is also proceeding on the North Slope within the Kuparuk River Unit. Starting in approximately September 2023, ConocoPhillips will make improvements to the existing gravel road to the 2L drill site

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specifically for the purpose of transporting the WOC modules to the Bear Tooth Unit during the winter of 2024 – 2025. That work involves curve widening to accommodate the length and width of trailers sized to haul the WOC modules. Late in the fall of 2023, we will install pipeline road crossings for future Willow pipelines at CPF2, DS2F, DS2G, DS2H, and the Tarn road, all within the Kuparuk River Unit. Outside the Kuparuk River Unit, gravel is being compacted this summer on the two miles of Willow access road that was laid down last April.

7. ConocoPhillips plans to resume surface-disturbing winter construction work for Willow on December 21, 2023, depending on weather. Non-surface-disturbing work could begin even earlier, with staking for ice road construction on October 15, depending on weather, and pre-packing of snow in preparation for ice road construction on November 7, 2023, depending on weather.

8. ConocoPhillips has executed contracts for in-field Willow work in the upcoming 2023 – 2024 ice road season, including contracts with Nanuq Inc., ICE Services Inc., ASRC Energy Service - Houston Contracting Company Inc., and other Alaska-based companies, many of whom are affiliates of Alaska Native corporations. Altogether, approximately 1,200 contractor personnel are expected to be working in the field, on the North Slope, on Willow-specific projects during the 2023 – 2024 ice road season. Nanuq Inc., alone, anticipates having approximately 550 employees working on Willow construction in the 2023 – 2024 ice road season. With 600 contractor company personnel directly supporting Willow with engineering, planning and other office work,

combined with 1,200 direct construction jobs this winter, the total number of Willow jobs will be approximately 1,800 when Willow construction recommences this winter.

9. Major construction work in the field planned for the upcoming 2023 – 2024 ice road season includes pipelines and gravel. The pipeline work includes the following: (a) installation of approximately 1480 VSMS and HSMs between Kuparuk Central Processing Facility 2 and the Alpine Central Facilities; (b) installation of approximately eight miles of 20” pipeline (for seawater) and 6” pipeline (for products, mostly diesel) on those supports; and (c) approximately 1130 VSMS and HSMs along with approximately 4.6 miles of 20” pipeline (for seawater), 16” pipeline (for oil sales), and 12” pipeline (for produced gas) between GMT2 and the Willow Central Facilities (“WCF”) location. The gravel work includes: (a) installation of approximately seven miles of road to complete the connection from GMT2 to the WOC location; (b) a road spur and pad for access to Lake L991; (c) approximately one mile of road between the WOC and the WCF; (d) the WOC pad; (e) the airstrip access road and airstrip apron; and (f) installation of the Willow 2 bridge, which was fabricated in Tacoma, Washington in July 2023, on the Willow access road near the WOC pad.

10. For the following year (the 2024 – 2025 ice road season), a similar level of work activity is required. In that year, the work will include: (a) installation of the 12 WOC modules on the WOC gravel pad; (b) installation of the airstrip and associated infrastructure, such as the approach, taxiway, and apron lighting; (c) completion of WCF gravel pad; (d) installation of the Judy Creek and Judy Creek Kayyaaq bridges, plus

installation of the boat launch at Judy Creek for use by Nuiqsut residents; (e) installation of approximately 1,120 VSMs and HSMs for pipelines from CPF2 to the miscible injectant and gas injection pad; (f) installation of approximately 882 VSMs and HSMs for pipelines from GMT1 to GMT2; (g) installation of approximately 17 miles of pipelines (20" and 6" lines) from Tarn Road to the Colville River; (h) installation of approximately 4.7 miles of pipelines (20", 16", and 12") from GMT2 to WCF; and (i) construction of the pad and access road for the first drill site, BT1.

11. ConocoPhillips has already invested approximately \$925 million through July 2023, in lease acquisition, exploration and appraisal drilling, engineering, environmental studies, permitting, and other expenditures to find and appraise the Willow discovery, plan the development, secure BLM's approval of the development plan, and begin construction of the project. ConocoPhillips plans to spend approximately \$345 million more from August through December, 2023, to prepare for execution of the construction plan for the upcoming winter construction season, and \$903 million from August 2023 through the end of the 2023 – 2024 winter construction season. By the end of the winter 2023 - 2024 construction season, ConocoPhillips will have invested a total of approximately \$1.8 billion in the Willow project.

12. ConocoPhillips is proceeding with this work and this investment because time is critical for construction of the Willow project. A majority of Bear Tooth Unit Leases are effective as of September 1, 1999 (20 leases out of 33 total after the March 2023 relinquishment). The leases that are effective as of 1999 are in the central core of

the area to be developed, and they face a risk of expiration as of September 1, 2029, if the unit has not produced oil by that time. The risk is based on the following statutory language: “Notwithstanding any other provision of this Act, if no oil or gas is produced from a lease within 30 years after the date of the issuance of the lease the lease shall expire.” 42 U.S.C. § 6506a(i)(5). That language is unique to the National Petroleum Reserve Production Act of 1976, as amended, and presents a risk to the Willow project. Although ConocoPhillips has received extensions of NPR-A leases in the past, that provides no assurance of a future extension that would extend a lease beyond 30 years from the date of issuance. That issue has not arisen yet because the first NPR-A oil and gas lease sale was in 1999. The clause “[n]otwithstanding any other provision of the Act” gives rise to the argument that no lease extension or other administrative action is available to preserve a lease beyond 30 years from issuance in the absence of production. The possibility of future litigation over that issue if oil is not produced before the 30-year anniversary presents a business risk to ConocoPhillips that has been evaluated at the highest levels of the company.

13. ConocoPhillips has mitigated the business risk by taking all prudent measures available to achieve timely oil production at Willow. By advancing our contracting and procurement commitments and starting road construction at the earliest authorized opportunity, ConocoPhillips has preserved a project schedule that, absent vacatur, will achieve production prior to the September 2029 date on which the risk of lease expiration would materialize. With the March 2023 Record of Decision (“ROD”),



the project has a tight but achievable schedule and is currently on track to achieve first production prior to September 2029. The work achieved during the 2023 winter construction was important in preserving this schedule.

#### Consequences of Vacatur

14. For the reasons set forth below, the Willow project is highly unlikely to proceed at all if the 2023 ROD or any other necessary agency decision document challenged in this litigation is vacated by the Court. A court vacatur order that causes ConocoPhillips to miss all or even a portion of the 2023 – 2024 winter construction season would make it nearly impossible for the company to ever move forward with the Willow development.

15. If the Court were to vacate the 2023 ROD or any other necessary agency decision document challenged in this litigation, then yet another federal permitting process on remand would be necessary before the Willow project could proceed. The recently completed permitting process on remand took approximately 20 months (from August 2021 to March 2023). It is reasonable to expect that another remand process would take a similar length of time, in which case a new authorization would be issued in June 2025. The actual date could be a little sooner or much later, and in any case the process would be outside ConocoPhillips' control. During the interim, Willow construction would be halted while awaiting the necessary permits. This would very likely result in a loss of at least the 2023 – 2024 and 2024 – 2025 winter construction seasons, as further addressed below.

16. A vacatur order that effectively halts project construction for even one year would squarely present the lease expiration risk because, in that event, first production would occur after September 2029. Even under current circumstances, without vacatur, timely first oil requires a highly integrated series of construction milestones from 2023 through 2029, and there are no opportunities to further compress the construction schedule that would not create major execution risk.

17. I do not concede that any particular Willow lease cannot be extended beyond 30 years from issuance, and I recognize that the Court previously provided an initial interpretation of the lease expiration statute in preliminary injunction proceedings, suggesting that BLM could grant another lease extension beyond 30 years or that circumstances beyond ConocoPhillips' control could provide relief from the 30-year lease limitation. However, absent a binding declaratory judgment ruling on the scope of the lease expiration language at 42 U.S.C. § 6506a(i)(5), as applied to ConocoPhillips' leases, the potential for lease expiration, as described above, remains a serious risk that ConocoPhillips must objectively assess from a business perspective.

18. Vacatur of the 2023 ROD or any other necessary agency decision document challenged in this litigation, if it were to occur, would be the second loss of permitting authorization for the Willow project on the cusp of construction. A second vacatur order would significantly increase the risk of lease expiration by extending the time to first production. A second vacatur order would also increase project costs by requiring a new permitting process, erode the net present value of the project by deferring project revenue

to a later future date, increase schedule uncertainty while the federal agencies work on new permitting issues, and increase project complexity.

19. On the issue of project complexity, one of the practical realities is that the team of hundreds of people currently assembled for project execution would be idled in the absence of an authorized construction plan. A second loss of permit authorization would erode the confidence of employees and contractors in the project, causing company employees and contractor personnel to take other positions with a more certain future, and causing contractors to take other contracts. It could take years, depending on market conditions, to reassemble the right team to execute the project safely and efficiently. This is a real, practical consequence of a vacatur order, and it would weigh heavily against ConocoPhillips moving forward with a project that faces a risk of lease expiration.

20. Even if the company were able to find a way to move forward with Willow construction in spite of a vacatur order, which is highly unlikely, the project benefits, such as jobs and investments in Alaska, as described above, would be delayed. The project delays would likely extend for more than two years as the project team is reassembled. In that case, project benefits, such as tax and grant income from oil production, would also be deferred for more than two years, to the detriment of communities and other stakeholders who stand to benefit from Willow production.


21. If the company ultimately terminates the project, which is the highly likely consequence of a vacatur order, then none of the remaining benefits from the project

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would be realized. In the short term, that would mean that the 1,200 field-based jobs projected for the upcoming 2023 – 2024 winter construction season would not materialize and that the projected \$903 million investment in Alaska from August 2023 through the end of the upcoming winter construction season will not be made. In the long term, that would mean no Willow-based production to (a) extend the life of the Trans-Alaska Pipeline System; (b) contribute to the NPR-A Impact Mitigation Grant Program; (c) contribute production tax revenue to the State of Alaska; (d) contribute *ad valorem* tax revenue to the North Slope Borough; (e) create jobs and boost the economies on the North Slope, throughout Alaska, and in the rest of the United States; and (f) bolster energy security from domestic American production to offset foreign imports during the anticipated transition to a lower carbon energy economy.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: 8/29/2023

  
Connor A. Dunn