



# **KENAI PENINSULA BOROUGH**

## **Coastal Management Program**

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**JOHN J. WILLIAMS  
BOROUGH MAYOR**

June 9, 2008

Jodi Delgado-Plikat  
Project Review coordinator  
Alaska Department of Natural Resources  
Division of Coastal and Ocean Management  
550 West 7<sup>th</sup> Avenue, Suite 705  
Anchorage, Alaska 99501

Subject: Marathon Oil Co., Susan Dionne Pad Compressor Installation AK0805-03OG

Dear Ms. Plikat:

Kenai Peninsula Borough (KPB) Coastal District staff has reviewed the subject project and concurs with the applicant's certification of consistency with the Alaska Coastal Management Program.

### Project Description and Scope

Marathon Oil Company plans to expand the Susan Dionne Pad for installation of a compressor unit and to drill the Susan Dionne #6 gas well during the Third Quarter 2008. Currently, all available space on the pad has been utilized for drilling operations and production facilities.

The reciprocating compressor would be housed in an engineered building approximately 50 feet long by 15 feet wide. The building would contain the natural gas engine driver, reciprocating compressor, inlet separator, scrubbers, and auxiliary mechanical, electrical, instrumentation and control systems. The compressor would run as either a single-stage or two-stage machine, capable of suction pressures between approximately 100 PSIG and 650 PSIG. The compressor would discharge processed natural gas into the existing Kenai Kachemak Pipeline (KKPL) via the existing subsurface lateral pipeline from the pad. Automated isolation valves and fuel gas conditioning equipment would be located in a separate valve building approximately 18 feet long by 18 feet wide on the same pad expansion area.

Piping and the electrical interconnection between existing infrastructure and the valve building / compressor package would be via an overhead pipe rack. A PLC based control system would be installed for automatic monitor and control of compressor package operations. Other features designed into the new compressor installation include:

- Engineered fire and gas detection systems
- Automatic compressor isolation & depressurization in the event of fire or gas detection
- Ventilation system to minimize the potential for gas accumulation
- Noise mitigation

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### Project Location

The Susan Dionne Pad is sited on private property that was purchased in 2007 by Marathon Oil Company. The Susan Dionne Pad is located at Township 1 South, Range 13 West, Section 6, Seward Meridian.

### Findings

The applicant's project is consistent with 11 AAC 112.230, Energy Facilities, inasmuch as the project is an expansion of an existing site, proposes to minimize social and environmental effects through noise suppression, and constructed safety features. The project is compatible with existing uses and does not conflict with future community needs. The project is consistent with 11 AAC 112.240, Utility Routes and Facilities, because the activity avoids alteration of surface and ground water drainage patterns so that the Cook Inlet shoreline is not adversely affected. The project does not disrupt wildlife transit or block access to beaches or shorelines.

The applicant's project will disturb wetlands under the jurisdiction of the U.S. Army Corps of Engineers (Corps). The applicant proposes to achieve consistence with 11 AAC 112.300(b)(3), Habitats, through the development of a mitigation plan that will satisfy the requirements of the Corps.

Thank you for the opportunity to comment.

Sincerely,



Gary Williams  
Coastal District Coordinator