Appendix B
National Pollutant Discharge Elimination System Notice of Intent

Shell Offshore Inc. May 2011

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Shell Offshore Inc. May 2011



Shell Exploration & Production Company

December 16, 2010

Ms. Hanh Shaw U.S. EPA, Region 10 Office of Water & Watersheds, NPDES Permits Unit 1200 Sixth Avenue, Suite 900, M/S OWW-130 Seattle, WA 98101 Shell 3601 C Street, Suite 1000 Anchorage, AK 99503

Tel. (907) 646-7112 Email <u>susan.childs@shell.com</u> Internet http://www.shell.com/

Dear Ms. Shaw:

Subject: Notice of Intent for administrative extension under General Permit AKG-28-0000

Lease Number OCS-Y-1805, Lease Block 6658 Lease Number OCS-Y-1941, Lease Block 6610

In accordance with 40 CFR 122.21(d) Shell Offshore Inc. (Shell) is submitting Notices of Intent (NOIs) for the Lease Blocks listed above for authorization to discharge under General Permit AKG-28-0000 that expires on June 26, 2011. It is Shell's understanding that a new general permit is not scheduled to be issued until the fall of 2011. Therefore, these NOIs also serve as Shell's request for an administrative extension to discharge under NPDES General Permit AKG-28-0000 for 2011 and beyond for each authorized NOI until the new General Permit is available. The attached NOIs were originally granted by EPA on April 20, 2010 for AKG-28-0005.

If you have questions about any component of the proposed project, please contact me at (907) 646-7112 or email susan.childs@shell.com, or call Nicole St. Amand at (907) 646-7152 or email nicole.stamand@shell.com.

Sincerely,

Susan Childs

Alaska Venture Support Integrator Manager

Susan Childe

Attachments - Notice of Intent (NOI) Information Sheets

Location Maps

Ocean Discharge Tables Discharge Flow Diagrams cc: Diane Soderlund, USEPA Region 10, Alaska Operations Hahn Shaw, USEPA Region 10 Jeff Walker, BOEMRE Alaska Don Perrin, Alaska DNR Administrative Record

ATTACHMENT 1

APPLIC	ANT (Owne	er/Opei	rator)							
Owner Nan	ne:	Shell Offshore Inc.						3601 C Street		
Telephone	Number:	1	907-770-3700			Operator Mailing		Suite 1000		
Operator N	ame:	Shell	Shell Offshore Inc.			ss:		Anchorage,	AK 99503	
Telephone	Number:	907-7	770-3700							
FACILI	ГҮ									
Facility Na	me:	Disc	overer		Facility Mailing			3601 C Street		
Contact Na	me:	Susar	n Childs		Addre		ng	Suite 1000		
Telephone	Number:	907-7	770-3700		Addre	55.		Anchorage,	AK 99503	
Beginning	Date of	July	10, 2011					Latitude:		
Operation:					Station	nary				
Expected D	uration of	appro	eximately 34	days per well	Facilit	ies		Longitude:		
Operation:		site								
			Jackup				Initial	70° 23' 29.5814"		
Facility Type (check applicable type)		Drill Ship		Mobile Facilities		Latitude:				
		Semisubm								
			Other (spe	cify):			Initial	145° 58' 52.5284"		
							Longitude:			
Submit a si	te map show	ing the	exact location	on of facility and	dischar	ges asso	ociate	d with the pro	ject. Mobile facilities	
									eas and a description of	
									nsitive area indicated by	
the permit,	those areas a	nd thei	r distance fro	om the operation/	dischar	ge musi	t be sl	nown on the n	nap.	
RECEIV	ING WAT	ΓER								
Chul	cchi Sea					Other	(spec	cify): 🗌		
Beau	ıfort Sea				ヿ ⊔ .					
Supply con	firmation wit	th the U	J.S. Departm	nent of State and I	NOAA	that the	disch	arge is seawa	ard of the inner boundary	
baseline, if	applicable.									
LOCATI	ON OF D	ISCH	ARGE							
MMS	Lease Num	ber	OCS-Y-1	1805	A DI	NID	Leas	se Number	N/A	
1411415	Block Num	ber	6658		ADNR Bloo		Bloc	k Number	N/A	
Range of w	ater depths b	elow n	nean lower	From:	105	,		То:	1071	
low water (MLLW) in tl	ne lease	e block:	FIOIII.	107	'		10.	107'	

Disch	arges (check d	all th	nat apply)				
	001 Drilling Mu				Water De	pth:	
	002 Deck Drain	age			Water De	pth:	19.6'
	003 Sanitary W	aste			Water De	pth:	
	004 Domestic V	Vaste			Water De	pth:	
	005 Desalinatio	n Un	it Waste		Water De	pth:	19.6'
	006 Blowout Pr	even	ter Fluid		Water De	epth:	discharged at seafloor 107'
	007 Boiler Blov	vdow	n		Water De	pth:	
	008 Fire Contro	ol Sys	tem Test Water		Water De	pth:	
	009 Non-Conta	ct Co	oling Water		Water De	epth:	on the surface at several locations
	010 Uncontami	nated	Ballast Water		Water De	pth:	
	011 Bilge Wate	r			Water De	pth:	
	012 Excess Cer	nent S	Slurry		Water De	pth:	19.6'
	013 Mud, Cutti	ngs, (Cement and Seafloor		Water De	epth:	MLC through 20" casing cuttings discharged at 97'; cement discharged at the seafloor at 107'
	014 Test Fluid				Water De	pth:	107
etc.) at	e a brief descripti the facility. See	attac	hed Table 1		ctices (e.g.,	backh	auled, reinjected, discharged,
operati Constru	ons contributing uct a flow balanc tfalls. If a flow b	to the e on t alanc		its labeled to co g average flows	rrespond to between in	the distakes,	
	Information						
Well N			ulliq	Latitude:			70° 23' 29.5814"
Well N	[umber:	N		Longitude:			145° 58' 52.5284"
Beginn	ing Drill Date:	Suly 10, 2011		Hole Diame Estimated T Volume:		arge	36" diameter at surface, reducing through 4 stages to
D¤:II:	ng Fluid						8.5" at depth
ווווזע	ng Fluid	\boxtimes	Water-based				Lignosulfonate
1			,, 3101 041044				

Category	Oil-based			Lime
(check all that apply)	Synthetic-based	Group		Gyp
	Other (specify):	(check all that apply)	\boxtimes	Sea-water
			\boxtimes	Saltwater
				Saturated Saltwater
			\boxtimes	Nondispersed
				(Viscosifier/Polymer) PH/PA

Page 2 of 4

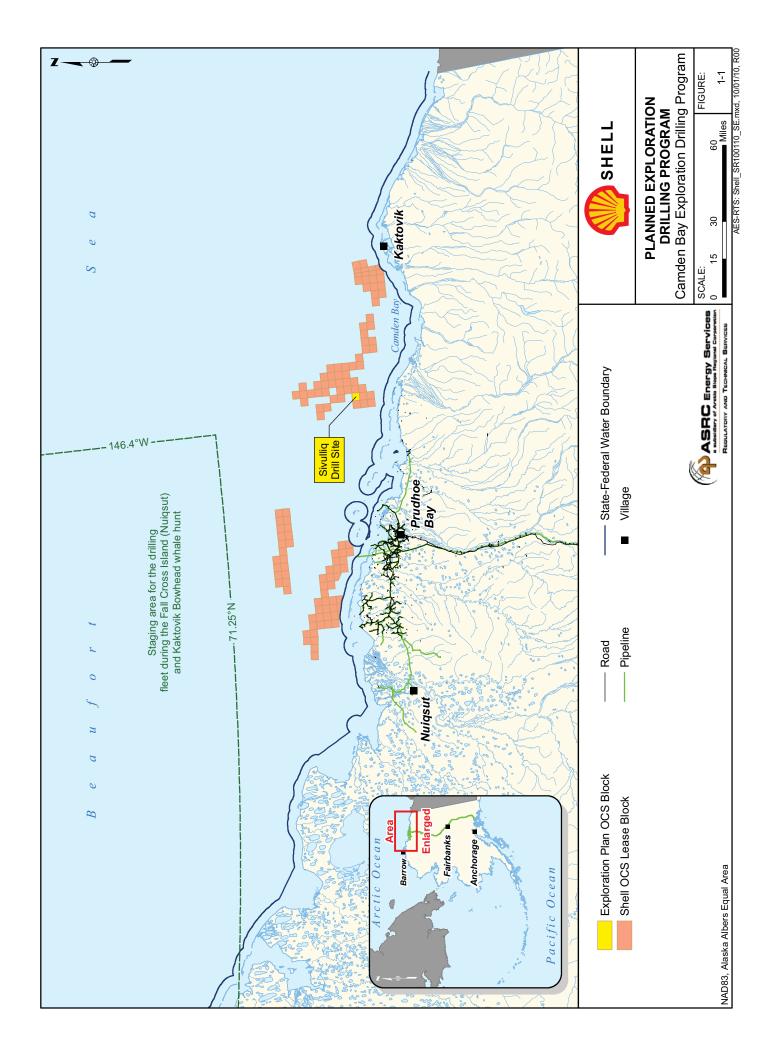
Attachment 1: NOI Information Sheet

Permit No.: AKG280000

Zone of Deposit Request (applicable to those discharges within state of Alaska waters)								
Are you requesting a Zone of Deposit from ADEC?			Yes (continue filling out this section)		\boxtimes	No (skip this section and proceed to Special Conditions, below)		
THE FOLLOWING INFORMATION MUST BE PROVIDED IF REQUESTING A ZONE OF DEPOSIT. The burden of proof for justifying a zone of deposit through demonstrating compliance with the requirements of 18 AAC 70.210 rests with the applicant.								
Distance from shoreline of discharge point (measured at M.L.L.W.):				Average I density:				
Depth of discharge (measured at M.L.L.W.):				Flow Rate	e:			
Orientation of outfall to shoreline (e.g., perpendicular, 45°, parallel):				Total Vol				
Orientation of outfall to water surface (e.g., perpendicular, 45°, parallel):			a		currer			
If possible, provide salinity and temperature data from the receiving water surface to the depth of the discharge port or diffuser.								
Mixing Zone Request (applicable to	those dis	charg	ges within s	state of Ali	aska v	vaters)		
Are you requesting a mixing zone from ADE	EC?		Yes (continue filling out this section)			No (skip this section and proceed to Special Conditions, below)		
THE FOLLOWING INFORMATION MUST I proof for justifying a mixing zone through den 18 AAC 70.270 rests with the applicant.								
Distance from shoreline of discharge point or port of diffuser (measured at M.L.L.W.):	r first			Length of di	ffuser:			
Depth of discharge port or diffuser (measured at M.L.L.W.):				Diameter of	port(s)	:		
Orientation of diffuser to shoreline (e.g., perpendicular, 45°, parallel):				Number of p				
Maximum current:				Port spacing				
USE OF RECEIVING WATER AT DISTANCE FROM DIFFUSER i.e., Supply for drinking water, Supply for agriculture including irrigation & stock water, Supply for aquaculture, Supply for industrial use, Contact recreation, Secondary recreation, Fish spawning, Harvesting and consumption of raw fish, or other aquatic life (Not needed if not requesting a mixing zone from ADEC):								
If possible, provide salinity and temperature data	from the rece	eiving w	vater surface to	the depth of	the disc	charge port or diffuser.		

Attachment 1: NOI Information Sheet Permit No.: AKG280000

Special Conditions (provide justification for all that are not required, completed or provided)								
Special Monitoring	;		Required		Not Requir	red	Justification:	
Exploration Plans		\boxtimes	Attached		Not Provid	led	Justification: Submitted to BOEMRE and copy attached	
Biological Surveys			Attached		Not Provid	led	Justification: None Required	
Environmental Rep	oort(s)		Attached		Not Provid	led	Justification: Submitted to BOEMRE as part of the Exploration Plan	
Drilling Fluid Plan			Complete		Not Compl	lete	Justification: Submitted with NOI.	
Certification								
accordance with a sy submitted. Based or for gathering the info	ystem designed in my inquiry cormation, the re that there as	d to as of the p inforn re sign	ssure that qua person or per nation submit nificant penal	lified sons wated is,	personnel pro tho manage to to the best o	operl the sy of my	epared under my direction or supervision in y gather and evaluate the information vstem, or those persons directly responsible knowledge and belief, true, accurate, and information, including the possibility of fine	
Signature:	Susca Chi	lde			Date:	10/1	2/2010	
Printed Name:	Susan Child	ls			Title:	Alas	ska Venture Support Integrator Manager	
Mail Complete	d NOI to I	EPA	and ADE	C at	the follow	ing	addresses:	
US EPA					ADEC, W			
1200 6 th Avenue, N	1/S OWW-13	0			555 Cordo			
Seattle, WA 98101 Anchorage, Alaska 99501				laska 99501				



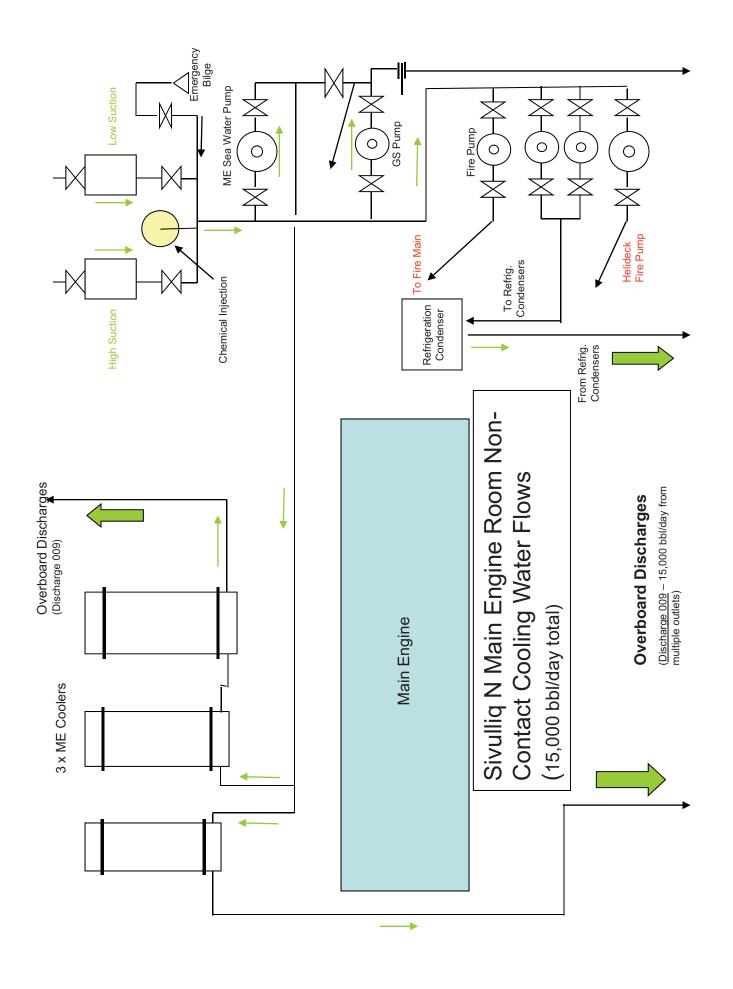
Projected generated wastes and discharge methods – Sivulliq Prospect Drill Site N

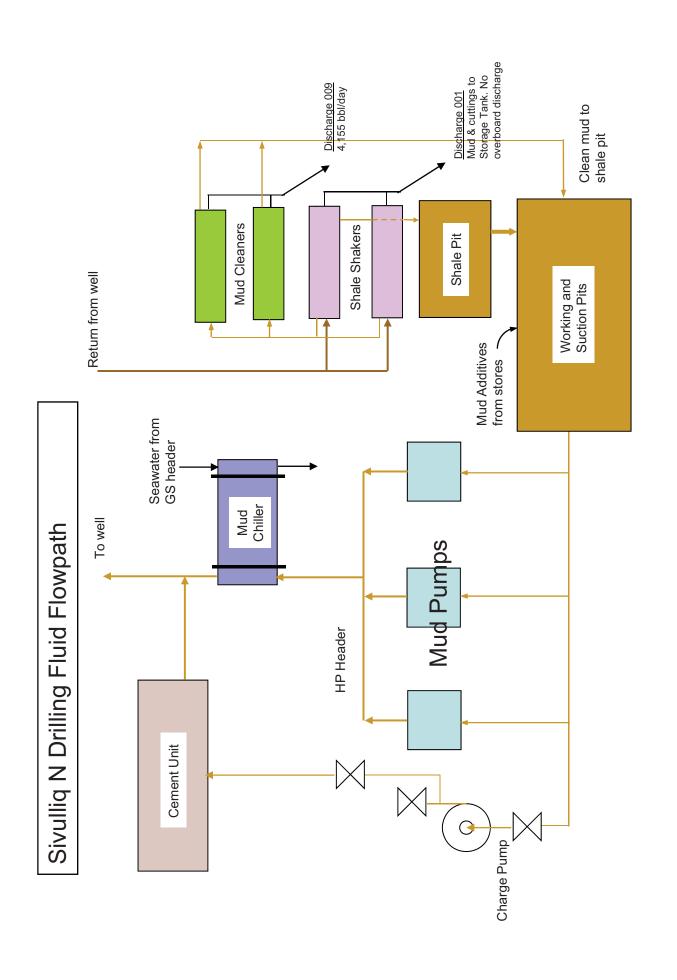
Type of Waste	Total Amount to be Discharged*	Discharge Rate*	Discharge Method
Drill cuttings – Discharge 013	4,031 bbl/well (Cuttings only; no drilling muds used)	697 bbl/day (discharged over 5 days)	Mud Line Cellar (MLC) Cuttings Deposited at the seafloor
Water based mud – Discharge 001	0 bbl/well	0 bbl/day	No discharge. Water based muds will be collected and transported out of the Arctic Ocean and disposed of in accordance with all applicable laws and regulations.
Drill cuttings from water base drilling fluid interval – Discharge 001	0bbl/well	0 bbl/day	No discharge. Cuttings from the water based drilling fluid interval will be collected and transported out of the Arctic Ocean and disposed of in accordance with all applicable laws and regulations.
Excess cement – Discharge 012	50 bbl/well	two occasions at 1 bbl/min	Discharged at seafloor during 30- inch and 20-inch cementing operations
Non-contact cooling water – Discharge 009	1,530,000 bbl/well	45,000 bbl/day	Discharged to the water at several sites
Sanitary waste – Discharge 003	0 bbl/well	0 bbl/day	No discharge. Treated in the MSD and stored on drillship then transported out of the Arctic Ocean and disposed of in accordance with all applicable laws and regulations.
Domestic waste – Discharge 004	0 bbl/well	0 bbl/day	No discharge. Gray water stored on drillship then transported out of the Arctic Ocean and disposed of in accordance with all applicable laws and regulations. Food wastes will not be discharged, they will be incinerated onboard
Desalination unit brine water – Discharge 005	4,250 bbl/well	125 bbl/day	Discharged through disposal caisson below water's surface
Deck drainage – Discharge 002	170 bbl/well	5 bbl/day (dependent on rainfall)	Discharged through disposal caisson below water's surface
Uncontaminated Ballast water – Discharge 010	0 bbl/well	0 bbl/day	No Discharge. Ballast water is stored on drillship then transported out of the Arctic Ocean and disposed of in accordance with all applicable laws and regulations.
Firewater bypass – Discharge 008	0 bbl	0 bbl/day	No routine firewater system testing anticipated
Bilge water – Discharge 011	0 bbl/well	0 bbl/day	No discharge. Treated in an oil/water separator; uncontaminated water and separated oily water is stored onboard then transported out of the Arctic Ocean and disposed of in accordance with all applicable laws and regulations.
BOP fluid – Discharge 006	42 bbl/well	Up to 6 BOP tests at an average 7 bbl/test	Discharged at the seafloor at the BOP

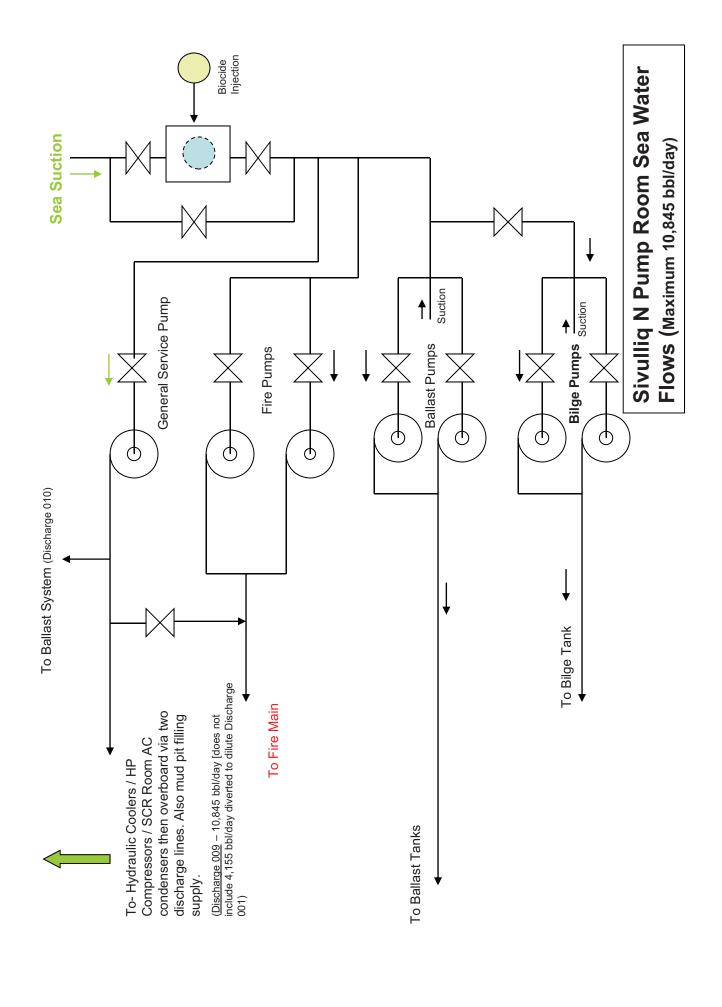
Notes:

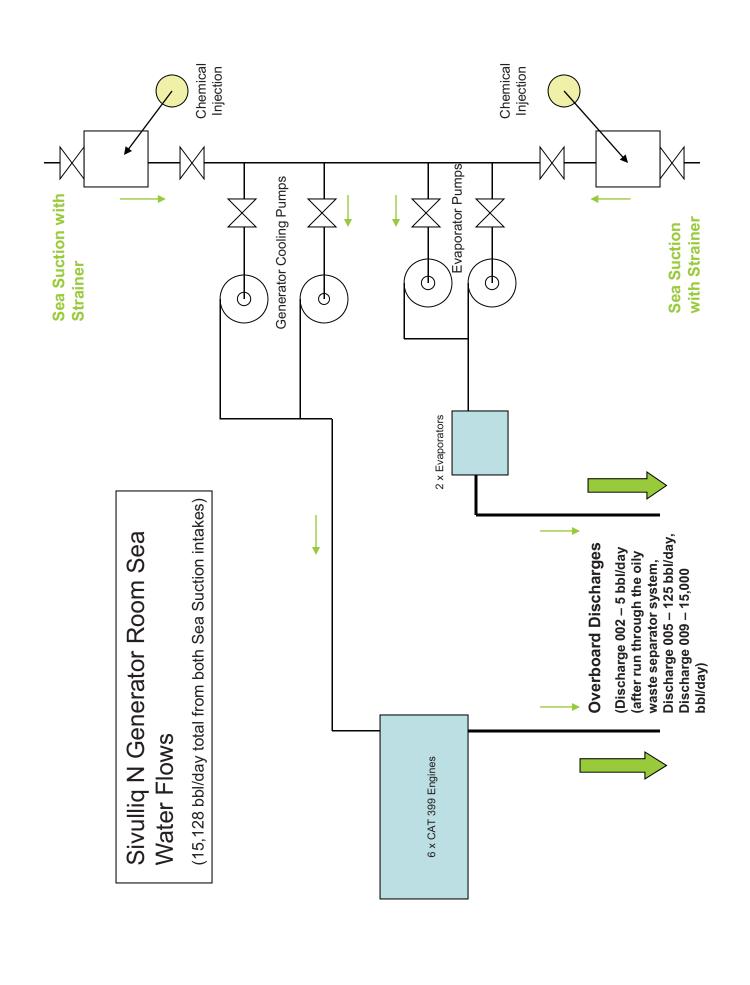
^{*} assumes 5 days to complete the MLC through 20" section; 29 days to complete the remainder of the well

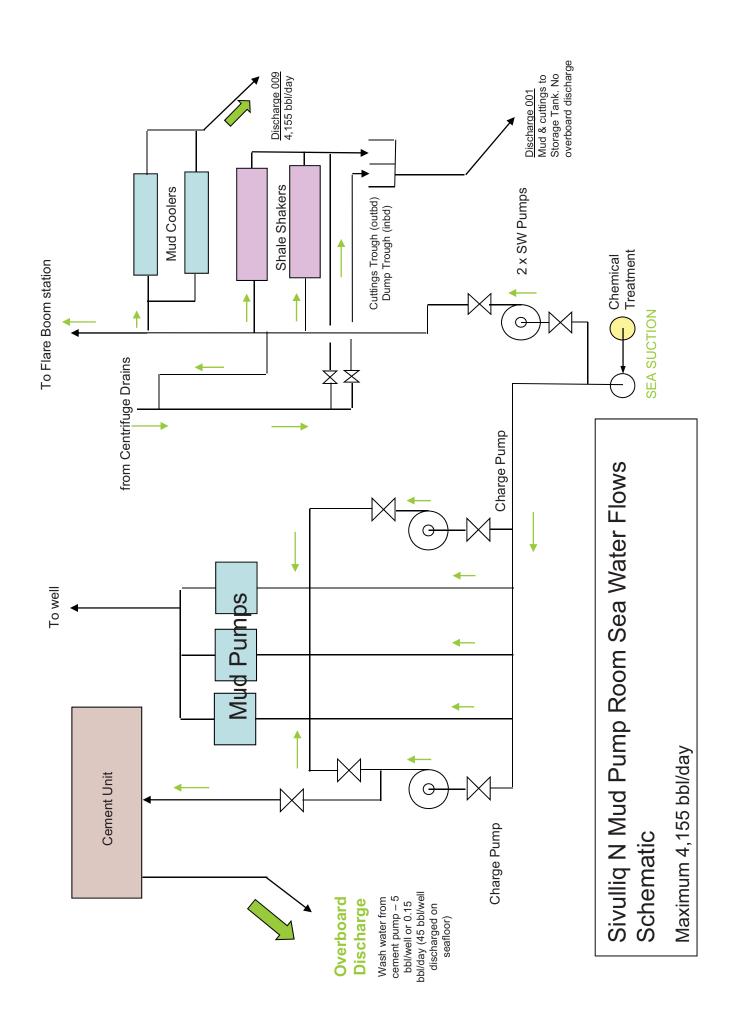




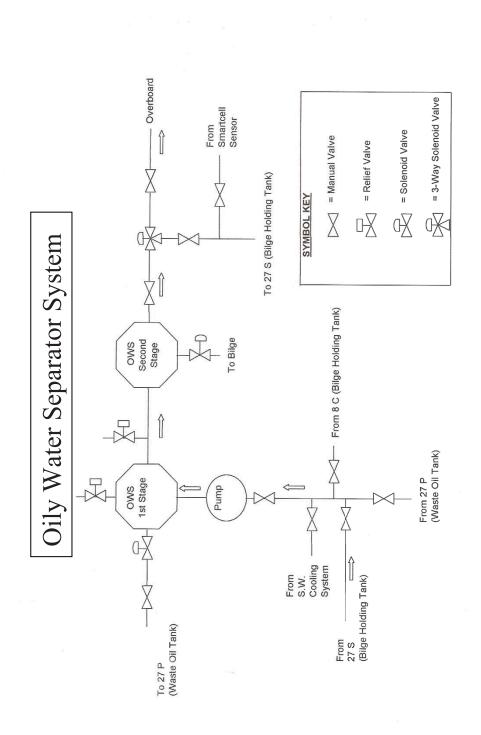




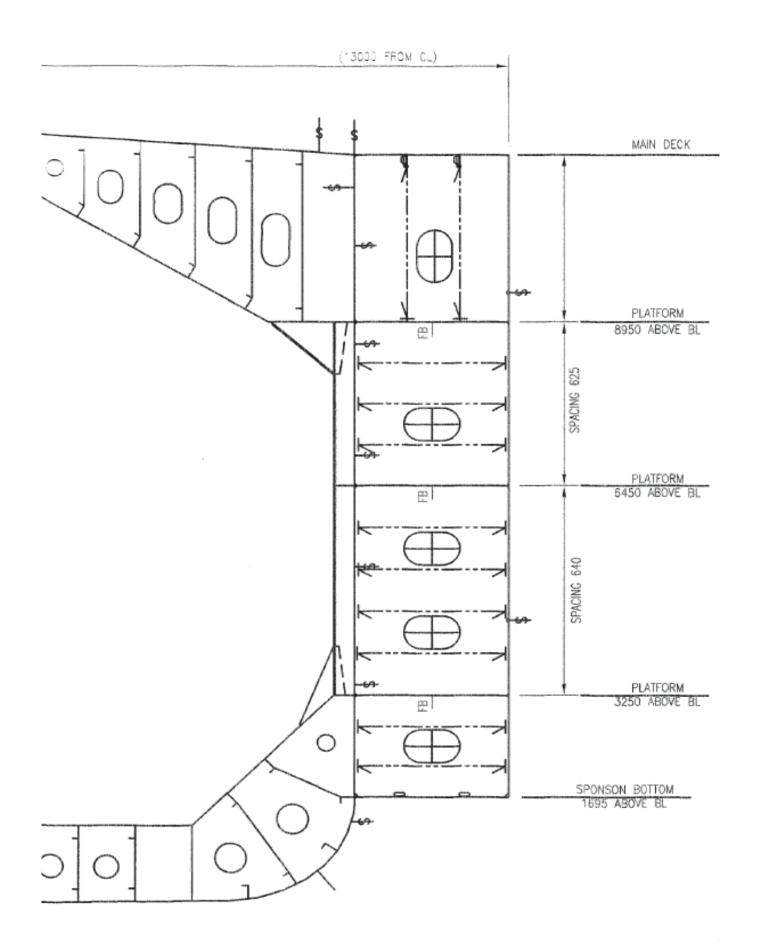




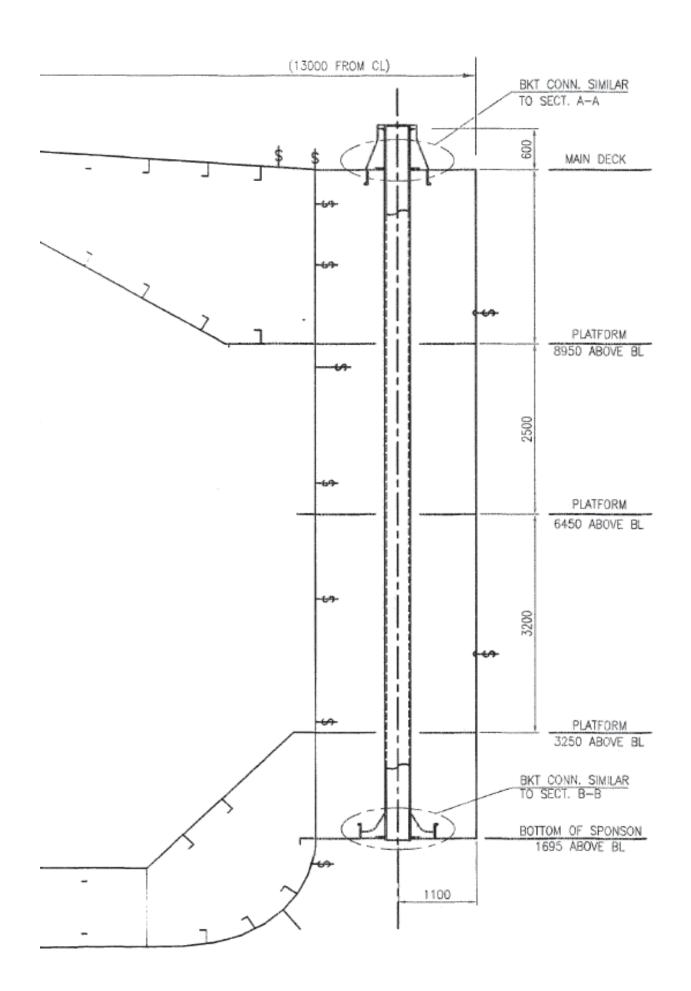




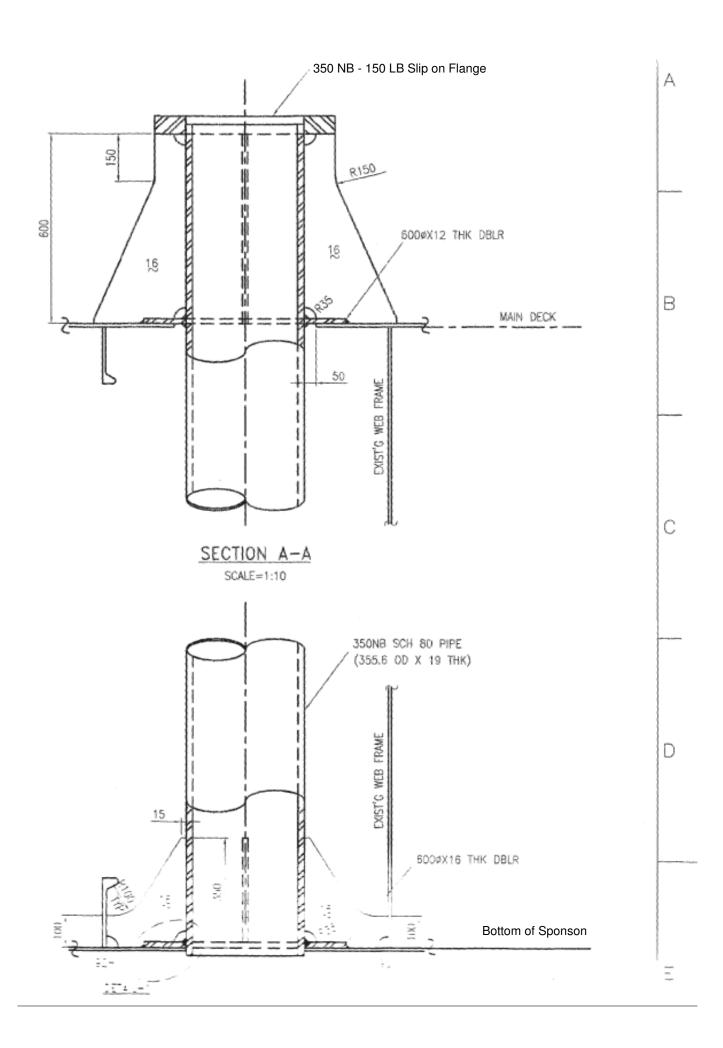




SECTION AT FR 921



SECTION AT C.L. OF PIPE



Discharge Caisson

The discharge caisson is a pipe that runs vertically through the sponson on the hull of the drillship from the main deck level to the base of the sponson. The sponson is an exterior reinforced cladding installed on the *Discoverer* to provide ice resistance. It is hollow and extends from the main deck level to well below the water line.

Waste streams are collected aboard the drillship to a point on the main deck near the mud room. A 15-in. diameter pipe exits the hull, turns downwards and is connected to the top of the discharge caisson.

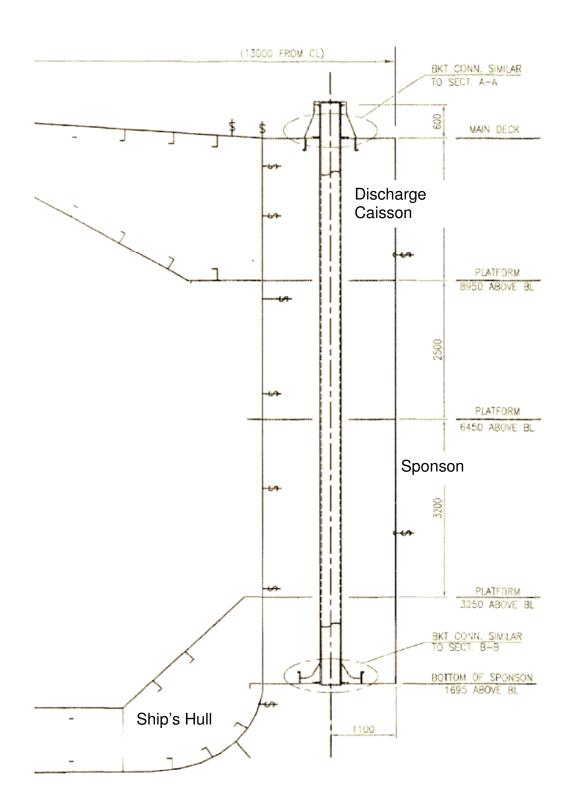
The discharge caisson, also a 15-in OD pipe, is welded into the sponson top and bottom (so that the interior of the sponson remains dry). The bottom of the sponson and the end of the discharge caisson is 5.6 ft (1.7 m) above the keel depth, and since it remains open to the sea at all times, the discharge caisson is constantly filled with water to mean sea level. This caisson is not equipped with a "float" valve; it is merely an open conduit to the sea through which most waste streams are discharged below sea level.

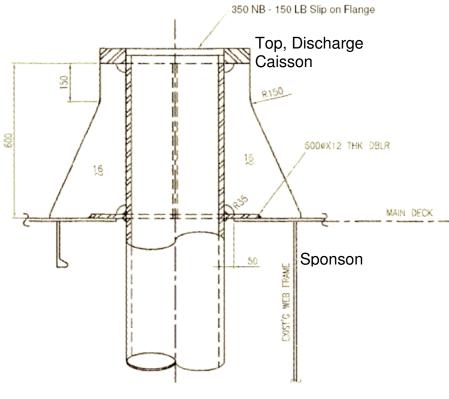
The *Discoverer* has the following draft characteristics:

Max draft at load line: 27 ft (8.2 m)
Transit draft 26.3 ft (8.0 m)
Drilling draft 25.2 ft (7.7 m)
Light ship draft 19.0 ft (5.8 m)

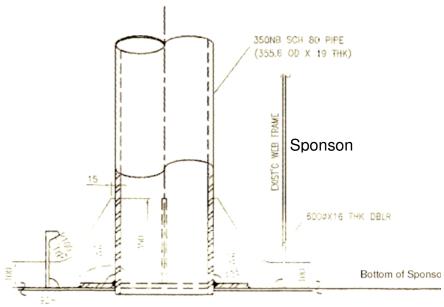
With the bottom of the sponson 5.6 ft above the keel, the base of the discharge caisson while drilling is 25.2 ft - 5.6 ft = 19.6 ft (6.0 m) below mean sea level. Because of heave, the water level inside the caisson is constantly changing.

See attached schematic drawings:





SECTION A-A



Base, Discharge Caisson

ATTACHMENT 1

APPLIC	ANT (Owne	er/Opei	rator)								
Owner Name: Shell Offshore Inc.						3601 C Street					
Telephone 1	Number:	907-770-3700				tor Mai	iling	Suite 1000			
Operator Name: Shell Offshore Inc.			Address:			Anchorage, AK 99503					
Telephone Number: 907-770-3700											
FACILITY											
Facility Na	me:	Noble Discoverer				v Moil	ina	3601 C Street			
Contact Na	me:	Susan Childs			Facility Mailing Address:		Suite 1000				
Telephone 1	Number:	907-7	770-3700		Address.		Anchorage, AK 99503				
Beginning l	Beginning Date of TBD					Latitude:					
Operation:					Stationary Facilities						
	pected Duration of approximately 44 days per w		days per well				Longitude:				
Operation:	ration: site										
			Jackup		Mobile Facilities			Initial	70° 27' 01.6193"		
Facility Typ			Drill Ship					Latitude:			
(check applie	cable type)		Semisubm								
			Other (spe	cify):			Initial	145° 49' 32.0650"			
						Longitude:					
Submit a site map showing the exact location of facility and discharges associated with the project. Mobile facilities											
									eas and a description of		
operations within those areas. If the discharge is within 4000 meters of an environmentally sensitive area indicated by											
the permit, those areas and their distance from the operation/discharge must be shown on the map.											
RECEIV	ING WAT	TER									
Chukchi Sea						Other	r (spec	ecify):			
Beaufort Sea											
Supply confirmation with the U.S. Department of State and NOAA that the discharge is seaward of the inner boundary											
baseline, if applicable.											
LOCATI	ON OF D	ISCH	ARGE								
MMS	Lease Number		OCS-Y-1941		ADNR		Leas	se Number	N/A		
1411415	Block Num	ber	6610				Bloc	k Number	N/A		
Range of water depths below mean lower											
low water (MLLW) in the lease block: From: 120' To: 120'											

Attachment 1: NOI Information Sheet

	(1 1	77 7	7 \					
Disch	arges (check							
	001 Drilling M		d Cuttings		Water De			
\boxtimes	002 Deck Drain	_			Water De	•	19.6'	
	003 Sanitary W				Water De	•		
	004 Domestic V	Waste	:		Water De	pth:		
\boxtimes	005 Desalination	on Un	it Waste		Water De	pth:	19.6'	
	006 Blowout P	reven	ter Fluid		Water De	epth:	discharged at the seafloor 120'	
	007 Boiler Blo	wdow	n		Water De			
	008 Fire Contro	ol Sys	tem Test Water		Water De			
	009 Non-Conta	ict Co	oling Water		Water De	pth:	on the surface at several locations	
	010 Uncontami	inated	Ballast Water		Water De	pth:		
	011 Bilge Wate	er			Water De	pth:		
$\overline{\boxtimes}$	012 Excess Cer	ment S	Slurry		Water De	pth:	19.6'	
$\overline{\boxtimes}$	013 Mud, Cutti	ngs, (Cement and Seafloor		Water De	pth:	MLC through 26"	
						section cuttings		
							discharged at 110';	
							cement at the	
						seafloor 120'		
014 Test Fluid				Water De	pth:			
Provide a brief description of the treatment process(es) and disposal practices (e.g., backhauled, reinjected, discharge							hauled, reinjected, discharged,	
	the facility. See							
			hows flow of discharged was					
operations contributing to the effluent, and treatment units labeled to correspond to the discharges $(001 - 014)$. Construct a flow balance on the line drawing by showing average flows between intakes, operations, treatment units,								
			e cannot be determined, pro-					
sources	s, and any collect	tion o	r treatment measures.	, rae a preseria.	. Gooding to			
Well Information								
Well N	ame:	To	rpedo	Latitude:			70° 27' 01.6193"	
Well Number:		Н		Longitude:			145° 49' 32.0650"	
Beginning Drill Date:		TBD		Hole Diame	eter or		36" diameter at	
				Estimated T	otal Discha	arge	surface, reducing	
				Volume:			through 4 stages to	
							8.5" at depth	
Drilling Fluid								
		\boxtimes	Water-based				Lignosulfonate	
Catego	ry		Oil-based				Lime	

(check all that apply)	Synthetic-based	Group		Gyp
	Other (specify):	(check all that apply)	\boxtimes	Sea-water
			\boxtimes	Saltwater
				Saturated Saltwater
			\boxtimes	Nondispersed
				(Viscosifier/Polymer) PH/PA

Page 2 of 4

Attachment 1: NOI Information Sheet

Permit No.: AKG280000

Zone of Deposit Request (applicable to those discharges within state of Alaska waters)									
Are you requesting a Zone of Deposit from A	ADEC?		Yes (continue j this section		\boxtimes	No (skip this section and proceed to Special Conditions, below)			
THE FOLLOWING INFORMATION MUST BE PROVIDED IF REQUESTING A ZONE OF DEPOSIT. The burden									
of proof for justifying a zone of deposit through demonstrating compliance with the requirements of 18 AAC 70.210 rests with the applicant.									
Distance from shoreline of discharge point		Average			Mud				
(measured at M.L.L.W.):				density:					
Depth of discharge (measured at M.L.L.W.):		Flow Ra			e:				
Orientation of outfall to shoreline				T-4-1 X7-1					
(e.g., perpendicular, 45°, parallel):				Total Vol	ume:				
Orientation of outfall to water surface				Maximun	n currer	nt			
(e.g., perpendicular, 45°, parallel):		and directio			ion:	on:			
If possible, provide salinity and temperature data from the receiving water surface to the depth of the discharge port or diffuser.									
Mixing Zone Request (applicable to	those di	scharg	ges within	state of Ala	aska v	vaters)			
Are you requesting a mixing zone from ADEC?			Yes (continue j this section		\boxtimes	No (skip this section and proceed to Special Conditions, below)			
THE FOLLOWING INFORMATION MUST BE PROVIDED IF REQUESTING A MIXING ZONE. The burden of									
proof for justifying a mixing zone through demonstrating compliance with the requirements of 18 AAC 70.240 through									
18 AAC 70.270 rests with the applicant.									
Distance from shoreline of discharge point or	r first	Length of di			iffuser:				
port of diffuser (measured at M.L.L.w.):									
Depth of discharge port or diffuser		Diameter of po			port(s)	:			
(measured at M.L.L. w.):									
Orientation of diffuser to shoreline (e.g., perpendicular, 45°, parallel):		Number of ports Port spacing:			orts:				
Maximum current:					r•				
USE OF RECEIVING WATER AT DISTANCE FROM DIFFUSER i.e., Supply for drinking water, Supply for									
agriculture including irrigation & stock water, Supply for aquaculture, Supply for industrial use, Contact recreation,									
Secondary recreation, Fish spawning, Harvesting and consumption of raw fish, or other aquatic life (Not needed if not									
requesting a mixing zone from ADEC):									
If possible, provide salinity and temperature data from the receiving water surface to the depth of the discharge port or diffuser.									

Attachment 1: NOI Information Sheet Permit No.: AKG280000

Special Conditi	Special Conditions (provide justification for all that are not required, completed or provided)								
Special Monitoring			Required	\boxtimes	Not Requi	red	Justification:		
Exploration Plans			Attached		Not Provid	ded	Justification: Approved 2010 EP previously submitted to BOEMRE		
Biological Surveys			Attached	\boxtimes	Not Provid	ded	Justification: None Required		
Environmental Rep	oort(s)		Attached	\boxtimes	Not Provid	ded	Justification: Submitted to BOEMRE as part of the 2010 Exploration Plan		
Drilling Fluid Plan			Complete	\boxtimes	Not Comp	lete	Justification: In Preparation		
Certification									
I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.									
Signature:	Seen	on a	hilde		Date:	12/1	6/2010		
Printed Name:	Susan Child	ls			Title:	Alas	aska Support Intergrator Manager		
Mail Complete	d NOI to E	EPA	and ADE	C at	the follow	ving	addresses:		
US EPA		•				ADEC, Water Division			
1200 6 th Avenue, N	1/S OWW-13	0			555 Cordova Street				
Seattle, WA 98101					Anchorage, Alaska 99501				

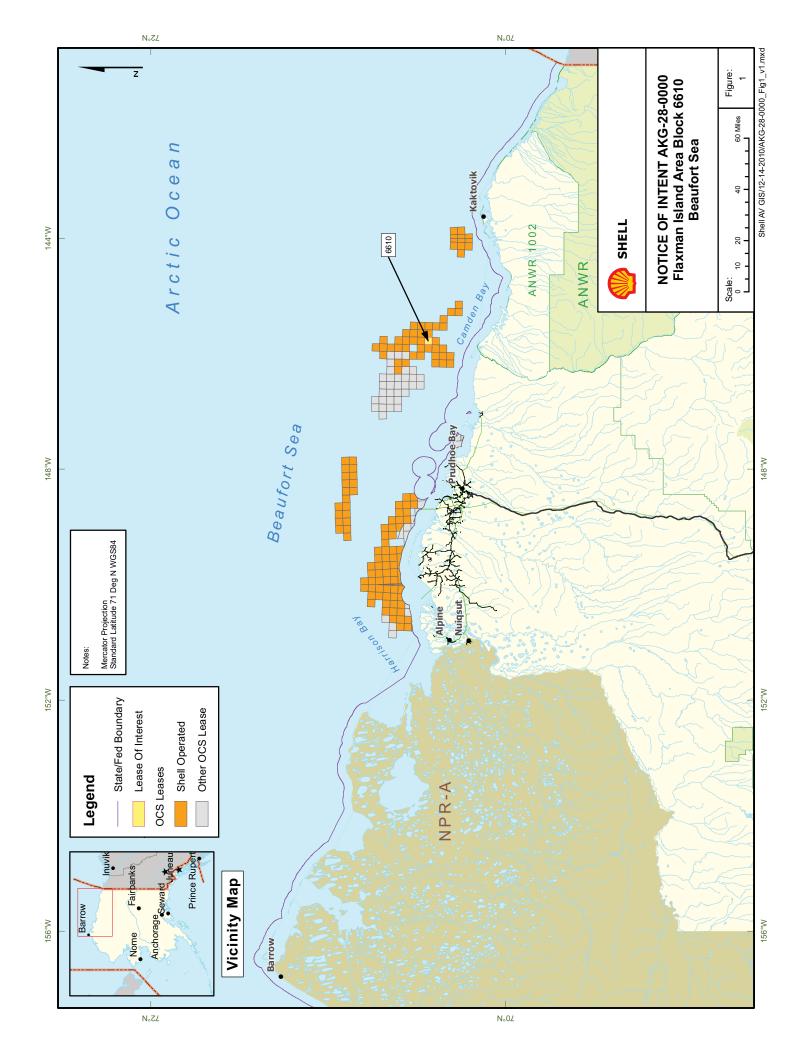
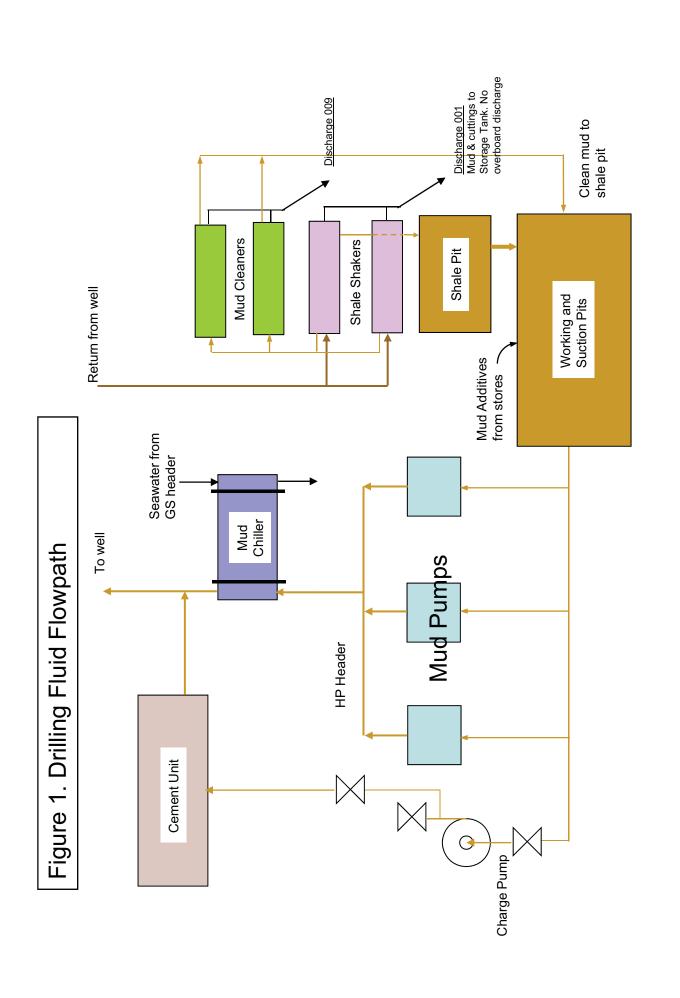


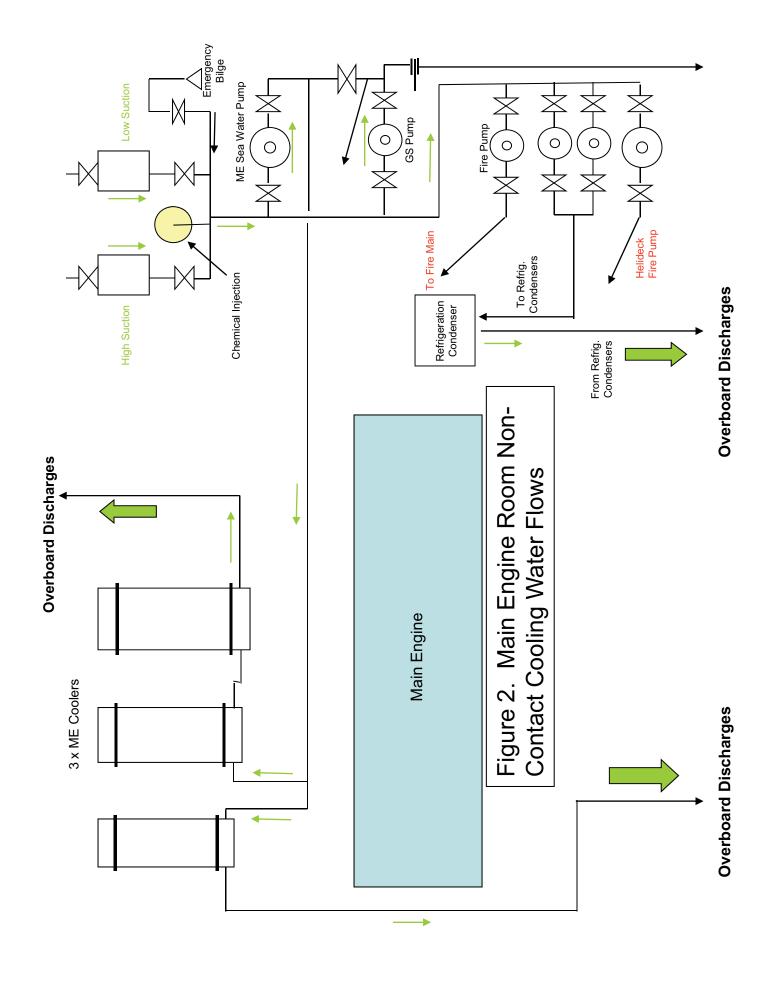
Table 1 Projected ocean discharges – Torpedo Prospect Drill Site H

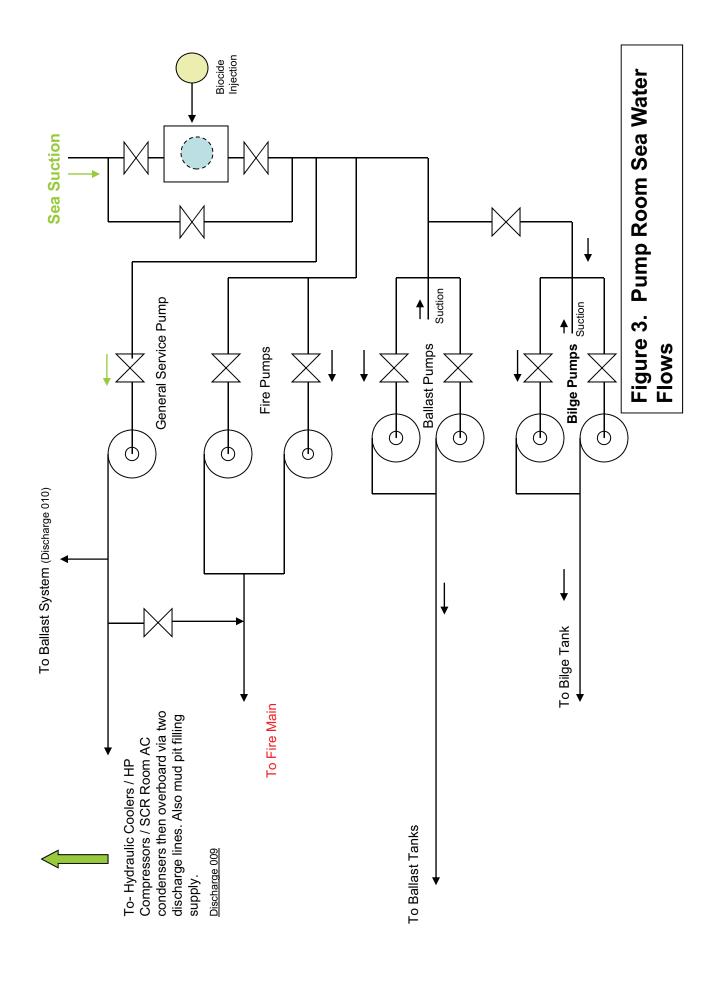
	Total Amount to be		
Type of Waste	Discharged*	Discharge Rate	Discharge Method
Drill Cuttings –	3,806 bbl/well (Cuttings only;	317 bbl/day*	Mud Line Cellar (MLC) through
Discharge 013	no drilling muds used)	(discharged over 12	26" section cuttings deposited
NA/ ()		days)	at the seafloor
Water based mud –	0 bbl/well	0 bbl/day*	No discharge. Water based
Discharge 001			muds will be collected and transported out of region for
			disposal at a licensed facility
Drill cuttings from	0 bbl/well	0 bbl/day*	No discharge. Cuttings will be
water base drilling	o sen wen	(discharged over 35	collected and transported out
interval – Discharge		days)	of region for disposal at a
001		,	licensed facility
Excess cement –	50 bbl/well	two occasions at 1	Discharged at seafloor during
Discharge 012		bbl/min	30-inch and 20-inch cementing
			operations
Non-Contact Cooling	1,980,000 bbl/well	45,000 bbl/day	Discharged to the water at
water – Discharge 009			several sites
Sanitary waste –	0 bbl/well	0 bbl/day	No discharge. Treated in the
Discharge 003	o bbii well	o bbirday	MSD and stored on drillship
			then transported out of region
			for disposal at a licensed
			facility
Domestic waste –	0 bbl/well	0 bbl/day	No discharge. Treated in the
Discharge 004			MSD and stored on drillship
			then transported out of region
			for disposal at a licensed
			facility Food wastes will not be
			discharged, they will be
			incinerated onboard
Desalination unit	5,500 bbl/well	125 bbl/day	Discharged through disposal
brine water –	,		caisson below water's surface
Discharge 005			
Deck drainage –	220 bbl/well	5 bbl/day (dependent on	Discharged through disposal
Discharge 002		rainfall)	caisson below water's surface
Uncontaminated	0 bbl/well	0 bbl/day	No discharge. Ballast water is
Ballast water –			stored on drillship then
Discharge 010			transported out of region for
Firewater bypass –	0 bbl	0 bbl/day	disposal at a licensed facility No routine firewater system
Discharge 008		o bbirday	testing anticipated
Bilge water –	0 bbl/well	0 bbl/day	No discharge. Treated in an
Discharge 011			oil/water separator;
_			uncontaminated water and
			separated oily water is stored
			onboard then transported out
			of region for disposal at a
DOD fluid	42 bbl/wall	Lin to C DOD to to at a	licensed facility
BOP fluid – Discharge 006	42 bbl/well	Up to 6 BOP tests at an	Discharged at the seafloor at the BOP
Discharge 000		average 7 bbl/test	I III DOF

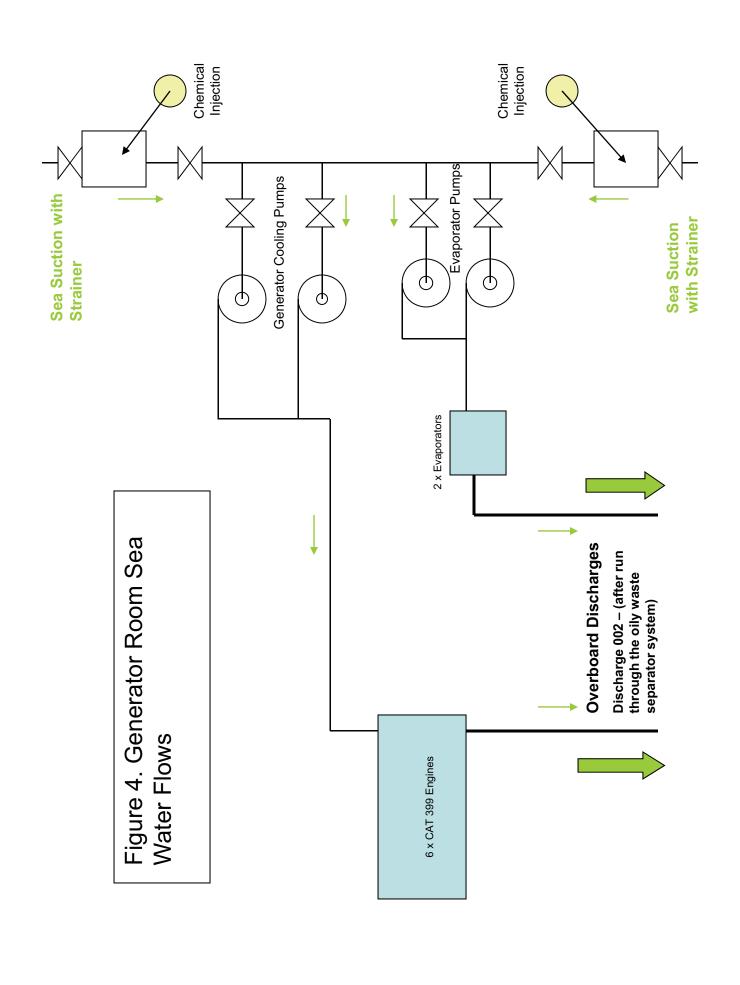
Notes:

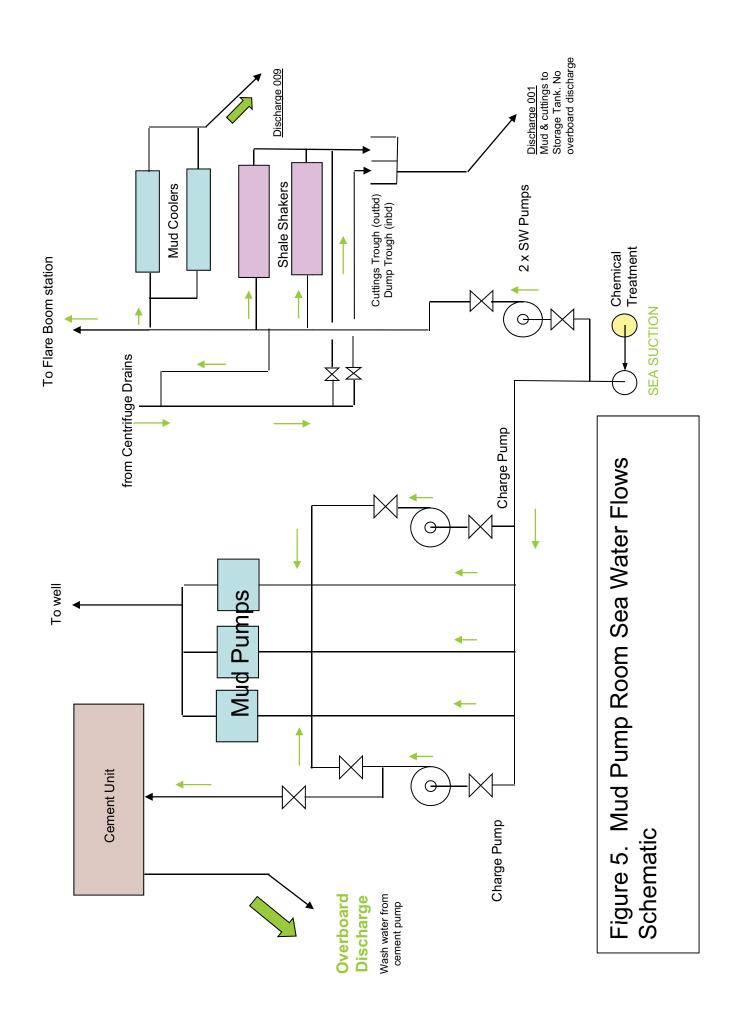
^{*} assumes 12 days to complete the MLC through 26" section; 32 days to complete the remainder of the well

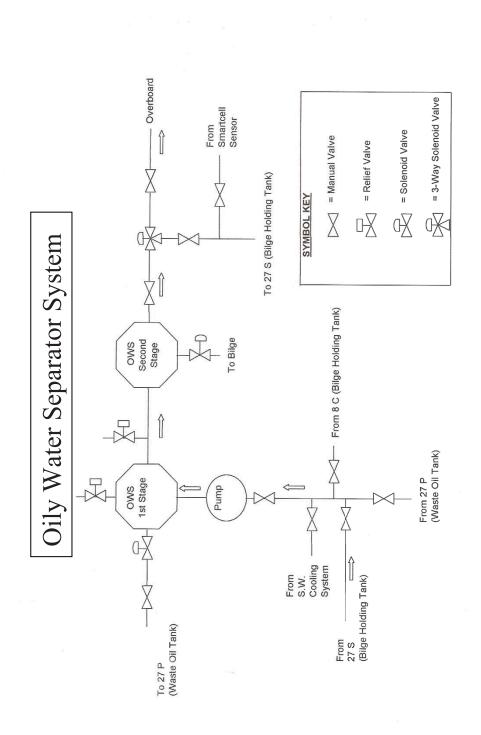












Discharge Caisson

The discharge caisson is a pipe that runs vertically through the sponson on the hull of the drillship from the main deck level to the base of the sponson. The sponson is an exterior reinforced cladding installed on the *Discoverer* to provide ice resistance. It is hollow and extends from the main deck level to well below the water line.

Waste streams are collected aboard the drillship to a point on the main deck near the mud room. A 15-in. diameter pipe exits the hull, turns downwards and is connected to the top of the discharge caisson.

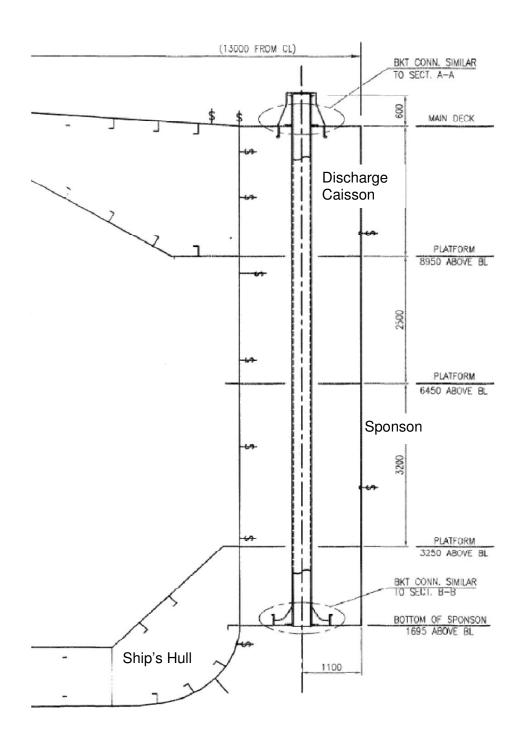
The discharge caisson, also a 15-in OD pipe, is welded into the sponson top and bottom (so that the interior of the sponson remains dry). The bottom of the sponson and the end of the discharge caisson is 5.6 ft (1.7 m) above the keel depth, and since it remains open to the sea at all times, the discharge caisson is constantly filled with water to mean sea level. This caisson is not equipped with a "float" valve; it is merely an open conduit to the sea through which most waste streams are discharged below sea level.

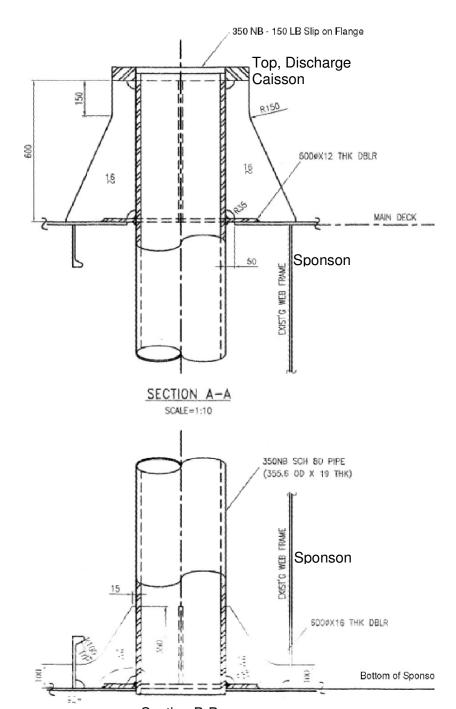
The *Discoverer* has the following draft characteristics:

Max draft at load line: 27 ft (8.2 m)
Transit draft 26.3 ft (8.0 m)
Drilling draft 25.2 ft (7.7 m)
Light ship draft 19.0 ft (5.8 m)

With the bottom of the sponson 5.6 ft above the keel, the base of the discharge caisson while drilling is 25.2 ft - 5.6 ft = 19.6 ft (6.0 m) below mean sea level. Because of heave, the water level inside the caisson is constantly changing.

See attached schematic drawings:





Section B-B Base, Discharge Caisson



Shell Exploration & Production Company

December 16, 2010

Ms. Hanh Shaw
U.S. EPA, Region 10
Office of Water & Watersheds, NPDES Permits Unit
1200 Sixth Avenue, Suite 900, M/S OWW-130
Seattle, WA 98101

Shell 3601 C Street, Suite 1000 Anchorage, AK 99503

Tel. (907) 646-7112 Email <u>susan.childs@shell.com</u> Internet http://www.shell.com/

Dear Ms. Shaw:

Subject: Notice of Intent for administrative extension under General Permit AKG-28-0000

Lease Number OCS-Y-1929, Lease Block 6508 Lease Number OCS-Y-1935, Lease Block 6558 Lease Number OCS-Y-1936, Lease Block 6559 Lease Number OCS-Y-1940, Lease Block 6609 Lease Number OCS-Y-1807, Lease Block 6707 Lease Number OCS-Y-1809, Lease Block 6709 Lease Number OCS-Y-1812, Lease Block 6757

In accordance with 40 CFR 122.21(d) Shell Offshore Inc. (Shell) is submitting Notices of Intent (NOIs) for the Lease Blocks listed above for authorization to discharge under General Permit AKG-28-0000 that expires on June 26, 2011. It is Shell's understanding that a new general permit is not scheduled to be issued until the fall of 2011. Therefore, these NOIs also serve as Shell's request for an administrative extension to discharge under NPDES General Permit AKG-28-0000 for 2011 and beyond for each authorized NOI until the new General Permit is available.

If you have questions about any component of the proposed project, please contact me at (907) 646-7112 or email susan.childs@shell.com, or call Nicole St. Amand at (907) 646-7152 or email nicole.stamand@shell.com.

Sincerely,

Susan Childs

Alaska Venture Support Integrator Manager

Susan Childe

Attachments - Notice of Intent (NOI) Information Sheets
Location Maps
Ocean Discharge Tables
Discharge Flow Diagrams

cc: Diane Soderlund, USEPA Region 10, Alaska Operations Michael Lidgard, USEPA Region 10 Jeff Walker, BOEMRE Alaska Don Perrin, Alaska DNR Administrative Record

ATTACHMENT 1

ANT (Owne	er/Opei	rator)							
ne:	Shell Offshore Inc.			_			3601 C Street		
Number:	907-7	770-3700		Opera	tor Ma	iling	Suite 1000		
ame:	Shell	Offshore In	c.	Address:			Anchorage,	AK 99503	
Number:	907-7	907-770-3700							
$\Gamma \mathbf{Y}$									
me:	Noble Discoverer			Facility Mailing			3601 C Street		
me:	Susar	n Childs		•		mg	Suite 1000		
Number:	907-7	770-3700		Addic	33.		Anchorage,	AK 99503	
Date of	TBD						Latitude:		
					•				
uration of		eximately 44	days per well	Facilities		Longitude:			
	site								
		Jackup							
Facility Type (check applicable type)				Mobile Facilities			Latitude:		
		Other (spe	ther (specify):						
						Longitude:			
		r distance fro	om the operation/o	dischar	ge mus	t be sl	nown on the n	nap.	
ING WAT	TER								
chi Sea					Other	r (spec	cify): \square		
fort Sea				ĪШ					
firmation wit	h the U	J.S. Departm	nent of State and N	IOAA	that the	disch	arge is seawa	ard of the inner boundary	
applicable.		_					_		
ON OF D	ISCH	ARGE							
Lease Num	ber	OCS-Y-1936		A DNID		Leas	se Number	N/A	
Block Num	ber	6559		AD	INIX	Bloc	k Number	N/A	
ater depths b	elow m	nean lower	Ε	10.4			Tr	10.41	
			From:	124	•		10:	124'	
	ne: Number: ame: Number: TY me: me: Number: Date of uration of te map showing at an area within those areas a ING WAT techi Sea fort Sea firmation with applicable. ON OF D Lease Number: Block Numater depths b	ne: Shell Number: 907-7 ame: Shell Number: 907-7 TY me: Noble me: Susar Number: 907-7 Date of TBD uration of approsite perable type) te map showing the ate an area where the within those areas. Ithose areas and their ING WATER schi Sea fort Sea firmation with the Uapplicable. ON OF DISCH Lease Number Block Number ater depths below me.	Number: 907-770-3700 TY me: Noble Discoverer me: Susan Childs Number: 907-770-3700 TBD TBD uration of approximately 44 site Decade of TBD uration of approximately 44 site Decade of TBD TBD Uration of approximately 44 site Drill Ship Semisubm Other (specificate an area where they may be on the content of the dischart of the content of th	Shell Offshore Inc. Number: 907-770-3700 ame: Shell Offshore Inc. Number: 907-770-3700 TY me: Noble Discoverer me: Susan Childs Number: 907-770-3700 Date of TBD uration of approximately 44 days per well site Department of approximately 44 days per well site Department of approximately 44 days per well site Department of Semisubmersible Department of Semisubmersible Department of facility and contact and an area where they may be operating and must within those areas. If the discharge is within 4000 those areas and their distance from the operation/of ING WATER The semisubment of State and Napplicable. ON OF DISCHARGE Lease Number OCS-Y-1936 Block Number 6559 ater depths below mean lower Erom:	Shell Offshore Inc. Number: 907-770-3700 Addrewing Shell Offshore Inc. Number: 907-770-3700 TY me: Noble Discoverer me: Susan Childs Number: 907-770-3700 Date of TBD Station Table type) The map showing the exact location of facility and dischargate an area where they may be operating and must includivithin those areas. If the discharge is within 4000 meters those areas and their distance from the operation/dischard ING WATER The map showing the U.S. Department of State and NOAA applicable. ON OF DISCHARGE Lease Number OCS-Y-1936 Block Number 6559 atter depths below mean lower From: 124	Shell Offshore Inc. Number: 907-770-3700 Address: Number: 907-770-3700 Operator Manage: Shell Offshore Inc. Number: 907-770-3700 Operator Manage: Shell Offshore Inc. Number: 907-770-3700 Operator Manage: Shell Offshore Inc. Number: 907-770-3700 Other of the company of the exact location	Shell Offshore Inc. Number: 907-770-3700 Address: Shell Offshore Inc. Number: 907-770-3700 Address: Shell Offshore Inc. Number: 907-770-3700 Address: TY	Shell Offshore Inc. Number: 907-770-3700 Anchorage,	

D. 1	(1 1	77 7	7				
Disch	arges (check				T		
	001 Drilling M		d Cuttings		Water De		
	002 Deck Drain	_			Water De	-	19.6'
	003 Sanitary W				Water Depth:		
	004 Domestic	Waste			Water De	pth:	
\boxtimes	005 Desalination	on Un	it Waste		Water De	pth:	19.6'
	006 Blowout P	reven	ter Fluid		Water De	pth:	discharged at the seafloor 124'
	007 Boiler Blo	wdow	n		Water De	pth:	
	008 Fire Contro	ol Sys	tem Test Water		Water De	pth:	
	009 Non-Conta	ict Co	oling Water		Water De	pth:	on the surface at several locations
	010 Uncontam	inated	Ballast Water		Water De	pth:	
	011 Bilge Wate	er			Water De	pth:	
$\overline{\boxtimes}$	012 Excess Cer	ment S	Slurry		Water De	pth:	19.6'
$\overline{\boxtimes}$	013 Mud, Cutti	013 Mud, Cuttings, Cement and Seafloor			Water Depth:		MLC and 36"
							casing mud and
							cuttings discharged
							at 114'; cement at
							the seafloor 124'
014 Test Fluid					Water De	pth:	
				ıd disposal pra	ctices (e.g.,	back	hauled, reinjected, discharged,
	the facility. See						
			hows flow of discharged was				
			e effluent, and treatment unit				operations, treatment units,
			ce cannot be determined, pro-				
sources	s, and any collect	tion o	r treatment measures.	1	1		
Well	Information						
Well N	lame:	To	rpedo	Latitude:			TBD
Well N	lumber:	C		Longitude:			TBD
Reginn	ing Drill Date:	TB	BD	Hole Diame			36" diameter at
Beginning Drill Date:				Estimated T	Total Discha	arge	surface, reducing
				Volume:			through 4 stages to
							8.5" at depth
Drilli	ng Fluid			•			•
		\boxtimes	Water-based				Lignosulfonate
Catego	ry		Oil-based				Lime

(check all that apply)	Synthetic-based	Group		Gyp
	Other (specify):	(check all that apply)	\boxtimes	Sea-water
			\boxtimes	Saltwater
				Saturated Saltwater
			\boxtimes	Nondispersed
				(Viscosifier/Polymer) PH/PA

Page 2 of 4

Attachment 1: NOI Information Sheet

Permit No.: AKG280000

Zone of Deposit Request (applicable t	o those dis	charge	s within stat	e of Alaska w	vaters)			
Are you requesting a Zone of Deposit from ADEC?			Yes (continue) this section		\boxtimes	No (skip this section and proceed to Special Conditions, below)		
THE FOLLOWING INFORMATION MUST I	BE PROVII	DED IF	REQUESTI	NG A ZONE	OF DE	POSIT. The burden		
of proof for justifying a zone of deposit through demonstrating compliance with the requirements of 18 AAC 70.210 rests with the applicant.								
Distance from shoreline of discharge point				Average l	Mud			
(measured at M.L.L.W.):				density:				
Depth of discharge (measured at M.L.L.W.):				Flow Rate	e:			
Orientation of outfall to shoreline				T-4-1 X7-1				
(e.g., perpendicular, 45°, parallel):				Total Vol	ume:			
Orientation of outfall to water surface				Maximun	n currer	nt		
(e.g., perpendicular, 45°, parallel):		and direction:			ion:			
If possible, provide salinity and temperature data from the receiving water surface to the depth of the discharge port or diffuser.								
Mixing Zone Request (applicable to	those di	scharg	ges within	state of Ala	aska v	vaters)		
Are you requesting a mixing zone from ADEC?			Yes (continue f this section			No (skip this section and proceed to Special Conditions, below)		
THE FOLLOWING INFORMATION MUST I								
proof for justifying a mixing zone through den	nonstrating	complia	ince with the	requirements	of 18 A	AAC 70.240 through		
18 AAC 70.270 rests with the applicant.	-		1			T		
Distance from shoreline of discharge point or	r first			Length of di	iffuser:			
port of diffuser (measured at M.L.L.W.):								
Depth of discharge port or diffuser		Diameter of port(s):			:			
(measured at M.L.L.W.):					1 ()			
Orientation of diffuser to shoreline (e.g., perpendicular, 45°, parallel):				Number of p	orts:			
Maximum current:				Port spacing				
USE OF RECEIVING WATER AT DISTAN	NCE EDON	M DIFE	TICEDIA			yatar Supply for		
agriculture including irrigation & stock water,								
Secondary recreation, Fish spawning, Harvestin								
requesting a mixing zone from ADEC):	5	1	,	1				
If possible, provide salinity and temperature data from the receiving water surface to the depth of the discharge port or diffuser.								

Attachment 1: NOI Information Sheet Permit No.: AKG280000

Special Conditions (provide justification for all that are not required, completed or provided)									
Special Monitoring			Required	\boxtimes	Not Requi	red	Justification:		
Exploration Plans			Attached	\boxtimes	Not Provid	ded	Justification: TBD		
Biological Surveys			Attached		Not Provid	ded	Justification: None Required		
Environmental Rep	oort(s)		Attached	\boxtimes	Not Provid	ded	Justification: Will be submitted to BOEM as part of the Exploration Plan		
Drilling Fluid Plan			Complete	\boxtimes	Not Comp	lete	Justification: In Preparation		
Certification									
I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.									
Signature:					Date:	12/1	6/2010		
Printed Name:	Susan Chile	ls			Title:	Alas	ska Support Intergrator Manager		
Mail Complete	d NOI to F	EPA	and ADE	C at	the follov	ving	addresses:		
US EPA						ADEC, Water Division			
1200 6 th Avenue, N	1/S OWW-13	0			555 Cordova Street				
Seattle, WA 98101					Anchorage, Alaska 99501				

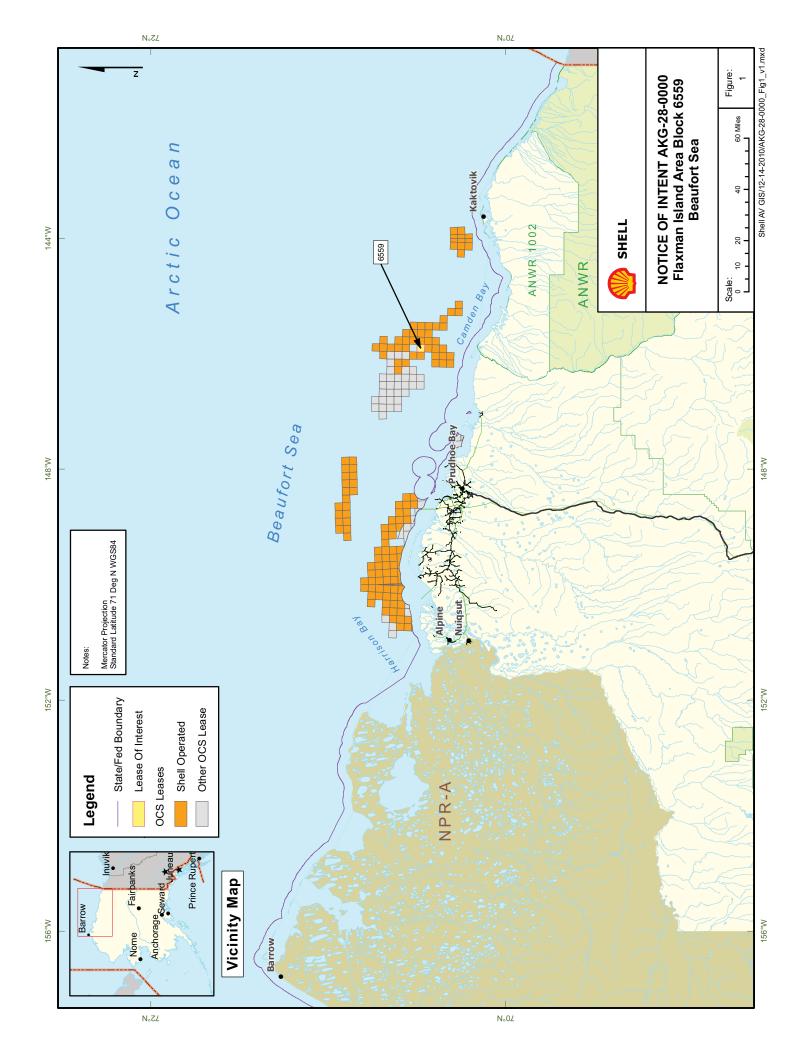
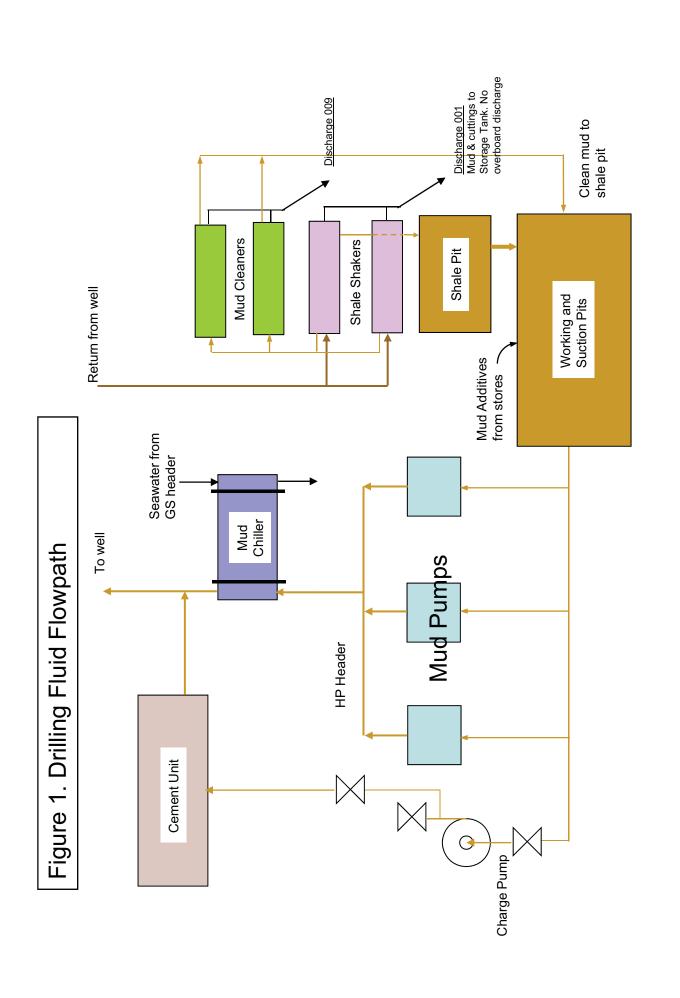


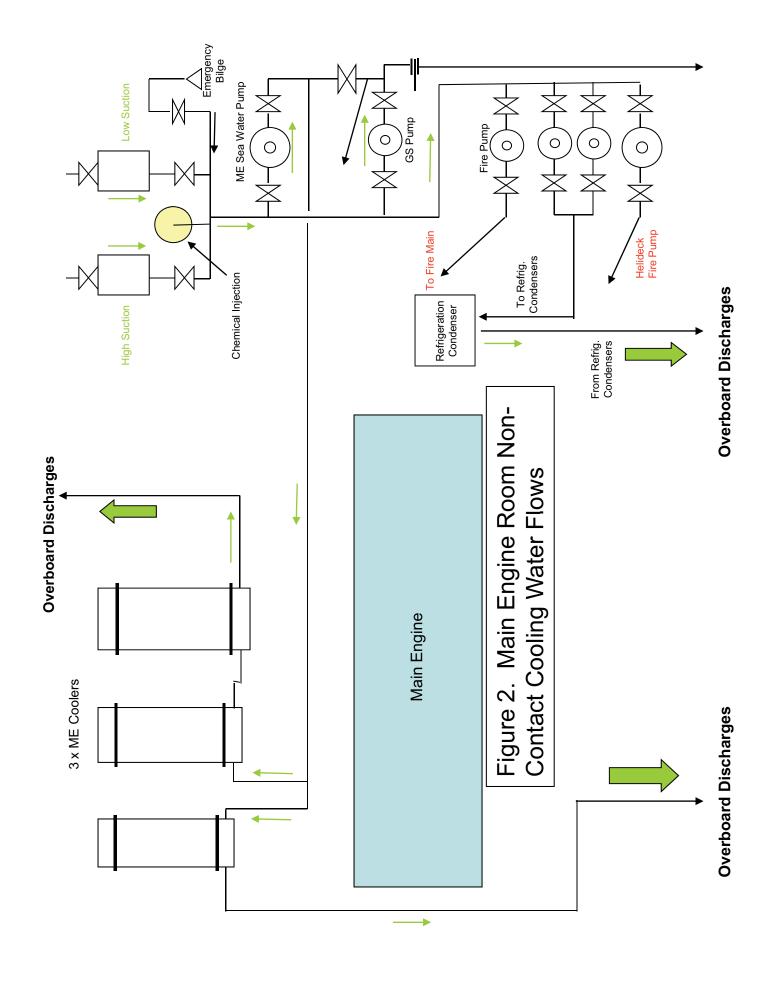
Table 1 Projected ocean discharges – Torpedo Prospect Drill Site C

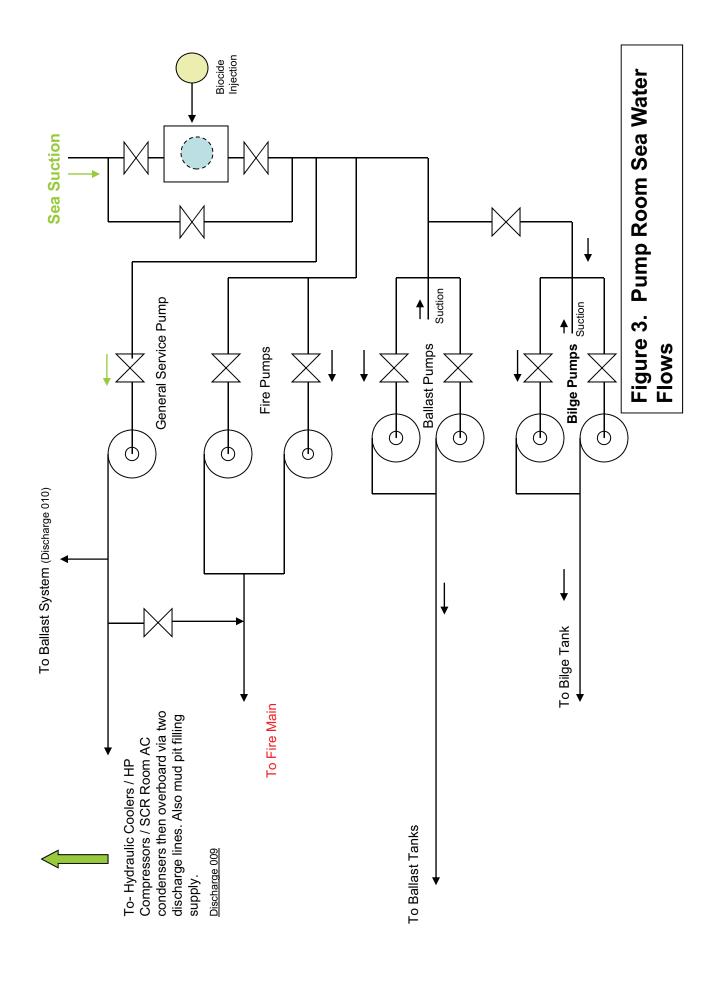
	Total Amount to be		
Type of Waste	Discharged*	Discharge Rate	Discharge Method
Drill Cuttings –	3,850 bbl/well (Cuttings only;	321 bbl/day*	Mud Line Cellar (MLC)
Discharge 013	no drilling muds used)	(discharged over 12	through 26" section cuttings
Discharge 5 15	me aming made deed)	days)	deposited at the seafloor
Water based mud –	0 bbl/well	0 bbl/day*	No discharge. Water based
Discharge 001	O BBI/ WCII	o bbirday	muds will be collected and
Blochargo oo i			transported out of region for
			disposal at a licensed facility
Drill cuttings from	0 bbl/well	0 bbl/day*	No discharge. Cuttings will be
water base drilling	O BBI/ WCII	(discharged over 35	collected and transported out
interval – Discharge		days)	of region for disposal at a
001		days)	licensed facility
Excess cement –	50 bbl/well	two occasions at 1	Discharged at seafloor during
Discharge 012	30 bbi/weii	bbl/min	30-inch and 20-inch cementing
Discharge 012		DDI/THIIT	operations
Non-Contact Cooling	1,980,000 bbl/well	45,000 bbl/day	Discharged to the water at
water – Discharge	1,500,000 BB// WCII	40,000 bbirday	several sites
009			Several sites
Sanitary waste –	0 bbl/well	0 bbl/day	No discharge. Treated in the
Discharge 003	0 20, 10.	o son day	MSD and stored on drillship
2.000.90			then transported out of region
			for disposal at a licensed
			facility
Domestic waste –	0 bbl/well	0 bbl/day	No discharge. Treated in the
Discharge 004			MSD and stored on drillship
			then transported out of region
			for disposal at a licensed
			facility
			Food wastes will not be
			discharged, they will be
			incinerated onboard
Desalination unit	5,500 bbl/well	125 bbl/day	Discharged through disposal
brine water –	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, , , , , ,	caisson below water's surface
Discharge 005			
Deck drainage –	220 bbl/well	5 bbl/day (dependent on	Discharged through disposal
Discharge 002		rainfall)	caisson below water's surface
Uncontaminated	0 bbl/well	0 bbl/day	No discharge. Ballast water is
Ballast water –			stored on drillship then
Discharge 010			transported out of region for
			disposal at a licensed facility
Firewater bypass –	0 bbl	0 bbl/day	No routine firewater system
Discharge 008			testing anticipated
Bilge water –	0 bbl/well	0 bbl/day	No discharge. Treated in an
Discharge 011			oil/water separator;
			uncontaminated water and
			separated oily water is stored
			onboard then transported out
			of region for disposal at a
			licensed facility
BOP fluid –	42 bbl/well	Up to 6 BOP tests at an	Discharged at the seafloor at
Discharge 006		average 7 bbl/test	the BOP

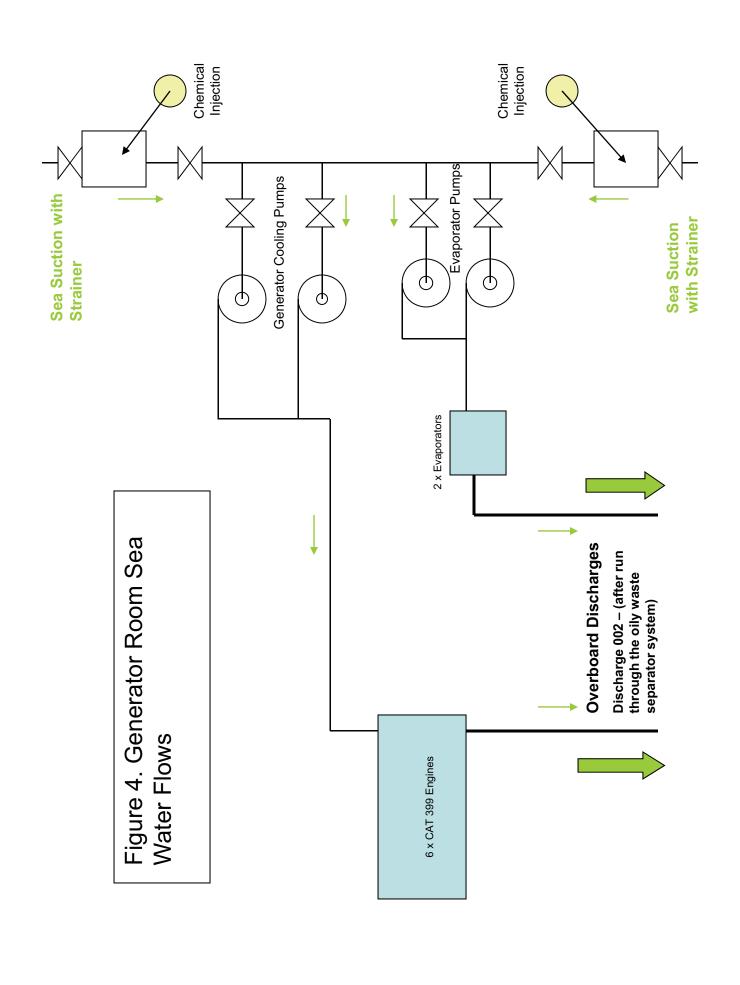
Notes:

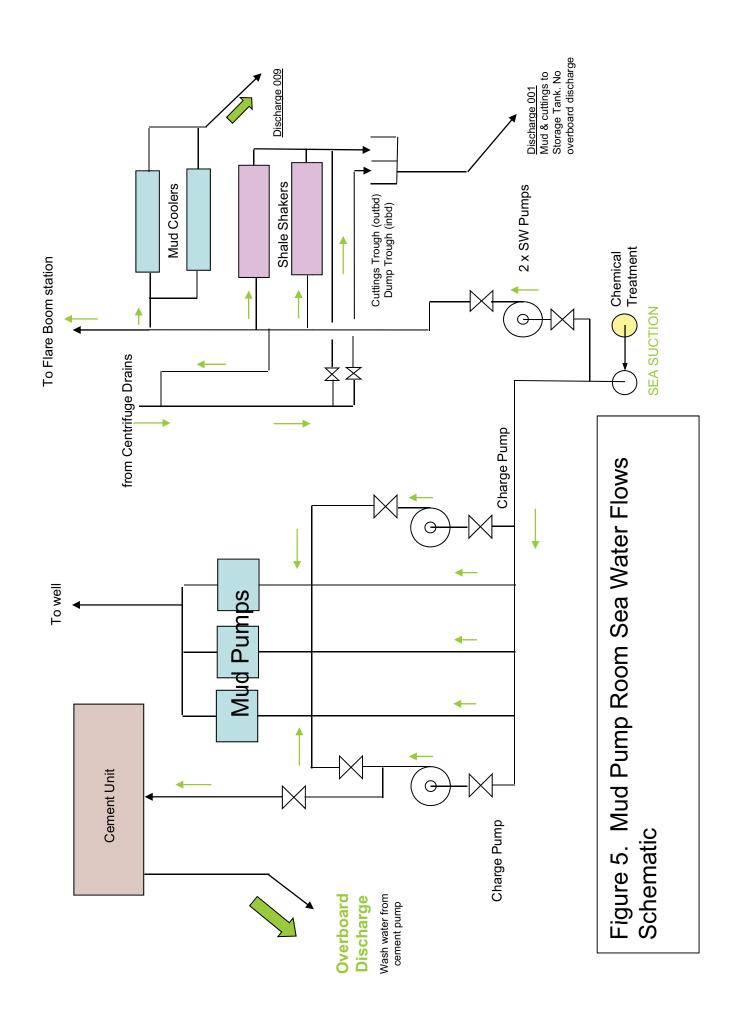
^{*} assumes 12 days to complete the MLC through 26" section; 32 days to complete the remainder of the well

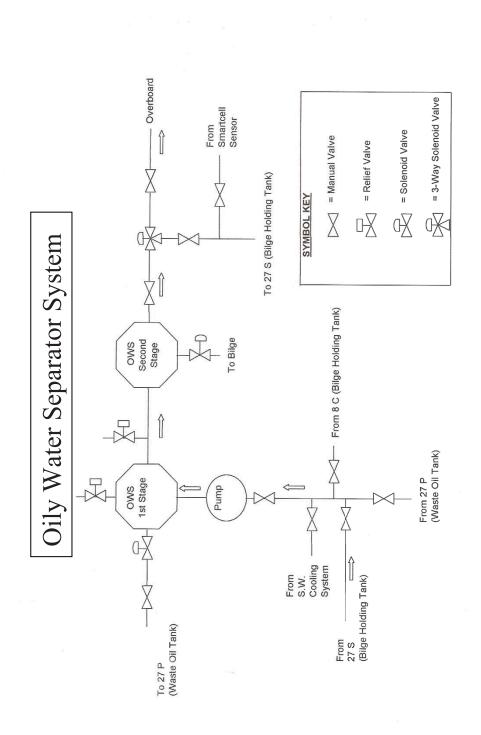












Discharge Caisson

The discharge caisson is a pipe that runs vertically through the sponson on the hull of the drillship from the main deck level to the base of the sponson. The sponson is an exterior reinforced cladding installed on the *Discoverer* to provide ice resistance. It is hollow and extends from the main deck level to well below the water line.

Waste streams are collected aboard the drillship to a point on the main deck near the mud room. A 15-in. diameter pipe exits the hull, turns downwards and is connected to the top of the discharge caisson.

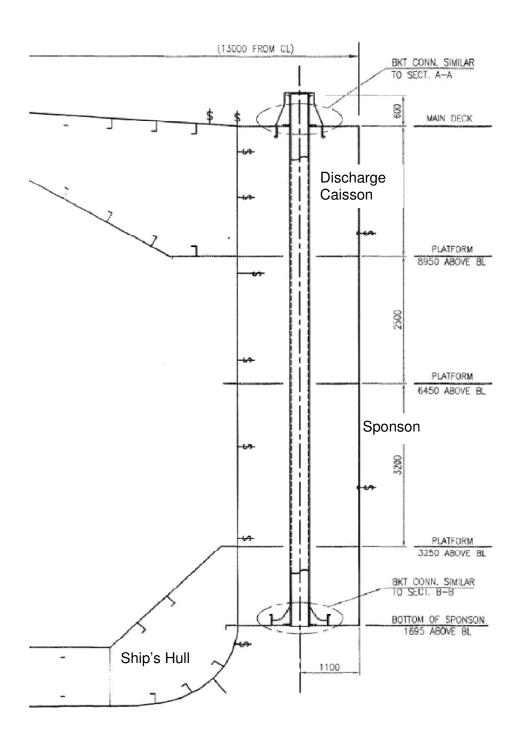
The discharge caisson, also a 15-in OD pipe, is welded into the sponson top and bottom (so that the interior of the sponson remains dry). The bottom of the sponson and the end of the discharge caisson is 5.6 ft (1.7 m) above the keel depth, and since it remains open to the sea at all times, the discharge caisson is constantly filled with water to mean sea level. This caisson is not equipped with a "float" valve; it is merely an open conduit to the sea through which most waste streams are discharged below sea level.

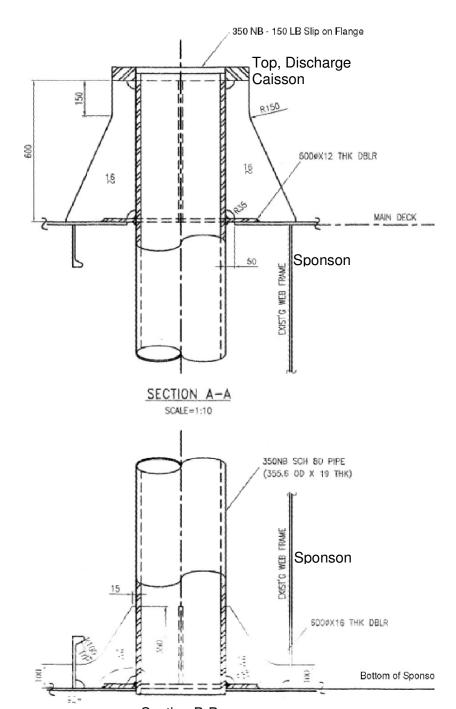
The *Discoverer* has the following draft characteristics:

Max draft at load line: 27 ft (8.2 m)
Transit draft 26.3 ft (8.0 m)
Drilling draft 25.2 ft (7.7 m)
Light ship draft 19.0 ft (5.8 m)

With the bottom of the sponson 5.6 ft above the keel, the base of the discharge caisson while drilling is 25.2 ft - 5.6 ft = 19.6 ft (6.0 m) below mean sea level. Because of heave, the water level inside the caisson is constantly changing.

See attached schematic drawings:





Section B-B Base, Discharge Caisson



Shell Exploration & Production Company

April 8, 2011

Ms. Hanh Shaw U.S. EPA, Region 10 Office of Water & Watersheds, NPDES Permits Unit 1200 Sixth Avenue, Suite 900, M/S OWW-130 Seattle, WA 98101 Shell 3601 C Street, Suite 1000 Anchorage, AK 99503

Tel. (907) 646-7112 Email <u>susan.childs@shell.com</u> Internet http://www.shell.com/

Dear Ms. Shaw:

Subject: AKG-28-0000 Notice of Intent, Kulluk Floating Drilling Platform Supplemental

Information

Shell Offshore Inc, (Shell) is currently in the process of preparing two year Exploration Plans (EPs) for the Chukchi Sea and Camden Bay beginning in 2012. Within the Camden Bay EP, Shell is requesting flexibility to drill with either the Kulluk or the Noble Discoverer drilling vessels. As a result, Shell is also requesting this flexibility be represented in our corresponding Camden Bay NOIs,(numbers 6658, 6610, 6757, 6707, 6709, 6559, 6609, 6558, and 6508). Per EPA guidance provided to Shell on March 24, 2011, we are therefore submitting additional information for the Conical drilling unit Kulluk to supplement those NOIs (Attachments A – C).

Further, it was discovered that within the December 16, 2010 NOI submittals, Shell had a typo for a Chukchi Sea NOI block. Shell provided an NOI for Honey Guide, Tison <u>6917</u> which in actuality is Honey Guide, Tison <u>6971</u>. Shell is requesting a replacement of the incorrect block 6917 with the correct block 6971 in the corresponding NOI.

As always, thank you for your assistance regarding our submittals. If you have questions about any component of the proposed project, please contact me at (907) 646-7112 or email susan.childs@shell.com, or call Nicole St. Amand at (907) 646-7152 or email nicole.stamand@shell.com.

Sincerely,

Susan Childs

Alaska Venture Support Integrator Manager

Susan Childe

Attachment A: Provided is additional information in support of the NOIs that were submitted to EPA on December 16, 2010 in accordance with 40 CFR 122.21(d) for lease blocks 6658, 6610, 6757, 6707, 6709, 6559, 6609, 6558, and 6508. For each block attached information includes discharge depths and discharge volumes generated during drilling operations utilizing the Kulluk.

Attachment B: Provided is the current flow diagram for the Kulluk. Shell currently is in the process of re-fabricating the Kulluk in order to provide onboard storage for grey water, sanitary water, ballast water, and bilge water. The updated flow diagrams for the onboard capture and collecting of the waste streams are not available at this time. Shell will provide them to EPA once the design is completed.

Attachment C: Provided is the disposal caisson diagram.

cc: Diane Soderlund, USEPA Region 10, Alaska Operations Michael Lidgard, USEPA Region 10 Richard Cool, USEPA Region 10 Admin Record

Attachment A

Sivulliq 6658

NOTICE OF INTENT (NOI) IFORMATION SHEET NPDES GENERAL PERMIT AKG280000 OIL AND GAS EXPLORATION FACILITIES ON THE OUTER CONTINENTAL SHELF AND CONTIGUOUS STATE WATERS

Disch	arges (check d	all th	nat apply)				
	001 Drilling Mu				Water De	pth:	
$\overline{\square}$	002 Deck Drain	age			Water De	pth:	40'
	003 Sanitary W	aste			Water De		
	004 Domestic V	Vaste			Water De		
	005 Desalinatio	n Un	it Waste		Water De	pth:	40'
	006 Blowout Pr	even	ter Fluid		Water De	epth:	discharged at seafloor 107'
	007 Boiler Blov	vdow	n		Water De	pth:	
\boxtimes	008 Fire Contro	ol Sys	tem Test Water		Water De	pth:	40'
	009 Non-Conta	ct Co	oling Water		Water De	epth:	on the surface at several locations
	010 Uncontami	nated	Ballast Water		Water De	pth:	
	011 Bilge Wate	r			Water De	pth:	
\boxtimes	012 Excess Cer	nent (Slurry		Water De	pth:	40'
	013 Mud, Cuttings, Cement and Seafloor				Water De	pth:	MLC through 20" casing cuttings
							discharged at 97';
							cement discharged
							at the seafloor at
	014 Test Fluid				Water De	nth:	107'
Provide		on of	the treatment process(es) an	d disposal pra		•	auled, reinjected, discharged,
	the facility. See			u uisposai pia	cuces (e.g.,	Uacki	lauleu, lenijecteu, uischargeu,
Provide	e a line drawing t	hat sl	nows flow of discharged was e effluent, and treatment units				
			the line drawing by showing				
and ou	tfalls. If a flow b	alanc	e cannot be determined, prov				
		ion o	r treatment measures.				
	Information			I		ı	
Well N			ulliq	Latitude:			70° 23' 29.5814"
Well N			& G	Longitude:			145° 58' 52.5284"
Beginn	Beginning Drill Date:		ly 2012	Hole Diame Estimated T		orge	36" diameter at
				Volume:	otal Disch	iige	surface, reducing
				, 01011101			through 4 stages to
D 1111	T21 + 1						8.5" at depth
Drilli	ng Fluid		Water based				I in a sulfanata
		\boxtimes	Water-based			Ш	Lignosulfonate

Category	Oil-based			Lime
(check all that apply)	Synthetic-based	Group		Gyp
	Other (specify):	(check all that apply)	\boxtimes	Sea-water
			\boxtimes	Saltwater
				Saturated Saltwater
			\boxtimes	Nondispersed
				(Viscosifier/Polymer) PH/PA

Page 2 of 4

Table 1 Projected ocean discharges - Sivulliq Prospect Drill Site N & G*

Type of Waste	Total Amount to be Discharged*	Discharge Rate	Discharge Method
Drill Cuttings – Discharge 013	5,187 bbl/well (Cuttings only; no drilling muds used)	432 bbl/day** (discharged over 12 days)	Mud Line Cellar (MLC) through 26" section cuttings deposited on the seafloor through the moonpool
Water based mud – Discharge 001	0 bbl/well	0 bbl/day*	No discharge. Water based muds will be collected and transported out of region for disposal at a licensed facility
Drill cuttings from water base drilling interval – Discharge 001	0 bbl/well	0 bbl/day*	No discharge. Cuttings will be collected and transported out of region for disposal at a licensed facility
Excess cement – Discharge 012	50 bbl/well	two occasions at 1 bbl/min	Discharged at seafloor during 30-inch and 20-inch cementing operations
Non-Contact Cooling water – Discharge 009	448,052 bbl/well	13,178 bbl/day	Discharged to the water at several sites
Sanitary waste – Discharge 003	0 bbl/well	0 bbl/day	No discharge. Treated in the Marine Sanitation Device (MSD) and recycled for use aboard the Kulluk. Any unrecycled sanitary waste will be transported out of region for disposal at a licensed facility
Domestic waste – Discharge 004	0 bbl/well	0 bbl/day	No discharge. Treated in the MSD and stored on drillship then transported out of region for disposal at a licensed facility Food wastes will not be discharged, they will be incinerated onboard
Desalination unit brine water – Discharge 005	4,250 bbl/well	125 bbl/day	Discharged through disposal caisson below water's surface
Deck drainage – Discharge 002	170 bbl/well	5 bbl/day (dependent on rainfall)	Discharged through disposal caisson below water's surface
Uncontaminated Ballast water – Discharge 010	0 bbl/well	0 bbl/day	No discharge. Ballast water is stored on drillship then transported out of region for disposal at a licensed facility
Firewater bypass – Discharge 008	286 bbl (1 test)	monthly test of fire hose at 200 gal/min for 60 minutes	Discharged through disposal caisson below water's surface
Bilge water – Discharge 011	0 bbl/well	0 bbl/day	No discharge. Treated in an oil/water separator; uncontaminated water and separated oily water is stored onboard then transported out of region for disposal at a licensed facility
BOP fluid – Discharge 006	56.4 bbl/well	Up to 6 BOP tests at an average 9.4 bbl/test	Discharged at the seafloor at the BOP

Notes:

^{*} Discharges are based on one drill site.

**assumes 12 days to complete the MLC though 26" section; 22 days to complete the remainder of the well

Torpedo 6610

NOTICE OF INTENT (NOI) IFORMATION SHEET NPDES GENERAL PERMIT AKG280000 OIL AND GAS EXPLORATION FACILITIES ON THE OUTER CONTINENTAL SHELF AND CONTIGUOUS STATE WATERS

Disah	arges (check	all +l	nat annly)				
Discii	001 Drilling M				Water De	nth:	
	002 Deck Drain		u cumgs		Water De		40'
	003 Sanitary W	_			Water De	•	10
H	004 Domestic				Water De		
	005 Desalination				Water De		40'
	006 Blowout P				Water De	-	discharged at the seafloor 120'
	007 Boiler Blo	wdow	n		Water De	pth:	
	008 Fire Contro	ol Sys	tem Test Water		Water De	pth:	40'
	009 Non-Conta	ict Co	oling Water		Water De	pth:	on the surface at several locations
	010 Uncontami	inated	Ballast Water		Water De	pth:	
	011 Bilge Wate	er			Water De	pth:	
	012 Excess Cer	ment S	Slurry		Water De	pth:	40'
\boxtimes	013 Mud, Cuttings, Cement and Seafloor				Water Depth:		MLC through 26"
							section cuttings
							discharged at 110';
							cement at the
							seafloor 120'
	014 Test Fluid				Water De	pth:	
	e a brief descript the facility. See			d disposal pra	ctices (e.g.,	back	hauled, reinjected, discharged,
operation Construe	ons contributing act a flow baland tfalls. If a flow b	to the ce on to calance	nows flow of discharged was e effluent, and treatment units the line drawing by showing the cannot be determined, prover treatment measures.	s labeled to con average flows	rrespond to between in	the d	ischarges $(001 - 014)$., operations, treatment units,
	Information						
Well N			rpedo	Latitude:			70° 27' 01.6193"
Well N	umber:	H		Longitude:			145° 49' 32.0650"
Beginn	ing Drill Date:	Jul	ly 2012	Hole Diame			36" diameter at
Beginning Brin Bute.				Estimated T Volume:	otal Discha	arge	surface, reducing
				voiume:			through 4 stages to
							8.5" at depth
Drilli	ng Fluid		,				,
		\boxtimes	Water-based				Lignosulfonate
Catego	ry		Oil-based				Lime

(check all that apply)	Synthetic-based	Group		Gyp
	Other (specify):	(check all that apply)	\boxtimes	Sea-water
			\boxtimes	Saltwater
				Saturated Saltwater
			\boxtimes	Nondispersed
				(Viscosifier/Polymer) PH/PA

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Table 1 Projected ocean discharges – Torpedo Prospect Drill Site H

	Total Amount to be		
Type of Waste	Discharged*	Discharge Rate	Discharge Method
Drill Cuttings –	5,335 bbl/well (Cuttings only;	445 bbl/day*	Mud Line Cellar (MLC) through
Discharge 013	no drilling muds used)	(discharged over 12	26" section cuttings deposited
Water based mud –	0 bbl/well	days) 0 bbl/day*	at the seafloor No discharge. Water based
Discharge 001	o bbi/weii	0 bbl/day	muds will be collected and
Discharge 001			transported out of region for
			disposal at a licensed facility
Drill cuttings from	0 bbl/well	0 bbl/day*	No discharge. Cuttings will be
water base drilling		(discharged over 35	collected and transported out
interval – Discharge		days)	of region for disposal at a
001	50111/		licensed facility
Excess cement –	50 bbl/well	two occasions at 1	Discharged at seafloor during
Discharge 012		DDI/MIN	30-inch and 20-inch cementing operations
Non-Contact Cooling	579,832 bbl/well	13,178 bbl/day	Discharged to the water at
water – Discharge	0.0,002 22	10,110 22,124	several sites
009			
Sanitary waste –	0 bbl/well	0 bbl/day	No discharge. Treated in the
Discharge 003			Marine Sanitation Device
			(MSD) and recycled for use
			aboard the Kulluk. Any unrecycled sanitary waste will
			be transported out of region for
			disposal at a licensed facility
Domestic waste –	0 bbl/well	0 bbl/day	No discharge. Treated in the
Discharge 004			MSD and stored on drillship
			then transported out of region
			for disposal at a licensed
			facility Food wastes will not be
			discharged, they will be
			incinerated onboard
Desalination unit	5,500 bbl/well	125 bbl/day	Discharged through disposal
brine water –			caisson below water's surface
Discharge 005			
Deck drainage –	220 bbl/well	5 bbl/day (dependent on	Discharged through disposal
Discharge 002 Uncontaminated	0 bbl/well	rainfall) 0 bbl/day	caisson below water's surface No discharge. Ballast water is
Ballast water –	o bbi/weii	0 bbi/day	stored on drillship then
Discharge 010			transported out of region for
2.00a.go 0.0			disposal at a licensed facility
Firewater bypass –	572 bbl (2 Tests)	Monthly test of fire hose	Discharged through disposal
Discharge 008		at 200 gal/min for 60	caisson below water's surface.
		minutes	
Bilge water –	0 bbl/well	0 bbl/day	No discharge. Treated in an
Discharge 011			oil/water separator; uncontaminated water and
			separated oily water is stored
			onboard then transported out
			of region for disposal at a
			licensed facility
BOP fluid –	56.4 bbl/well	Up to 6 BOP tests at an	Discharged at the seafloor at
Discharge 006		average 9.4 bbl/test	the BOP

Notes:

^{*} assumes 12 days to complete the MLC through 26" section; 32 days to complete the remainder of the well

Torpedo 6559

Attachment 1: NOI Information Sheet

NOTICE OF INTENT (NOI) IFORMATION SHEET NPDES GENERAL PERMIT AKG280000 OIL AND GAS EXPLORATION FACILITIES ON THE OUTER CONTINENTAL SHELF AND CONTIGUOUS STATE WATERS

Disch	arges (check						
	001 Drilling M	ud an	d Cuttings		Water Dep	th:	
\boxtimes	002 Deck Drain	ainage			Water Dep	th:	40'
	003 Sanitary W	aste			Water Dep		
	004 Domestic	Waste			Water Dep	th:	
	005 Desalination	on Un	it Waste		Water Dep	th:	40'
	006 Blowout P	reven	ter Fluid		Water Dep	th:	discharged at the seafloor 124'
	007 Boiler Blo	wdow	n		Water Dep	th:	
\boxtimes	008 Fire Contro	ol Sys	tem Test Water		Water Dep	th:	40'
	009 Non-Conta	ict Co	oling Water		Water Dep	th:	on the surface at several locations
	010 Uncontami	inated	Ballast Water		Water Dep	th:	
	011 Bilge Wate	er			Water Dep	th:	
	012 Excess Cer	ment S	Slurry		Water Dep	th:	40'
	013 Mud, Cuttings, Cement and Seafloor			Water Dep	th:	MLC through 26"	
							section cuttings discharged at 114';
							cement at the
							seafloor 124'
\vdash	014 Test Fluid				Water Dep	th·	Seamour 124
Provid		ion of	the treatment process(es)	and disposal pra	-		uled, reinjected, discharged,
etc.) at	the facility. See	attac	hed (Table 1)				
operati Constr and ou sources	ons contributing uct a flow balance tfalls. If a flow best, and any collect	to the e on to alance	nows flow of discharged we effluent, and treatment un the line drawing by showing e cannot be determined, programment measures.	its labeled to co g average flows	rrespond to to between inta	he diso ikes, o	charges $(001 - 014)$. operations, treatment units,
	Information						
Well N	***	To	rpedo	Latitude:			70° 28' 56.94"
Well N	lumber:	J		Longitude:		1	145° 53' 47.14"
Beginn	ning Drill Date:	Ju	ly 2012	Hole Diame			36" diameter at
Beginning Brin Bute.		aic.		Estimated T	Total Dischar	ge s	surface, reducing
				volume.		1	through 4 stages to
						8	8.5" at depth
Drilli	ng Fluid						
		\boxtimes	Water-based			□ I	Lignosulfonate
Catego	ory		Oil-based				Lime

(check all that apply)	Synthetic-based	Group		Gyp
	Other (specify):	(check all that apply)	\boxtimes	Sea-water
			\boxtimes	Saltwater
				Saturated Saltwater
			\boxtimes	Nondispersed
				(Viscosifier/Polymer) PH/PA

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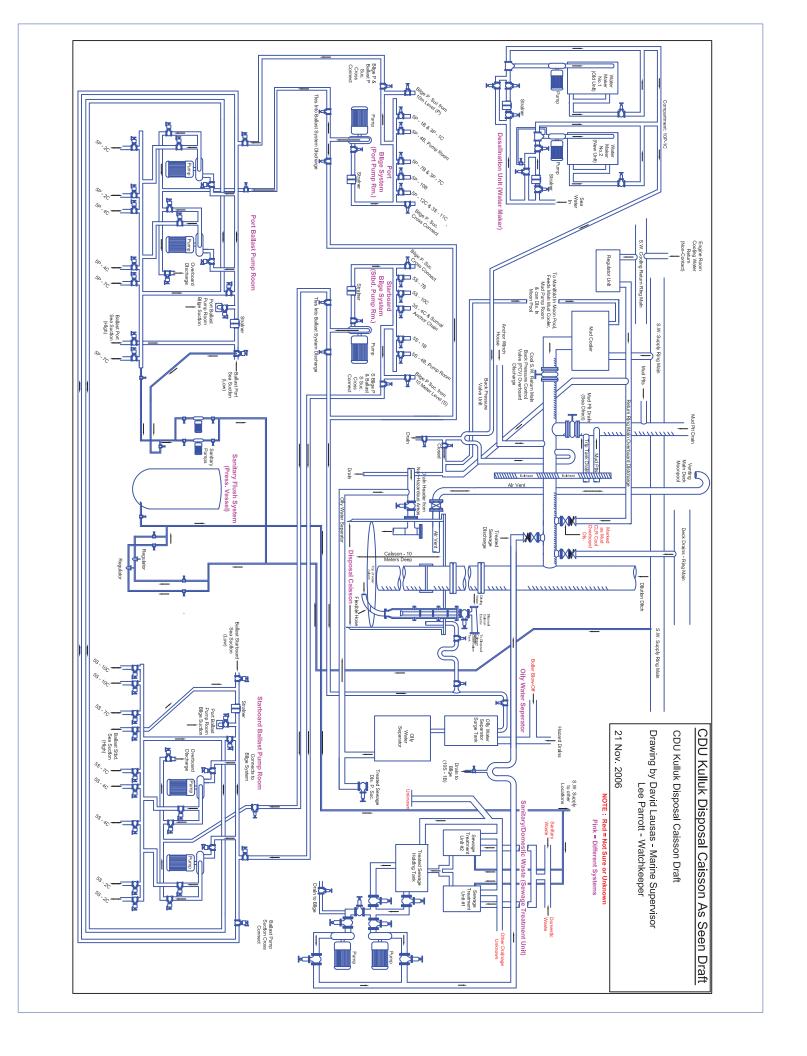
Table 1 Projected ocean discharges – Torpedo Prospect Drill Site J

	Total Amount to be		
Type of Waste	Discharged*	Discharge Rate	Discharge Method
Drill Cuttings –	5,335 bbl/well (Cuttings only;	445 bbl/day*	Mud Line Cellar (MLC)
Discharge 013	no drilling muds used)	(discharged over 12	through 26" section cuttings
14//	0.1.17	days)	deposited at the seafloor
Water based mud –	0 bbl/well	0 bbl/day*	No discharge. Water based
Discharge 001			muds will be collected and
			transported out of region for disposal at a licensed facility
Drill cuttings from	0 bbl/well	0 bbl/day*	No discharge. Cuttings will be
water base drilling	O DDI/Well	(discharged over 35	collected and transported out
interval – Discharge		days)	of region for disposal at a
001			licensed facility
Excess cement –	50 bbl/well	two occasions at 1	Discharged at seafloor during
Discharge 012		bbl/min	30-inch and 20-inch cementing
			operations
Non-Contact Cooling	579,832 bbl/well	13,178 bbl/day	Discharged to the water at
water – Discharge			several sites
009			
Sanitary waste –	0 bbl/well	0 bbl/day	No discharge. Treated in the
Discharge 003			Marine Sanitation Device
			(MSD) and recycled for use aboard the Kulluk. Any
			unrecycled sanitary waste will
			be transported out of region for
			disposal at a licensed facility
Domestic waste –	0 bbl/well	0 bbl/day	No discharge. Treated in the
Discharge 004			MSD and stored on drillship
			then transported out of region
			for disposal at a licensed
			facility
			Food wastes will not be
			discharged, they will be
Deceliantian weit	F 500 hhl/	105 hhl/day	incinerated onboard
Desalination unit	5,500 bbl/well	125 bbl/day	Discharged through disposal
brine water – Discharge 005			caisson below water's surface
Deck drainage –	220 bbl/well	5 bbl/day (dependent on	Discharged through disposal
Discharge 002	220 bbi/weii	rainfall)	caisson below water's surface
Uncontaminated	0 bbl/well	0 bbl/day	No discharge. Ballast water is
Ballast water –			stored on drillship then
Discharge 010			transported out of region for
			disposal at a licensed facility
Firewater bypass –	572 bbl (2 Tests)	Monthly Test of fire	Discharged through disposal
Discharge 008		hose at 200 gal/min for	caisson below water's surface
		60 minutes	
Bilge water –	0 bbl/well	0 bbl/day	No discharge. Treated in an
Discharge 011			oil/water separator;
			uncontaminated water and
			separated oily water is stored onboard then transported out
			of region for disposal at a
			licensed facility
BOP fluid –	56.4 bbl/well	Up to 6 BOP tests at an	Discharged at the seafloor at
Discharge 006		average 9.4 bbl/test	the BOP
		-	

Notes:

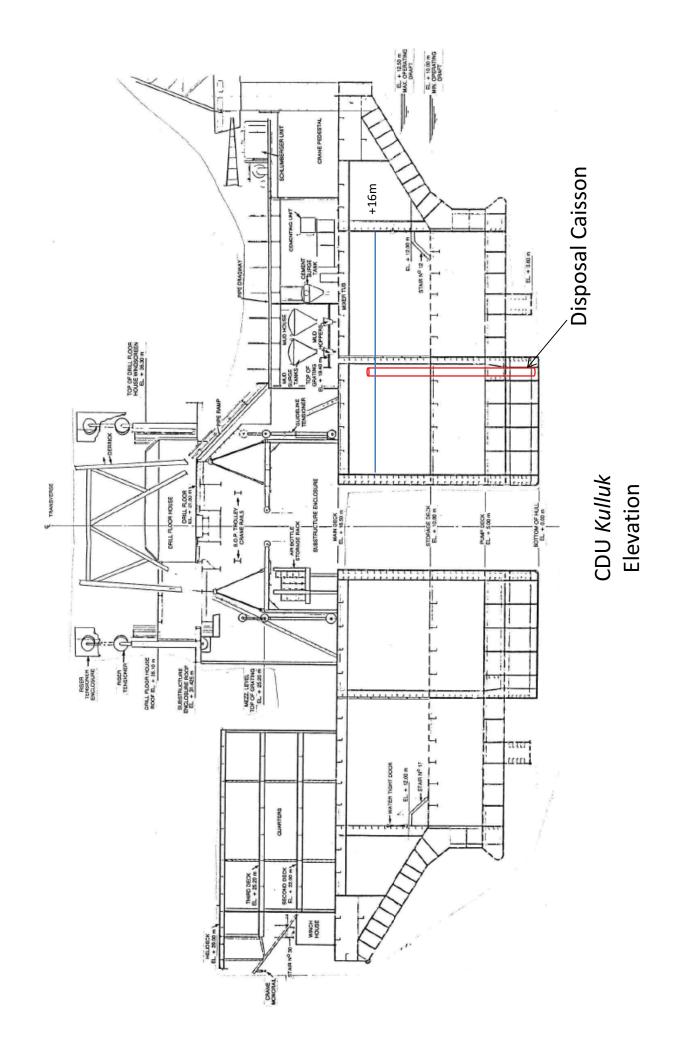
^{*} assumes 12 days to complete the MLC through 26" section; 32 days to complete the remainder of the well

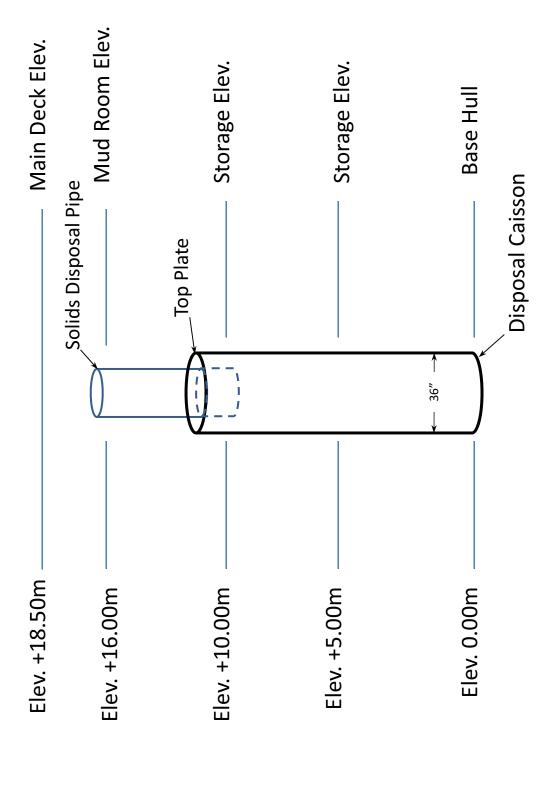
Attachment B



Attachment C

CDU Kulluk Disposal Caisson





NPDES Authorization AKG-28-0005



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 10

1200 Sixth Avenue, Suite 900 Seattle, Washington 98101-3140

Reply To April 20, 2010

Attn Of: OWW-130

Susan Childs Regulatory Affairs Manager, Alaska Shell Exploration & Production Company 3601 C Street, Suite 1000 Anchorage, Alaska 99503

RE: Coverage for Shell Exploration & Production Company under the National Pollutant Discharge Elimination System (NPDES) General Permit for Oil and Gas Exploration Activities on the Outer Continental Shelf and Contiguous State Waters for Discharges into the Beaufort Sea, Alaska (AKG-28-0005)

Dear Ms. Childs:

On May 7, 2009, the U.S. Environmental Protection Agency (EPA) received two Notices of Intent (NOIs) from Shell Exploration & Production Company (Shell) for authorization to discharge into the Beaufort Sea. Specifically, the NOIs requested permit coverage under the National Pollutant Discharge Elimination System (NPDES) General Permit, AKG-28-0000 (Arctic GP), for wastewater discharges from Shell's proposed exploration activities planned for the 2010 Outer Continental Shelf (OCS) drilling season with the drillship *Frontier Discoverer*.

On November 5, 2009, EPA requested additional information from Shell to determine whether the requested discharges could be covered under the Arctic GP. EPA received the supplemental information on December 1, 2009.

Pursuant to Part I.D.3 of the Arctic GP, Shell is authorized the following discharges into the Beaufort Sea from the two proposed drill sites, Sivulliq (Lease Block 6658) and Torpedo (Lease Block 6610), subject to the terms and conditions of the Arctic GP:

<u>Discharge Number</u>	<u>Discharge Description</u>
001	Drilling Fluids and Drilling Cuttings
002	Deck Drainage
003	Sanitary Wastes
004	Domestic Wastes
005	Desalination Unit Wastes
006	Blowout Preventer Fluid
009	Non-contact Cooling Water
010	Uncontaminated Ballast Water
011	Bilge Water
012	Excess Cement Slurry
013	Muds, Cuttings, Cement at Seafloor

Please note the effluent limitations and monitoring requirements in Part II and the monitoring, recording and reporting requirements in Part III of the Arctic GP. Discharge Monitoring Reports must be submitted monthly by the 10th day of the following month.

The permit number assigned to this operation is AKG-28-0005. Please use this number in all future correspondence and reports. A copy of the Arctic GP is enclosed and is also available on EPA's webpage at http://epa.gov/r10earth/waterpermits.htm under general permits. Facilities discharging under the authority of the Arctic GP must keep a copy of the permit and this coverage letter at the facility where the discharges occur, or retain a copy at the nearest administrative or field office managing the operation.

If you have any questions regarding this coverage letter or the Arctic GP, please do not hesitate to contact Hanh Shaw of my staff at shaw.hanh@epa.gov or (206) 553-0171.

Sincerely,

[signed April 20, 2010]

Michael J. Lidgard, Manager NPDES Permits Unit

Enclosure