

March 11, 2025

**Proposal for 2025 Containment Return Program
Native Village of Nuiqsut - ConocoPhillips Alaska - Santos**

ConocoPhillips Alaska (CPAI) and Santos have reviewed a proposal from the Native Village of Nuiqsut (NVN) to reestablish funding for a containment return program (Program). After consideration and discussion, CPAI and Santos propose the following response.

CPAI and Santos each propose to contribute \$5,000 for a total of \$10,000 to a containment return fund to be administered by NVN. This fund would be used to compensate Nuiqsut residents who find, record, retrieve and return portable containments (often referred to “duck ponds”) which are found in the Alpine and Pikka fields on the tundra or in lakes and streams.

Containments are used by industry vehicles to catch and contain any drips or spills of fluid from vehicles and equipment. Use of containments are required by permit stipulations from entities such as the North Slope Borough and other agreements, for use under vehicles and equipment whenever parked on ice roads, ice pads, and some gravel roads, pullouts and pads. Modern containment devices are typically made of a heavy black plastic resin-like material, square or rectangular in shape, rigid, about 3 inches deep and impervious to liquids penetrating them. Other containments are designed to be more flexible and compressible for storage, either yellow, orange or red in color, and constructed of a lighter weight flexible material covered by an impervious shell. In recent years, industry has been moving toward more use of the heavier rigid containments, but the need for the flexible containments for certain vehicles and equipment continues.

Containments may end up in the tundra in several ways: sometimes because they are accidentally moved during snow removal operations, frequent high winds blow them away from pads or out of truck beds, or they become buried by snow. The lighter flexible containments are more susceptible to being blown by high winds; therefore, the flexible containments are more likely to be found abandoned away from roads and pads.

Residents of Nuiqsut have noted abandoned containments while driving, hunting, camping or boating. NVN originally contacted CPAI and Santos representatives with the idea of a compensation system for individuals who locate and safely retrieve abandoned containments. A pilot Program commenced in 2020, with each company contributing \$2,500 (\$5,000 total) to fund the Program. Residents who returned containments and provided the required information received \$250. Among the stipulations for payment of the reward: each returned containment had to be photographed in the exact location and condition it was found to provide evidence that it was found abandoned.

Several containments were found that first year, returned and processed through NVN for payment of the reward. When the Covid emergency was declared in 2020, the Program became less of a priority and eventually became inactive. Over the past few years, those initial funds associated with the pilot Program have been exhausted.

In July 2024, NVN provided a proposal to restart the Program. CPAI and Santos have agreed to again fund the Program and provide funding of \$10,000. Each company will contribute \$5,000. NVN will administer the Program, establish the individual compensation amounts, and provide the companies with information on the where the containments were found.

The stipulations between the three entities remain consistent with the original pilot Program, with minor modifications:

- The Program will begin on April 1, 2025, and run through the end of 2025 or until funds are exhausted.
- All portable containments for use with CPAI and Santos vehicles and their contractors should be clearly labeled with the company name and vehicle number.
- Any abandoned containments found and retrieved shall be photo documented as previously described and accompanied by information forms before submittal to NVN for processing. All retrieved containments shall ultimately be returned to CPAI or Santos VOLs/FECs. If the containment is deemed no longer functional for holding liquids (e.g. tears or holes) then the containment can be disposed of at:
 - CPAI designated location: If owned by CPAI or ownership is inconclusive
 - Santos designated location: If owned by Santos
 - Nanuq/AFC shop(located in Nuiqsut): If owned by Nanuq/AFC
 - Delta Leasing shop (located in Nuiqsut): If owned by Delta Leasing
- Containments found adjacent to roads, pads, or active work areas are generally not eligible for compensation unless they show clear signs of abandonment — such as extended exposure to seasonal conditions (e.g., snowmelt uncovering long-unattended items), windblown displacement, or placement in inactive zones where no recent work activity has occurred. In cases where abandonment is uncertain, eligibility may be determined at the discretion of the Tribal Council.
- If CPAI or Santos determines an unusual number of containments are reported missing from active oil field locations/activities, CPAI and Santos will meet with NVN to discuss potential changes to, or discontinuation of the Program.
- Santos periodically places containments underneath North Slope resident vehicles while parked at the Pikka boat launch/Oliktok. If these containments are found removed from the site where they are placed, NVN will contact CPAI/Santos to assist in returning these loaner duck ponds.
- The Program will not automatically renew in 2026. The three entities will meet to discuss the Program, the successes and challenges, and decide on continuation.

Both CPAI and Santos look forward to a successful Program in 2025 and thank NVN for their administration of the Program.

Native Village of Nuiqsut

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CONTAINMENT RETURN FORM

*GPS Coordinates/Location/Surroundings: _____

*Number of containments at this location: _____

*Containment Identification Information for each containment: _____

*Brief written narrative of location and surroundings: _____

*Required information for validity of containment.

Name of individual who found containment(s):

Name: _____

Phone Number: _____ Email: _____

I (first and last name), _____, whose mailing address is:

certify that the information provided in this form is true and correct.

By signing below, I also understand that that failure to report completely and accurately may result in forfeiting compensation under Nuiqsut's Containment Return policy.

Signature of Individual

Date

OFFICE USE ONLY

Approved ____ Rejected ____ by the Tribal Council on _____.

If approved, payment issued on _____ for the return of ____ containments for
\$ _____ each for a total payment of \$ _____.