

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49

Bureau of Ocean Management Regulation and Enforcement

Public Hearing

Environmental Impact Supplemental Statement

Relating to Chukchi Sea Sale 193

November 2, 2010

Point Hope Library

Point Hope, Alaska

**VOICE CHECKED/CORRECTED**

**BOEM TEAM MEMBERS:**

Jeffery Loman, Deputy Regional Director

Michael Haller, Community Liaison

Michael Routhier, NEPA Coordinator

Bob Peterson, Senior Geologist

John Callahan, Public Affairs Officer

Mary Cody, Wildlife Biologist

Sharon Warren, Program Analysis Officer

INDEX OF SPEAKERS

	<u>Page</u>
1	
2	
3	
4	
5	
6	Earl Kingik
7	2, 16, 22, 23
8	24, 28
9	Dorcas Rock
10	2, 3
11	Morris Oviok
12	3
13	Ronald Oviok
14	6
15	Nina Oviok
16	6
17	George Kingik
18	3, 4
19	Jack Schaefer
20	6, 14, 15, 16
21	18, 24, 25, 34
22	35, 36, 37, 38
23	41, 45, 46, 48
24	55
25	Karen Weber
26	4
27	Ricky Nashookpuk
28	4
29	Ken Paul
30	4
31	Aggie Frankson-Henry
32	4, 7, 20, 32
33	33, 49, 51
34	53, 69, 70
35	Raymond Attungana
36	5
37	Rachael Cannon
38	6
39	
40	
41	
42	
43	
44	
45	
46	
47	
48	
49	

P R O C E E D I N G S

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

THE REPORTER: On the record, 7:06 p.m.

(On the record at 7:06 p.m.)

JEFFERY LOMAN: Good evening and welcome -- thank you very much for taking your time to attend our meeting. Again my name is Jeffery Loman J-E-F-F-E-R-Y L-O-M-A-N -- I am the Deputy Regional Director of the Bureau of Ocean Energy Management Regulation and Enforcement, Alaska Region. We'd like to start this meeting with introductions. But first, Dorcas if you would be so kind to say a blessing for us -- we would appreciate that.

DORCAS ROCK: Stand up please. (Blessing given in Native language.) Amen -- thank you.

MR. LOMAN: Thank you very much Dorcas. To make it easier for the court reporter who is memorializing this hearing, I'd like to go around the room, starting with Earl, and have you introduce yourself and spell your name. Hopefully, then we'll only do it once as we exchange information and communicate. Earl.

EARL KINGIK: Earl Kingik, Native -- I'm a member of the Native village of Point Hope. I work out there -- Environmental Liaison for Alaska Wilderness League. And I started working with Alaska Wilderness League a few months back. Now I'm the Native Liaison for Alaska Wilderness League, in which we take tribal members to Washington D.C. -- anywhere they have any kind of meeting like that -- thank you.

1 MR. LOMAN: Earl, could you spell your last name please?

2 MR. KINGIK: K-I-N-G-I-K.

3 DORCAS ROCK: Dorcas Rock -- I'm working for  
4 (indiscernible) as a Subsistent Advisor. And I have to go to  
5 the meetings whether I like it or not. But it was good to see  
6 you again. Thank you.

7 MORRIS OVIOK: My name is Morris.

8 MR. LOMAN: R-O-C-K, right?

9 MS. ROCK: Uh-huh (affirmative)

10 MR. LOMAN: Last name is R-O-C-K.

11 MR. OVIOK: My name is Morris B. Oviok O-V-I-O-K. I'm born  
12 and raised here at Point Hope. I don't associate myself with --  
13 I'm a past member of Tribal Council before.

14 COURT REPORTER: Okay. Could you spell your last name for  
15 me again?

16 MR. OVIOK: O-V-I-O-K.

17 COURT REPORTER: I'm sorry.

18 MR. OVIOK: O-V-I-O-K.

19 GEORGE KINGIK: I'm George Kingik, a member of the Native  
20 Village of Point Hope, also with the City of Point Hope. I'm  
21 also with the History and Culture -- with the History --  
22 Language and Culture with the North Slope Borough. I'm a  
23 Commissioner. And I have known Jeff too and his bosses. The  
24 reason why I'm here -- back in the time when you guys celebrated  
25 and it was a disgrace to me and my community when you had that

1 big cake. So you're going to be hearing some few things from me  
2 as a member of the tribe and also a community member.

3 COURT REPORTER: Could George spell his last name please?

4 MR. GEROGE KINGIK: My last name is K-I-N-G-I-K.

5 COURT REPORTER: Thank you.

6 KAREN WEBER: Karen Weber, one b.

7 COURT REPORTER: K-A-R-E-N?

8 MS. WEBER: Uh-huh (affirmative).

9 COURT REORTER: W-E-B-E-R?

10 MS. WEBER: Uh-huh (affirmative).

11 COURT REPORTER: Thank you.

12 RICKY NASHOOKPUK: My name is Ricky Nashookpuk.

13 COURT REPORTER: Spell your last name.

14 MR. LOMAN: Spell it please.

15 MR. NASHOOKPUK: N-A-S-H-O-O-K-P-U-K.

16 COURT REPORTER: N-A-S-H?

17 MR. NASHOOKPUK: O-O-K-P-U-K.

18 CCOURT REPORTER: Thank you.

19 MR. LOMAN: Yes.

20 KEN PAUL: Ken Paul -- P-A-U-L.

21 COURT REPORTER: What was your first name?

22 MR. PAUL: Ken, K-E-N.

23 COURT REPORTER: Thank you.

24 AGGIE L. FRANKSON-HENRY: I'm Aggie L. Frankson-Henry  
25 tribal member.

1 RAYMOND ATTUNGANA: I'm Raymond Attungana.

2 COURT REPORTER: Could you spell your last name?

3 MR. ATTUNGANA: A-T-T-U-N-G-A-N-A.

4 COURT REPORTER: Thank you.

5 MR. LOMAN: Okay real quick we'll introduce ourselves  
6 starting with John.

7 MR. CALLAHAN: My name's John Callahan -- I'm the Public  
8 Affairs Officer with the Alaska Region and I'm fairly new with  
9 the Agency and the (indiscernible).

10 JUDY BRADSHAW: I'm Judy Bradshaw -- I'm the court  
11 reporter for tonight.

12 MIKE HALLER: Mike Haller -- I'm the new Community Liaison  
13 with the Agency.

14 ROBERT PETERSON: I'm Robert Peterson -- I'm a Geologist  
15 with the Agency.

16 MIKE ROUTHIER: I'm Mike Routhier -- I'm a NEPA  
17 Coordinator with the Agency.

18 MARY CODY: Mary Cody -- I'm a Wildlife Biologist with the  
19 Agency.

20 SHARON WARREN: Sharon Warren -- I'm a Program Analysis  
21 Officer.

22 TIM HOLDER: Tim Holder -- I'm from the Washington D.C.  
23 Office -- I'm the only one of our members here that's from that  
24 office in Anchorage and Liaison from Headquarters to the  
25 (indiscernible).

1 MR. LOMAN: Okay we'll try to go quickly. But if anybody  
2 has any questions, just stop me and I'd be happy to answer them.  
3 Two more members -- real quick folks if you could before you  
4 sign in -- introduce yourself for the court reporter and spell  
5 your last names.

6 RONALD OVIOK: I'm Ronald Oviok -- (indiscernible) Point  
7 Hope Tribal Member.

8 COURT REPORTER: Could you spell your last name please?

9 MR. OVIOK: O-V-I-O-K.

10 COURT REPORTER: A-K?

11 NINA OVIOK: O-K.

12 COURT REPORTER: Thank you.

13 NINA OVIOK: Nina Oviok.

14 COURT REPORTER: Spell your last name.

15 MS. OVIOK: O-V-I-O-K.

16 COURT REPORTER: Thank you.

17 JACK SCHAEFER: Hi.

18 MR. LOMAN: Hi Jack, how are you?

19 MR. SCHAEFER: Winded.

20 MR. LOMAN: Jack could you, for the court reporter,  
21 introduce yourself and spell your last name?

22 RACHAEL CANNON: I am Rachael Cannon. C-A-N-N-O-N --  
23 Rachael Cannon.

24 MR. LOMAN: Thank you. And Jack Schaefer has just joined  
25 us.

1           Okay. So our primary purpose tonight is to take your  
2 comments on a draft Supplemental Environmental Impact Statement  
3 that we've prepared. As I think almost everyone knows, the  
4 Minerals Management Service, now the Bureau of Ocean Energy  
5 Management Regulation and Enforcement -- did an Environmental  
6 Impact Statement for a oil and gas Lease Sale -- Sale number 193  
7 in the Chukchi Sea. Yes ma'am?

8           MS. FRANKSON-HENRY: Why did you change your name from  
9 Minerals Management Service to BOEMRE?

10          MR. LOMAN: They changed the name because the Secretary of  
11 the Interior wanted to reorganize the Agency.

12          MS. FRANKSON-HENRY: What was the purpose of it?

13          MR. LOMAN: He wants to restore public trust.

14          MS. FRANKSON-HENRY: And was it because of the corruption  
15 with Minerals Management Service in the Lower 48?

16          MR. LOMAN: I think that was one of the reasons -- one of  
17 many. Yes ma'am. So the Agency did an Environmental Impact  
18 Statement for Lease Sale number 193 in the Chukchi Sea. And in  
19 February of 2008 they held a Lease Sale in the Chukchi Sea and  
20 issued 465 leases, for a total of about \$2.6 billion with Shell  
21 Oil Company being the largest holder of leases -- \$2.1 billion  
22 worth of leases in the Chukchi Sea.

23          The Agency was challenged in Federal Court and the  
24 challenge involved the Agency's compliance with the National  
25 Environmental Policy Act or NEPA. And the people that brought



1 that litigation asserted that the Agency didn't comply with  
2 NEPA. And the court found that, with respect to a couple of  
3 elements, the Agency did not fully comply with NEPA. And Sharon  
4 is going to explain to you that court decision. Sharon.

5 MS. WARREN: Thank you. And thank you for allowing us to  
6 come into your community.

7 The court found, on most parts, that we -- that the Agency  
8 complied with NEPA. But there was three things that they said --  
9 -- the court said -- that we had to go back. And we had to do a  
10 better job of what we did in the Environmental Impact Statement.  
11 And so we failed to analyze the environmental impact of natural  
12 gas. There was an incentive for natural gas to put into the  
13 leases, but that portion had not been analyzed in the  
14 Environmental Impact Statement. So the court says, you have to  
15 go back and you have to analyze that.

16 Other things that we failed to do is, we failed to  
17 determine whether the missing information that we said in the  
18 EIS in a number of places that there was missing information or  
19 uncertainty or lacking. The court said that we had to go back  
20 and look at that and determine whether or not it was essential  
21 to the decision. So we had to go back and look at that. And  
22 then we also had to look at if -- if it was essential to the  
23 decision, then we had to determine whether or not we could  
24 obtain it and what would be the cost of getting the information.

25 So the court ruled July 21st of this year -- 2010 -- the

1 court still has jurisdiction of the case. That means the judge  
2 still has the case. And so this Supplemental EIS that we did is  
3 because of what the court told us to do. So it's narrow in  
4 scope based on the court ruling. Once the EIS -- we're here at  
5 public hearings taking comments. The comment period will close  
6 the 29<sup>th</sup> of November. But how this will work is -- once the  
7 final EIS is done, it will be filed with the court. And then  
8 the parties that sued us -- the Native Village of Point Hope was  
9 one of the litigants -- we'll look to see what we did and be  
10 able to comment on it through the court -- through the briefs  
11 and the court and then the judge will let us know and rule  
12 whether or not we met the court remand on that. So that's where  
13 we're at with that litigation.

14 So it's still in litigation. And the government has to  
15 take a look at this before anything else can be done.

16 MR. LOMAN: Thank you Sharon. Any questions?

17 UNIDENTIFIED FEMALE: Can you explain to our elders of  
18 what NEPA is?

19 MR. LOMAN: The National Environmental Policy Act?  
20 National Environmental Policy Act is probably the premiere of  
21 Federal environmental legislation that does -- it was signed  
22 into law by President Nixon and it does a number of things. It  
23 forces the Federal government to analyze the effects on the  
24 human environment of a major Federal action. In this case, the  
25 major Federal action was holding an oil and gas lease sale in

1 the Chukchi Sea -- in your garden -- in your backyard -- in a  
2 place where you have subsisted since time memorial. I don't  
3 think anyone in the Native Village of Point Hope or any  
4 community member of Point Hope would disagree that it was a  
5 major Federal action. So this law forces the Agency to analyze  
6 the effects to the human environment from that action. And it  
7 requires that we do so openly provide, for example, our draft  
8 documents for your scrutiny and hold meetings like this and take  
9 comments from you on those drafts.

10 And, in addition to that, when it's finalized it has to  
11 inform the decision maker, which could be the Secretary of the  
12 Interior who is -- sometimes delegates it to the Assistant  
13 Secretary of Land and Minerals Management. And he did so in the  
14 case of Chukchi Sale 193. I was there in Washington D.C. when  
15 they briefed him. Or even the President has, as you probably  
16 know from reading the papers, the President himself has made  
17 some decisions with respect to what happens in the Arctic  
18 involving oil and gas exploration. So it informs the decision  
19 maker. It's open to the public. It calls for public  
20 involvement and it requires the Agency to do an in-depth  
21 analysis of the effects to the human environment. What's the  
22 human environment? Subsistence resources -- people -- all  
23 natural resources -- the social cultural aspects -- the economic  
24 aspects and so on and so forth.

25 UNIDENTIFIED FEMALE: What effects of the Gulf of Mexico

1 oil spill -- is NEPA going to be in court to help those  
2 communities along the coast as similar to this that we will be  
3 100 percent granted -- that we will be helped by (indiscernible)  
4 with effects?

5 MR. LOMAN: Well NEPA requires us to analyze the effects  
6 of anything that the Agency intends to undertake. The  
7 connection of the -- to the spill in the Gulf and our activities  
8 up here -- they're multi-faceted. With respect to NEPA -- worst  
9 case -- discharge is something. And a very rigorous analysis of  
10 the effects of a spill -- that's gotten heightened interest.  
11 And will receive heightened attention in our environmental  
12 documents that we do, pursuant to NEPA. But there are other  
13 things that came about as a result of that spill.

14 It was the primary driver for the name change -- why  
15 you're changing your name. We're changing our name again too,  
16 by the way. But I can talk about that later.

17 So we've prepared this draft Supplemental Environmental  
18 Impact Statement and Mike was a primary person that prepared it.  
19 Mike you want to just describe very briefly what this document  
20 contains -- what it sets out to do? Mike.

21 You have a question -- yes sir?

22 UNIDENTIFIED MALE: You mentioned about being a better job  
23 next time -- what was that better job for?

24 MR. LOMAN: The court wanted to do a better job --  
25 (indiscernible) said you have to do a better job?

1 UNIDENTIFIED MALE: Yes.

2 MR. LOMAN: Do a better job because we didn't analyze the  
3 effects of any natural gas that would be developed as a result  
4 of these leases. Do a better job of analyzing each and every --  
5 and it's 40 pages -- of missing information that the plaintiffs  
6 submitted to the court and asserted -- you have all this missing  
7 information that you noted in your document -- how can you make  
8 a decision with all of this information? So the court was  
9 requiring us to do what's called a 1502.22 Analysis.

10 What does it mean when something is missing? I'll give  
11 you one example. One of the things that they say in the  
12 document is, there is substantial uncertainty with respect to  
13 the population structure of the bowhead whale. That's what it  
14 said in the Sale 193 EIS -- okay. That was sometime between  
15 2004 and 2007. At that point in time, the Scientific Committee  
16 with the International Whaling Commission was debating -- is  
17 there many stocks amongst the bowhead -- a Bering stock -- a  
18 Beaufort stock -- multiple stocks? They settled that argument  
19 or scientific debate in 2007. And they decided, these  
20 scientists, that there is one stock. Well, our job is to do  
21 even more. Is there any significance to it with respect to  
22 making decisions to explore for oil, produce oil, produce  
23 natural gas if there were multiple stocks? I would say no --  
24 there's no context.

25 It doesn't make any difference to us primarily because it

1 doesn't make any difference to you. The subsistence whalers  
2 never differentiated between the bowhead in taking them and  
3 hunting them, et cetera. So if the scientist said, there's a  
4 Bering stock and there's a Beaufort stock, it wouldn't make any  
5 difference to you, so it doesn't make any difference to the  
6 decision maker with respect to making decisions to let industry  
7 explore for oil. Does that make any sense?

8 UNIDENTIFIED MALE: Because -- .

9 MR. LOMAN: That's one example of 40 pages of things.

10 UNIDENTIFIED MALE: Because one little mistake could  
11 become a big problem. Thank you for your answer.

12 MR. LOMAN: So Mike, explain very briefly please the  
13 document that we produced.

14 MR. ROTHIER: Sure thing. Most of the document itself  
15 pertains to that first item that was remanded by the judge back  
16 to us. And that is the natural gas analysis that was missing --  
17 yes?

18 UNIDENTIFIED MALE: Could you ask people in here -- how  
19 many people see your document?

20 MR. ROTHIER: Sure. How many people have seen the  
21 document? And if anyone would like to acquire, you know, copies  
22 of the document, we could certainly get those to you.

23 MR. LOMAN: There is one -- for the record -- we have  
24 looked for it because we sent it here -- here in the library.  
25 Who saw it? And we mailed it to a number of the Native Village

1 of Point Hope -- to the library here and to a number of other  
2 key stakeholders who had asked for the document and others here  
3 in Point Hope. The mail is pretty slow even when you send it by  
4 FedEx or the fastest means that are available. Go ahead.

5 MR. ROTHIER: Just wanted to -- if anyone would like an  
6 extra copy -- you could take this one after the meeting. I'll  
7 just need it for a few moments here.

8 So basically again -- the first thing was the lack of a  
9 Natural Gas Analysis in the original document. At the time we  
10 prepared the original document, we didn't really feel like  
11 natural gas development, as opposed to oil development, was  
12 really that perceivable. We didn't analyze it. Certain things  
13 changed between -- on the issue of that first document and the  
14 time that the judge issues his ruling. Judge felt, yeah, we  
15 should have analyzed the gas. So that's the first thing that we  
16 set out to do, analyze the environmental impacts of natural gas  
17 development and production.

18 So to figure out exactly what it was we should analyze,  
19 our Environmental Analysis Section consulted with our Resource  
20 and Economics Analysis Section. I'm just going to turn it over  
21 to our expert Bob here. He can speak to that.

22 JACK SCHAEFER: Before you do -- Jack Schaefer for the  
23 record -- S-C-H-A-E-F-E-R. As far as I know, neither the  
24 Regional Tribes of the Inupiat Community of the Arctic Slope or  
25 the Native Village of Point Hope -- has never seen the 40 page

1 document that was referred to in regards to missing information.  
2 Nor was ICAS -- the Inupiat Community of the Arctic Slope --  
3 informed as to what was missing, including the natural gas  
4 that's in that Environmental Impact Statement. So I am really  
5 confused as to how you got to that point as to, was it the judge  
6 that came to an understanding that the natural gas portion was  
7 left out or -- and 40 pages, or was he -- or told by  
8 representation of those people that were involved with the law  
9 suit?

10 MR. LOMAN: The Native Village of Point Hope is a  
11 plaintiff. And it didn't --.

12 MR. SCHAEFER: Right. Now was it the judge that made the  
13 decision to come up with that criteria for that Environmental  
14 Impact Statement, did he come up with that decision by himself  
15 or was he told by legal representation of, you know, ICAS and --  
16 I'm trying to understand because I was completely unaware that,  
17 you know, the natural gas portion was that. And the majority of  
18 that Environmental Impact Statement just focuses on natural gas?  
19 And I've never seen the 40-page document that regards to what is  
20 missing, you know, the information that is missing.

21 MR. LOMAN: That's the plaintiffs -- you're a member of  
22 the Native Village of Point Hope.

23 MR. SCHAEFER: Right, right, right.

24 MR. LOMAN: That's your exhibit.

25 MR. SCHAEFER: Right -- exactly.



1 MR. LOMAN: You went to the court and said here's 40 pages  
2 of stuff that this document -- Agency --.

3 MR. SCHAEFER: It wasn't us, though.

4 MR. LOMAN: -- didn't include.

5 MR. SCHAEFER: It wasn't us.

6 MR. LOMAN: Well it wasn't you, Jack. But it was your  
7 lawyer that --.

8 MR. SCHAEFER: Right -- right.

9 MR. LOMAN: -- submitted the thing.

10 MR. SCHAEFER: (indiscernible).

11 MR. EARL KINGIK: Excuse me, a point of reference for you  
12 -- that Jack continue on? You're here to listen.

13 MR. LOMAN: Sure -- I'm listening.

14 MR. SCHAEFER: So you know we -- we didn't have a real  
15 clear understanding what was going on in regards to our  
16 representation. They never clearly explained to us what  
17 information was missing, you know, and the natural gas portion  
18 of that. And nor were we given an opportunity to make a comment  
19 in regards to whether or not that document and that conclusion  
20 is accurate. And, you know, and to find out later on that it  
21 was whittled down to natural gas, you know, was really  
22 disturbing for me personally. And I don't know, you know, what  
23 the other Council members' interpretation of that is. And I  
24 don't know what Native Village of Point Hope's position on that,  
25 but we were not -- the Regional Tribe was not told what that

1 missing information was.

2 We never were consulted on it so that we could get back to  
3 the attorneys and say, oh, you left out this, this, this and  
4 this and this. Why did you come up with just the conclusion  
5 with natural gas like that was the practically the only thing  
6 that was there. And given it on the face that -- you know our  
7 response is extremely weak. And so, you know, I don't really  
8 know how this path was -- was made in regards to what control we  
9 had in the court itself and what was being said. We were  
10 essentially told by, you know, these lawyers, this is what we  
11 want you to do. We want you to give statements to this regard  
12 and then we'll take the ball and run with it.

13 And never got back with us regards to exactly, you know,  
14 what had taken place and how we felt about that. So, you know,  
15 I foresee another stage where we're going to be reviewing that  
16 document and saying, you know, where did this really come from  
17 and -- providing input as to what is missing, besides the 40  
18 pages that we've never seen, you know. And I do hope that you  
19 know that legal representation had provided evidence of, you  
20 know, that being a -- proven to be seen and reviewed. Because,  
21 you know, I -- to this day I haven't seen those 40 pages. I  
22 requested it from legal counsel and never received it.

23 Also I've never received the Environmental Impact  
24 Statement, even though it was sent by FedEx. I just looked at  
25 what was emailed to me and so that's -- you know one thing that

1 I wanted to indicate because, you know, that document is so  
2 small -- it's only 300 pages long -- 143 pages is a question and  
3 answer thing in regards to whether a type of puffin or certain  
4 type of snow geese that some type of significance and all of  
5 that is, you know -- we haven't really reviewed that or, you  
6 know, had any feedback as to what was in there and what  
7 questions were asked. I don't know if that means anything.  
8 But, you know, it certainly was surprising to me to see that  
9 most of that document only refers to natural gas. When we were  
10 concerned about the professional integrity of those federal  
11 employees that had to deal with their report that was submitted  
12 for the Environmental Impact Statement that was done in 2007,  
13 when they were forced to alter their positions by this  
14 supervisor, which resulted in law suit by a non-profit that  
15 represented them. And so, you know, there's some confusion.

16 I don't know. I can't speak for the Native Village of  
17 Point Hope. I was just speaking for ICAS in regards to that  
18 document. And what had taken place through that litigation and  
19 what we missed and what we can do as a government to government  
20 relationship. I mean, some people would feel comfortable with  
21 this done because it did buy time or it will buy time. But just  
22 the process of how it was done and how it was handled is  
23 somewhat confusing. And maybe there was -- the timeframe might  
24 have been too short, I'm not sure.

25 MR. LOMAN: Well it's obvious that you read the document

1 because you saw what's in there. You actively described what  
2 you were looking at there. Go ahead, Bob.

3 ROBERT PETERSON: Well, maybe just as an introduction --  
4 Jack one of the benefits of --.

5 MR. SCHAEFER: Can you introduce yourself?

6 MR. PETERSON: I'm sorry. I'm Bob Peterson. I'm the  
7 Geologist with the Agency that's come up.

8 I was going to say this is one of the benefits that NEPA  
9 has is -- we have an opportunity to hear your comments directly.  
10 There's no counsel or anyone, you know, between us and you to  
11 receive these comments. But, again I'm the Geologist and Mike  
12 mentioned in the Supplemental. It is a Supplemental, the oil  
13 portion of any of the oil scenario that was analyzed is in the  
14 original EIS, the Environmental Impact Statement. So the work  
15 we did was just based on gas.

16 The possibility of gas has increased a little bit with all  
17 the discussion we've seen of the potential pipeline. But I  
18 think the judge was really concerned that there were incentives  
19 that -- built into the leases for gas. And we hadn't really  
20 analyzed gas.

21 And what we -- in my group have done is come up with a  
22 reasonable scenario on what a gas -- oil and gas development  
23 would look like. We started with the same oil development --  
24 oil is the very more valuable of the two components. Oil would  
25 be produced first. There would then be a period after 10 or 15

1 years -- again this is a scenario so we don't have all the  
2 details, but a period where we would see oil and gas  
3 development. Well, what would this mean to the area. We would  
4 have an additional gas pipeline to shore -- same shore land  
5 follows the oil pipeline, gas treatment facilities on shore and  
6 a parallel pipeline somewhere, probably across NPRA following  
7 the same pathway, the same right-of-way as the oil pipeline.  
8 There would be a period of -- our model looks at about 10 years  
9 where we have both oil and gas development. And oil would  
10 gradually decline and then would be terminated with the  
11 continuation for another 10 or so years of gas production alone  
12 before the end of the model, as we see it.

13 Yes?

14 MS. FRANKSON-HENRY: Aggie Frankson-Henry, F-R-A-N-K-S-O-N  
15 hyphen H-E-N-R-Y. For the record. I was curious, with the Gulf  
16 of Mexico oil spill and the disaster that it posed in the nation  
17 -- with NEPA that will be here making sure that this doesn't  
18 affect our communities along the Arctic Slope. With NEPA being  
19 involved with this Act, with the Federal government, will you  
20 guys be able to clean up in these pristine waters with the Coast  
21 Guard when it's gusting up to 20 to 50 below? Really, you know  
22 with that north wind gust -- will you make sure you're there  
23 cleaning up that mess, just like the Gulf of Mexico? Will you  
24 be willing to cut your hair to make sure that we have enough  
25 hair to control the disaster that may be imposed upon us?

1           MR. LOMAN:  Ma'am I'm willing to cut my hair and I will be  
2 here.  But, I'm not going to lie to you and say that anybody's  
3 going to be very effective at cleaning up an oil spill in the  
4 worst weather conditions in the Chukchi Sea.  And when the  
5 Assistant Secretary of Land and Minerals approved, or right  
6 before he approved the Chukchi Sea Lease Sale, he asked the  
7 question.  He asked question first -- he asked, do the people on  
8 the North Slope now understand or believe that the oil companies  
9 can respond effectively to a major spill after the Secretary of  
10 Interior has gone up there and talked to Shell and talked to his  
11 people, did all of these things.  Do they feel that the industry  
12 can respond effectively?  Dead silence in the room.  Nobody  
13 likes to tell somebody what they don't want to hear or they  
14 don't (indiscernible).  So I've just been up here -- I just met  
15 with many folks that are in this room and other people in the  
16 communities.  And I said, no they don't feel that there is an  
17 effective cleanup.  And then he asked the question, well can  
18 they?  And I said, on the worst weather day, no.  I put my money  
19 on prevention.  But on the worst weather day in the Arctic it  
20 will be a struggle just to stay alive much less clean anything  
21 up.  And so, at least he asked the question.  And I gave him the  
22 best answer which I thought was an honest answer that I could  
23 give him.

24           That's what NEPA's about, inform the decision maker.  I  
25 think it's pretty clear now that when a decision is made to

1 allow industry to explore, conduct exploratory drilling, that  
2 there is a risk. I don't think any President, at least in our  
3 lifetime, could honestly get before the country and say, I was  
4 assured that it was 100 percent risk free or absolutely safe.  
5 It's not risk free and it's not absolutely safe. And we -- it's  
6 our job to tell the decision makers the truth, the truth about  
7 your concerns and the truth about industry's effectiveness.  
8 That being said, because of the Deepwater Horizon spill, Shell  
9 has done a lot of things, put extra things in their plan to  
10 better respond to a spill. Go ahead.

11 MR. PETERSON: I guess any other questions?

12 EARL KINGIK: Earl Kingik for the record K-I-N-G-I-K. You  
13 kind of mentioned the word pipeline.

14 MR. PETERSON: Yes.

15 MR. KINGIK: What kind of recommendation are you doing for  
16 our oil pipelines? Are you go into inland or are you going to  
17 go through the coast, ocean or --.

18 MR. LOMAN: We support working with the North Slope  
19 Borough and --.

20 MR. KINGIK: Are you giving your Impact Statement or maybe  
21 --?

22 MR. PETERSON: No, I think when you looked at our Impact  
23 Statement -- again this is a scenario. This is -- we don't know  
24 where the oil and gas is going to be discovered because the  
25 wells haven't been drilled yet. So what we have done is -- done

1 something that is a reasonable model. You know -- here looks  
2 like a good place for some discovery. Based on that, here's  
3 where we think would be a reasonable place to come ashore. That  
4 could change depending where the actual oil or gas deposit is  
5 found. That could change after additional NEPA work,  
6 consultation with other governmental agencies -- Tribal  
7 agencies, could change for any number of reasons. So, where you  
8 have seen it come ashore is just a place where we can draw a  
9 line and say, now we have something to study. So those are only  
10 recommendations. It is the MMS' policy that we want to see oil  
11 and gas pipeline to shore, if possible. And then from there we  
12 said, the most reasonable case that we saw was across NPRA. And  
13 it would be a gas -- I'm sorry -- an oil pipeline first and then  
14 a gas pipeline along the same right-of-way. Did that sort of  
15 answer your question?

16 MR. KINGIK: No, it just kind of --. Wondering, because  
17 the State of Alaska, you know, got this coastline and North  
18 Slope oil, I was wondering how are you going to go to the  
19 mainland from your pipeline where you find the oil? How are you  
20 going to -- pipe it all the way to Seattle or go the main land  
21 of the State of Alaska?

22 MR. PETERSON: The scenario that we had is the most  
23 reasonable look would bring a pipeline from somewhere offshore  
24 to a shore base across the NPRA over to Prudhoe Bay where the  
25 oil pipeline would join up with the TAPS, Trans-Alaskan



1 Pipeline. And, of course, that terminates in Valdez. And the  
2 gas pipeline would go to Prudhoe Bay. And I don't think anyone  
3 knows where a gas pipeline, Denali or AGIA, is really going to  
4 go. But it would hook up with that facility.

5 MR. KINGIK: In other words, you'll be talking to the  
6 Department of Transportation?

7 MR. PETERSON: We would be talking to a number of people,  
8 one could be --.

9 MR. KINGIK: You're talking about (indiscernible).

10 MR. PETERSON: Yes. I mean this has a great number of  
11 uncertainties. And again I'm going to stress, a scenario is  
12 important because we lay out something that is reasonable to  
13 give us something to critically analyze.

14 MR. LOMAN: Let me just say, if we run out of coffee,  
15 please let us know. We'll make another pot. And there are --  
16 there is coffee and some pies and some really good cakes that we  
17 got from a charity effort that was taking place at the store  
18 today, and it's good. So help yourself, please, to that stuff  
19 in the back while we talk. Jack.

20 MR. SCHAEFER: The pipeline that was referred to, that  
21 exists now, in 1989 there was a employee that had leaked  
22 information that resulted in public knowledge that there were  
23 over 200 holes in that pipeline, the Trans-Alaska Pipeline. And  
24 this was 1989. And this was essentially kept in a low profile  
25 for quite some time since that. And that person was persecuted

1 for leaking that information and making it known. I was  
2 wondering -- can, in that Environmental Impact Statement,  
3 whether it's a 2007 or this one, was that pipeline looked at as  
4 to whether or not it can handle, knowing that condition of that  
5 pipeline had exceeded its life?

6 BOEM UNIDENTIFIED MALE: I have no knowledge. Are you  
7 talking about the TAPS, the existing oil pipeline?

8 MR. SCHAEFER: Yes.

9 UNIDENTIFIED MALE: No, neither of these documents went so  
10 far as to analyze the TAPS. We assume that other regulations  
11 from other agencies in all this would ensure that, but we didn't  
12 quite get that far in the area that we looked at. We  
13 concentrated more on the Chukchi?

14 MR. LOMAN: Between 1989 and now, because of malfeasance  
15 associated with TAPS' maintenance, industry has pled guilty or  
16 otherwise been found guilty of two misdemeanors and a felony.  
17 So the long arm of the law has swung a few times at that kind of  
18 negligence. And we're going to assume that that long arm will  
19 continue swinging until they maintain that pipeline  
20 appropriately and stop behaving like that.

21 MR. SCHAEFER: And this thing that's being developed --  
22 there is this law that was passed called the Coastal Zone  
23 Management Act, and it dealt with States. And a few years ago  
24 Frank Murkowski, who was our Governor, had done something as a  
25 Governor of Alaska that caused that Act to be considerably weak

1 in the eyes of stakeholders, voiced through the North Slope  
2 Borough to us here in this Village, that they had no way of  
3 influencing and addressing concerns that fell under that Act.

4 And, so I'm wondering what Federal laws have been looked  
5 at and how our Governor had caused problems with this. And how  
6 it affected the North Slope Borough and how it left the Federal  
7 government's partner, for lack of a better phrase, to federally  
8 recognized tribes which we have this government to government  
9 arrangement.

10 And this Coastal Zone Management plan was done by the  
11 State of Alaska, with some input by the North Slope Borough  
12 which was not passed on to the Tribe whether it be Native  
13 Village of Point Hope or the Regional Tribe Inupiat (ph)  
14 Community of the Arctic Slope in responding to that particular  
15 law and program. And what affect that program has on this  
16 project with that critical missing link. It's hard to  
17 understand how us, as tribes, with this government to government  
18 partnership, forced upon us, arrangement had been pushed aside  
19 in favor with the State of Alaska and how they moved forward  
20 with this, without our input. And whether or not the State was  
21 just as semi-corrupted as the supervisors of the Federal  
22 employees that put that document together. We had no real idea  
23 as to what this animal was, this Coastal Zone Management program  
24 was, other than hearing that it had some mechanism for control  
25 and funding for gathering information and trying to come up with

1 solutions. So we were completely left out, the Native Village  
2 of Point Hope, the Inupiat (ph) Community of the Arctic Slope.  
3 And, how does that affect this process now as to this missing  
4 link and --. Are there other tribes in the United States,  
5 whether it be the McCaw (ph) Tribe that are, you know, whalers  
6 also, or other tribes along the coast that have participated or  
7 may have involvement with this Coastal Zone Management program  
8 whether it be on a agreement arrangement with their respective  
9 States, or whether they had this one-on-one government to  
10 government relationship with the United States? You know, we  
11 don't know that information.

12 I tried to ask. And I've been having a difficult time  
13 from whoever I asked. I guess this question was really never  
14 asked. And, whether it's something that is useful, but I feel  
15 the act of not involving the Tribes on this is something that is  
16 very important, and really needs to be addressed. So I -- I'm  
17 still confused on that as to that and how does that play with  
18 this, you know, this proposed project that's being presented to  
19 us. How does this Coastal Zone Management program play and --.  
20 Because we have this government to government relationship.

21 MR. LOMAN: Thank you Jack. Very quickly, because I want  
22 to give some folks that have to leave at 8:00 the chance to  
23 comment before they have to go. If the Native Village of Point  
24 Hope or ICAS, both federally recognized Tribes, feel that the  
25 State of Alaska's plan is insufficient, inadequate or they don't

1 agree with it otherwise, we can listen to that and sympathize  
2 with you. We have an obligation under Executive Order 13175 to  
3 listen to ICAS, is the Native Village of Point Hope. Other  
4 affected Tribes tell us why they think our proposed action would  
5 be inconsistent with the State's plan. So that should take  
6 place if we're doing business the way these Executive Orders and  
7 the law tells us to. That may not be enough. But, at least  
8 that should happen. Dorcas, you mentioned you needed to leave  
9 at eight and maybe some others, so I wanted to give you the  
10 opportunity to come, and even though we're not quite to the  
11 comment period -- in case you had something to say. Because I  
12 know that you wanted to get to another important activity. If  
13 there is anyone that needs to comment before 8:00, the floor is  
14 open to you. Okay I'm going to give that up -- Earl.

15 MR. EARL KINGIK: For the record, natcsiq, N-A-T-C-S-I-Q.  
16 Earl Kingik, K-I-N-G-I-K, member of Native Village of Point  
17 Hope. First of all, I would like to send my condolences to the  
18 family of my cousin. It is very important, knowing him, that we  
19 should continue what we are doing of what's going on in our  
20 ocean with, we love the most, the garden we treasure. The  
21 gardens that keeps our unity together. The gardens that keep  
22 our koptchio (ph) way of life together for thousands of years.  
23 And he would be very happy that you are here, even though he's  
24 gone. Thank you very much.

25 I work as a Native Liaison for Alaska Wilderness League

1 and we have put something together in which we have attorneys  
2 and some geologists. We have some other people. I look at your  
3 draft proposal here and we've got -- we have something we want  
4 to leave behind here, you know, additional. Shell Oil on  
5 October 5, 2010, letter to BOEM asking for approval to drill and  
6 explore oil in the Beaufort and not the Chukchi.

7 That is just the point ignored and nothing learned from BP  
8 Deepwater Horizon tragedy. BOEM needs to take the time needed  
9 to make scientifically justified decisions before allowing  
10 leasing and new drilling in the Arctic Ocean. At the minimum,  
11 the commentary needs to be extended beyond the November 29<sup>th</sup>  
12 deadline to give communities more time to provide many folks'  
13 input of additional scientific studies to be completed.

14 You all heard that North Slope Borough and Shell Oil has  
15 signed a Memorandum of Understanding, some kind of agreement, to  
16 do scientific studies, and we are aware of that. Chukchi Sea --  
17 Chukchi draft SEIS which you've got there, BOEM needs to include  
18 information and a new draft SEIS from upcoming USGS and National  
19 Commission reports and reassess with scientific information in  
20 Appendix A. The 1502-22 analyzed, of the draft, the SEIS  
21 obtainable at the (indiscernible) does not (indiscernible).  
22 Mission to get -- need to gather some information such as BOEM  
23 has done enough draft SEIS. But dismissing, once again, by  
24 dismissing the need to gather such information, BOEM, under  
25 President Obama, after 24 (ph) Horizon spill is saying the same

1 thing as MMS under President Bush.

2 That is, no matter what that fact will be -- it be  
3 allowed to drill, to proceed. As example that SEIS says that if  
4 a large oil spill occurred, scientific significant impact to  
5 cetaceans, including whales, could follow. And it is well  
6 understood that environmental impact associated with large oil  
7 spill could be quite severe, page one and two of 143 and 1502-22  
8 analyzed respectively. Yet BOE (sic) still, once again, yet  
9 BOEM still choose to proceed with drilling. Once again, yet  
10 BOEM still choose to proceed with drilling while Alaska Region  
11 of BOEM has stated that it needs to meet the court deadline of  
12 January 2011 for its SEIS. The court has carefully -- they  
13 imposed no strict deadline in owner required (indiscernible) to  
14 file status report with the court if analyze (sic) requires more  
15 time.

16 Anxiously, hastily, they issued draft SEIS -- run counter  
17 to the law, and Department of Interior recent commitment to an  
18 American public. The consequences of rushing through offshore  
19 oil and gas drilling approvals without understanding, and this  
20 showing to the public and potential impact with tragedies  
21 displayed in the Gulf of Mexico.

22 BOEM should not allow the Arctic Ocean, its wildlife, its  
23 people to experience a similar disaster. Responsible  
24 development needs not to proceed faster and to be justified.  
25 Thank you very much.

1 I had a chance to go down to Louisiana to witness for my  
2 first hand (sic). Because what I talk about to my people, when  
3 I go to public meeting, is what I see. And we don't want that  
4 to happen in my area. It is very sad. Our own government would  
5 go pointing fingers of the industry and the industries were even  
6 pointing fingers. And we don't want that to happen. We don't  
7 fight. We work together we do things together. Thank you.

8 MR. LOMAN: Thank you very much Earl.

9 MR. ROUTHIER: Just to, sort of finish up a few notes  
10 about the structure of this Supplemental document. Once we got  
11 the analysis, the scenario, from Bob and the rest of the  
12 geologists downstairs from us, we turned that scenario over to  
13 our scientists, our departmental analysts. And they looked at,  
14 you know, the possibility of the offshore pipeline, possibility  
15 of on-shore pipeline, possibility of all these natural gas  
16 production activities. And they did their environmental  
17 analysis of those potential activities. And that's what  
18 comprises the bulk of, the body of this document.

19 So, basically we go resource area by resource area, you  
20 know, bentic (ph) organisms, marine mammals, subsistence  
21 activities, each resource area. And we organize into analyzing  
22 the impacts of natural gas development and analyzing the impacts  
23 of natural gas production. We also summarized the impacts of  
24 the oil production.

25 Basically, that final EIS we did a couple years ago, we



1 tried to summarize that so the main points are in here so it'll  
2 be easier to reference and give context to the gas impacts. So  
3 that addressed the first item of the court's remand. The second  
4 and third concerns the judge had both pertained to that  
5 regulatory requirement, that 1502-22 process.

6 It's all kind of related, so what we tried to do is boil  
7 it down into a logical sequential process which our analysts  
8 could use to analyze each piece of the incomplete or missing  
9 information and see how important they would be. So that  
10 process is captured in Appendix A. And I think it's been  
11 mentioned here for tonight. It's a rather lengthy Appendix --  
12 it's in a very --. I'm sorry, did you have a question?

13 MS. FRANKSON-HENRY: Yes, Aggie Frankson-Henry, for the  
14 record, F-R-A-N-K-S-O-N hyphen H-E-N-R-Y. Regarding the  
15 analysis of -- would it be possible for you to also get the  
16 results and analysis of the Sakhalin Island Shell disaster and  
17 the Gulf of Mexico shelf -- disaster of the Deepwater spills and  
18 make that public? With your -- with results that may happen  
19 with these lease sales, so that things like that will not occur  
20 within the environment biologically, geologically. We are  
21 impacted even before it starts.

22 MR. LOMAN: Towards -- after the comment period I'm going  
23 to -- if you'd like me to tell you -- I want to explain to  
24 everybody that cares to listen. The rest of the reasons for the  
25 reorganization of our Agency and the other part of the Agency

1 that is yet to come to -- at least officially -- come to  
2 existence the Bureau of Safety Environmental -- Safety and  
3 Environmental Enforcement, BSEE. And to tell you about the  
4 effort that's underway at the direction of the President and the  
5 Secretary of the Interior to develop a regulatory agency that  
6 will not only restore public trust, but prevent those kinds of  
7 disasters that you mentioned ma'am.

8 MS. FRANKSON-HENRY: Will they be able to -- Aggie  
9 Frankson-Henry for the record, F-R-A-N-K-S-O-N hyphen H-E-N-R-Y.  
10 Will you be able to -- can you put the (indiscernible) -- 100  
11 percent, fine and regulate those companies that will buy these  
12 lease sales or that have already bought the lease sales before  
13 we were undergoing Environmental Impact Statements in our  
14 communities -- effective.

15 MR. LOMAN: We'll talk about that when I explain it. With  
16 respect to a 100 percent, I think you know the answer to that.  
17 The answer is, it's never a 100 percent.

18 MS. FRANKSON-HENRY: We can try though.

19 MR. LOMAN: I agree. Try for 150 but safety and  
20 environmental responsibility is done through endless  
21 demonstration, not patting each other on the back for our good  
22 record. So, I think people are starting to understand that.  
23 And I'll talk a little more after we take -- after we get done  
24 with the public comment period about what we've recommended that  
25 we do to the people who are working on the reorganization. So

1 pretty much a wrap?

2 MR. ROUTHIER: Pretty much all I had.

3 MS. FRANKSON-HENRY: One other comment for the Geologist  
4 and the Biologist?

5 MR. LOMAN: Sure.

6 MS. FRANKSON-HENRY: Move forward -- do the right -- do  
7 the right thing regardless as to what your colleagues may have  
8 against you in documenting these documents -- scientifically,  
9 geologically, within the air, the land and the seas and the  
10 rivers. Make sure that you stand up for a good purpose. I know  
11 you guys have been affected in these -- in your -- within your  
12 knowledge. I know that if you say something, they will give you  
13 that boldness, BOMRE, used to be MMS. Now they're supposed to  
14 change and honor your decision as geologists and biologists that  
15 make these studies. So I would encourage you to do the right  
16 thing in your -- within your area of expertise.

17 MR. LOMAN: Thank you for that and I really appreciate  
18 that because our scientists and our other experts very rarely  
19 hear that they have the support of people, especially people in  
20 the communities to do the right thing. Thank you.

21 MR. SCHAEFER: There's a mention of reorganization to  
22 BOMRE and the BSS or whatever that was, Bureau of Safety and  
23 Regulation or something like that. Do you foresee this  
24 reorganization following the same path as a BIA realignment that  
25 took place in 1989 and where it wound up?

1           MR. LOMAN: No I wasn't working for BIA in '89, but I did  
2 work for BIA for ten years. I am familiar with that  
3 reorganization. This is really much different. And, you know,  
4 sometimes people do things right by accident. That could be the  
5 case here.

6           The Bureau -- this vision to restore public trust across  
7 all of the agencies that work on offshore oil and gas is the  
8 goal, the over arching goal. With respect to the Bureau of  
9 Safety and Environmental Enforcement, we have recommended to the  
10 people who have been assigned the primary duty to put together a  
11 Bureau of Safety and Environmental Enforcement that part of  
12 government that regulates the industry.

13           And we said, if you want to restore public trust this  
14 Agency must be feared and respected by that industry. Feared  
15 and respected. Now when I say feared, I don't mean feared as in  
16 oh, we're afraid of them. They're coming, necessarily. They  
17 fear and respect together in a way that we did in the Navy. In  
18 the Navy Diving EOD Special Warfare communities, we were  
19 inspected regularly. Those Inspectors -- inspections came, they  
20 were thorough. And it forced you to maintain a very high  
21 standard, as people, processes, equipment et cetera, policies,  
22 everything.

23           At the same time that was in place, we knew that if there  
24 was an accident where people were hurt or killed, they would  
25 handpick from the Navy Safety Center the experts to inspect you

1 the most rigorously you could possibly imagine. And no matter  
2 how good you were, how well your equipment was maintained, how  
3 closely you followed the processes and procedures, you would  
4 literally look, and you can get those safety reports online,  
5 pull them right off the internet today. Shameful, because when  
6 true experts come in and examine every aspect of everything, you  
7 will never meet the requirements in full measure. And that's  
8 the kind of regulatory agency that is feared and respected.

9 And when this industry, the offshore oil and gas industry,  
10 fears and respects this new regulatory agency in that way, then  
11 the public trust will be restored when there is someplace  
12 towards endless demonstration of safety and environmental  
13 responsibility.

14 The people who are in charge of this reorganization agree.  
15 And they're working very hard on figuring out how to do that the  
16 right way, that's the goal. I hope you share in our desire to  
17 support an Agency like that. I think you do. But it's not  
18 easy.

19 MR. SHAEFER: There were statements made by the Secretary  
20 of Interior, and others that work with him, indicating that  
21 there were changes in the regulations in dealing with oil and  
22 gas. I was wondering, was there any consultation with Tribes  
23 regarding these changes and does the Native Village of Point  
24 Hope know what these changes are? And how these changes  
25 addressed in the Environmental Impact Statement and are they

1 applicable for that statement?

2 MR. LOMAN: They're not addressed in this Supplemental  
3 Environmental Impact Statement. This Supplemental Environmental  
4 Impact Statement -- there's really one reason why it exists  
5 today in draft form. It came from the court remand. The court  
6 said, you didn't address natural gas. You didn't appropriately  
7 address all of those things in Exhibit 129 -- the missing  
8 information et cetera and so forth. And so it supplements the  
9 past EIS. Now with respect to changes in regulation that are  
10 taking place, I think you're talking about recent notices to  
11 leasees (sic), for example -- maybe proposed rule makings,  
12 things that the Agency intends to place on industry, correct?

13 MR. SCHAEFER: Uh-huh (affirmative).

14 MR. LOMAN: Okay. No, we here at the Alaska Region -- we  
15 haven't consulted with the Tribes that would be most affected.  
16 But let me just state a little bit about the need to do that.  
17 And I only say that because these are things that the Agency  
18 intends to place on industry. There are some elements of Tribal  
19 Corporations that are part of that industry, so I will get back  
20 to you on that obligation. I'm not saying yes or no, that we  
21 need to do it. We certainly are willing to share it with you as  
22 you requested, to conduct government to government consultation  
23 in compliance with Executive Order 13175. Maybe I'll get back  
24 to you on that one.

25 MR. SCHAEFER: Categorical exclusions. That was a rate or

1 a procedure that was used to get around regulations and  
2 requirements. And categorical exclusions has led to some  
3 accidents such as the Santa Barbara accident that took place in  
4 1969, where the company had requested for a categorical  
5 exclusion so that it would only use one single pipe instead of a  
6 double, triple, quadruple layered pipe which blew and tore the  
7 ground up. And they were never ever able to seal that leak of  
8 oil. What is being done with this categorical exclusion that  
9 had somehow materialized and was taken advantage by the  
10 industry? Does that still exist? Apparently this categorical  
11 exclusion gets a 30-day period, and after that there's an  
12 automatic approval or something of that nature. What's the  
13 status of --.

14 MR. LOMAN: Non-exist --.

15 MR. SCHAEFER: That type of method that's been used in the  
16 past?

17 MR. LOMAN: Well that particular categorical exclusion is  
18 non-existent with respect to the Bureau of Ocean Energy  
19 Management Regulation and Enforcement Alaska Region. And I  
20 can't imagine that it will ever exist for any operations in the  
21 Arctic.

22 MR. SCHAEFER: As far as I know, there have been  
23 accusations that have been made by environmental groups  
24 indicating that that categorical exclusions have not been  
25 addressed to the public and what was going to done with that as

1 to whether there's going to be a complete termination of that or  
2 what adjustment was going to be made? And so, you know, it's  
3 hard for us to know who to believe. I mean, it's easy to  
4 believe in an environmental group that has obtained all the fame  
5 and stuff. But now we're asking, you know, the Federal  
6 government as to where things are with that, because there were  
7 categorical exclusions that were issued as a formality,  
8 apparently, in the Gulf of Mexico which led to this accident --  
9 human error.

10 And, you know, we feel the same in regards to that -- in  
11 regards to -- you know the changes and regulations. And that  
12 information should be, you know, made available before we even  
13 discuss this Environmental Impact Statement, I believe.

14 Were you guys going to make comments? Burt?

15 MR. LOMAN: The categorical exclusion provisions in NEPA  
16 are appropriate when the Federal agency has demonstrated and  
17 supported administrative record that what they're proposing to  
18 do, and do, can be done over and over again without any  
19 significant harm to the human environment. Categorical  
20 exclusions, to put in real simple form -- if you're going to go  
21 around and change out an electrical component on an airport  
22 runway. And that's a decision that's made by sometimes the  
23 Federal Agency that oversees the maintenance and operations of  
24 airport runways. So these kinds of activities are routine.  
25 They're done. They don't get in the way of the Endangered



1 Species Act or Federal Historic Preservation rules and all of  
2 these regulatory things that govern actions. And the agency can  
3 demonstrate that it's done safely without harm to the human  
4 environment. And so they are categorically excluded from  
5 further NEPA compliance.

6 Exploration in the Arctic will not be categorically  
7 excluded by this Agency, ever. There's a number of reasons for  
8 it. The Agency, from within itself, knows that it has to  
9 analyze these activities at a minimum with an Environmental  
10 Assessment because there are even subtle changes that can and  
11 must be looked at, have the potential to get in the way of  
12 subsistence activities et cetera, get in the way of sensitive  
13 resources and so on and so forth. So that's not going to  
14 happen. I can say that with great confidence even long after  
15 I'm gone.

16 The other element is there's plenty of will to bring a  
17 legal challenge. And I know this much about NEPA. If an Agency  
18 tried to do a categorical exclusion for an exploratory drilling  
19 operation in the Arctic, and they were challenged they would  
20 lose. So there you go.

21 For anybody that joined us kind of mid-course, we are  
22 taking comments on a draft Supplemental Environmental Statement  
23 that we prepared for Chukchi Sea Sale 193 and the comment period  
24 is still open. We're willing to take comments from anybody to  
25 hear what you have to say.

1           MR. SCHAEFER: I have another question before I make a  
2 comment. We had, more or less, looked at what is going on  
3 around us, what is going on in Russia. What is going on in the  
4 United States. What is going on in Canada. What is going on in  
5 Greenland and those other countries in the Arctic.

6           And we talked with each other and we looked closely at  
7 what is going on in Canada, because they're apparently trying to  
8 go through the same path as what we are seeing that's going on  
9 here. What I noticed that was somewhat different to a certain  
10 point was that Canada had a different type of interpretation on  
11 consultation with Tribes.

12           And so there was this court case that had materialized in  
13 a ruling that was made by the Canadian Judicial and had  
14 indicated that there is a little more -- there is more to a  
15 government to government relationship than consultation. And  
16 what was within that context was that that consultation was  
17 talking with each other, trying to come to a solution.

18           There, the ruling that was made in that court case was  
19 that they felt that this government to government relationship  
20 was more than just consultation, more than just talking with  
21 each other. And in the past, that was essentially what we were  
22 doing. And it changed as the Administration changed from the  
23 Bush Administration to this Obama Administration. But I really  
24 feel that there is more than just talk with consultation. And  
25 that there should be some different type of a phrase or language

1 or term used in dealing with our relationship with each other,  
2 that goes beyond just the talk. That something should be done  
3 in that regard and that I do expect that adjustment will be made  
4 since both Canada and United States are playing this dare --  
5 double dare game as to who's going to take that first step and  
6 dealing with the risks. What is interesting between Canada and  
7 the United States is the Inupiat (indiscernible) back there have  
8 already got into an agreement with the industry where they have  
9 somewhere along the line of 53 percent interest. More than half  
10 of the proceeds from oil and gas will go to their people.

11 But they still have concerns with safety and risk and have  
12 not moved forward. Us, we have no arrangement in regards to our  
13 oil that is about to be exploited, our oil. Where we see  
14 nothing in return other than maybe 40 job positions out of 400,  
15 which is the norm of the ratio of hire. So, you know we are  
16 looking at other areas and trying to figure out how we're going  
17 to move forward, if we are going to move forward. But it is  
18 noted that the Inupiat of Canada already have this arrangement,  
19 that temptation, that proverbial apple in front of their eyes.  
20 And they're not taking a bite out of it until they know for  
21 sure. But they're still daring each other as to whether they're  
22 going to move forward or not. They still live in that fear like  
23 we do now, here.

24 But that is there. We don't have anything. We, as a  
25 matter of fact, had to deal with the United Nations Human Rights

1 Division in 1989 regarding Prudhoe Bay, regarding discrimination  
2 against indigenous peoples by transnational corporations,  
3 British Petroleum, Atlantic Richfield. And so we've already  
4 gone on record in regards to our concerns and how we're being  
5 treated in the realm of Human Rights under the United Nations.  
6 And that's still ongoing as to how this turns out, has yet to be  
7 seen.

8 But you know we are indicating, you know, what we do know  
9 which leads to, you know, the comments that we have made in the  
10 past since 2007 of the hearings that have taken place and the  
11 statements that have been made, the concerns that we have  
12 expressed in regards to Federal employees that have their future  
13 at risk because of what they were forced to do.

14 Where does that information start and your adjustment that  
15 has been made regards to this Court Order that was done by the  
16 judge in a remand? Does it start from the time that that  
17 supervisor went to the employee and said, you must meet this red  
18 face test? If it doesn't then, then you have to readjust your  
19 results, your documentation. And we had no idea that any of  
20 this was going on. It took them to blow their own whistle to  
21 indicate that this was going on and that phrase was used. You  
22 know it was really shocking to hear that kind of phrase. But  
23 that happened.

24 So where are we on the Environmental, the remand as to  
25 what stage is this addressing those concerns we're at, what

1 point? When we look at that Environmental Impact Statement we  
2 see natural gas and then 143 pages of questions and answers as  
3 to what type of species are -- you know what is significant and  
4 what isn't. How does that play with this remand? They're just  
5 going to look at it and hope that, you know, they meet this  
6 requirement the way it is now or -- how far back do you go  
7 before -- I mean when you go into the supplemental thing, do you  
8 go that far back or did you completely skip the employees that  
9 were involved and their supervisors? And whether that  
10 information is, you know, accurate or not and what is that  
11 looked at?

12 Did you go back into your files, your records? I don't  
13 know. I don't know who to ask -- so I came in late so I don't  
14 know who you are. I just --.

15 MR. LOMAN: I can answer some of that and then, you know  
16 Jack, I'm a risk taker. So I'm going to do something you'll  
17 never see at one of these meetings. With respect to dissent  
18 amongst our people, here's what we believe. If you have an  
19 Agency that encourages and fosters dissent -- people that say  
20 look, Mr. Big Shot Jeff Loman, Manager guy, who wants to make  
21 Headquarters deadlines to get these documents done. We don't  
22 think we can do it because we need to know more or study this  
23 longer or this wasn't analyzed correctly. That, in the end,  
24 when people are right, when they're correct, ends to better  
25 analysis and better decisions. It doesn't just work that way

1 with us. Dissent makes for better decisions in the context of  
2 almost everything. So we say to our employees, we want dissent  
3 to make better decisions.

4 Mike is a relatively new employee with us. I'm going to  
5 let Mike tell you honestly and ask that he do so openly in his  
6 analysis because he took -- he did some of this analysis. Was  
7 he subjected to anything by management -- supervisors in the  
8 organization that forced him to do things in a way he otherwise  
9 wouldn't? He can tell you yes or no right in front of  
10 everybody. And I hope that he does. So go ahead Mike.

11 MR. ROUTHIER: No, not at all -- and I worked with a lot  
12 with the analysts and was busy. I'm more of a coordinator so  
13 I'm trying to -- you know help the process and just facilitate  
14 the process. Let our scientists give their information and then  
15 -- as they call it. And I call the scientists in -- I'll say --  
16 I don't think they -- none of them expressed that concern to me.  
17 I can only speak from my own experience, though.

18 MR. SCHAEFER: Were you aware that that had happened down  
19 there?

20 MR. ROUTHIER: I was -- yeah I was. I don't know many of  
21 the details about it, but I understand that that has been a  
22 concern in the office.

23 MR. SCHAEFER: And that it did happen, you were aware of  
24 it?

25 MR. ROUTHIER: Yes.

1           MR. SCHAEFER: And that there was a law suit that was  
2 filed in New York that addressed that and made it public?

3           MR. ROUTHIER: I wasn't aware of that. But, yeah.

4           MR. SCHAEFER: The Public Employees for Environmental  
5 Responsibility was the group that did it. There was expressions  
6 of concern by those employees to the environmental groups and to  
7 us stakeholders through teleconferences. And we responded by  
8 saying that you need to go to the Office of the Inspector  
9 General and indicate that. They couldn't figure out how to do  
10 that and so they used this organization to do it. And that's  
11 essentially what had happened which led to my question.

12           How far back does the document go in regards to that  
13 story? Was that looked at or was it completely ignored? I  
14 wasn't talking about you know personal, you know, your  
15 experience but the events and the facts that were provided. And  
16 how far back did it go to review whether or not that information  
17 is accurate or not? And, you know, because this all  
18 materialized in a Freedom of Information Act request. And so  
19 there were internal documents that were acquired through us by  
20 direction of legal counsel to try and figure out what was going  
21 on. And this essentially -- what materialized up to that court  
22 decision. And how far back has the research gone as to, you  
23 know, whether there was information that was overlooked or  
24 ignored because of those chain of events?

25           Are -- you're not aware of it or the preparers weren't

1 aware of it or --?

2 MR. ROUTHIER: Well I can't offer that with the analysis  
3 in this current Supplemental document is all fresh. We went  
4 back to our analysts and asked them to provide their best  
5 scientific judgment and opinions so all the analysis is fresh.  
6 It is a Supplement to the existing EIS so it doesn't, you know,  
7 fix any problems that -- you know it doesn't alter the text for  
8 the conclusions of the original. We have new analysis to try to  
9 supplement and that's fresh analysis from our analysts.

10 MR. LOMAN: In the end it's going to be up to the Federal  
11 judge that has this case, Judge Beistline, to decide whether or  
12 not the Agency appropriately addressed the remand. We think  
13 that we have. But, you know, I have to tell you Jack that if he  
14 would have said, you know, for the most part but anything in his  
15 answer it's our job as a super -- it's a primary job of a  
16 supervisor in the Federal government or everywhere else, that  
17 people have the tools and the ability to do their job -- that's  
18 my job. And it's my job to foster dissent and try to nurture  
19 dissent. And where it doesn't meet the Agency's goals or even  
20 the political goals of people, it's my job to stand up and tell  
21 political appointees or anybody else in the organization that  
22 their aspirations can't be met. And tell people what they might  
23 not want to hear. I'm not afraid to do that.

24 Our people -- yes sometimes they are but you know -- let  
25 me just say this. When you have 40 pages -- 40 pages of



1 excerpts from an Environmental Impact Statement that address  
2 uncertainties -- lack of information et cetera, and practically  
3 none of it has any context in the decision to be made, you have  
4 to say to yourself why would an Agency do that? I'm not going  
5 to go into that. But that's a fair question and I think that's  
6 where you're going with this. And because I know you think  
7 about these things really hard.

8           Was it a perfect Agency that produced the document? No.  
9 And the Federal court -- the District Court in this case found  
10 some deficiencies. We intend to address them to the  
11 satisfaction of the court, and taking into concerns everything  
12 we learn at these public meetings and the comments that we  
13 receive.

14           MR. SCHAEFER: The only reason why I asked all these  
15 questions was because, in our previous hearings we were told  
16 that when you make your public comments you cannot ask any  
17 questions. And so I figured I'd ask as many questions as I  
18 could before we have this public hearing so that we can have a  
19 little bit of an understanding as to what we're faced with and  
20 what changes have taken place. And I apologize for, you know,  
21 taking up so much of your time. With that knowledge that, you  
22 know, that we can ask these questions when we make our comments  
23 when we testify on this thing. I'm done. I'm ready to testify  
24 but there's others that --.

25           MR. RONALD OVIOK: Thank you your honor. My name is

1 Ronald Oviok, Senior. Thank you for your presentation and your  
2 reports -- also from the people of Pt. Hope. And right now I'm  
3 probably late for my traditional food gathering. That's  
4 probably -- you'll probably be coming back sooner or later for  
5 this -- reports. And to me, you know, I didn't know -- first  
6 time I heard about this natural gas document report. Tell you,  
7 it's about to be presented to the people and go forward and  
8 please, notify you at Pt. Hope -- (indiscernible) already go on  
9 further before people here present anything to the Department.  
10 Thank you.

11 MR. LOMAN: Thank you very much sir.

12 MS. FRANKSON-HENRY: Aggie Frankson-Henry for the record.

13 MR. LOMAN: Thanks a lot.

14 MS. FRANKSON-HENRY: Last name F-R-A-N-K-S-O-N hyphen H-E-  
15 N-R-Y. My question is, how can you clean all the oil on ice  
16 scientifically, biologically? How can you clean all the oil on  
17 ice? Do you have the expertise in this harsh environment?  
18 That's my question.

19 My other question is, how can you make sure that trillions  
20 of oil that may be leaked from a well be cleaned and managed in  
21 a 40 to 90 mile hour gusting wind?

22 As we all know, us Inupiat people of the Arctic, we can't  
23 even think of certain oceans because our life would be  
24 endangered by the great seas. Those are my two questions in  
25 life.

1 Environmental Impact Statement that I was going to  
2 comment, but since I didn't know we could ask questions I'm  
3 asking it now. And before we go on to any testimonies, are you  
4 all done with your report to the community members here in Point  
5 Hope before we go into a public hearing to inform, educate?

6 MR. LOMAN: We've presented all the information that we  
7 came to present. We want to continue to ask questions and you  
8 can ask questions while you're giving your testimony. I'll try  
9 to answer them. What I try to avoid doing is getting into  
10 debates with people, because I didn't come here to debate  
11 anybody. I came here to listen.

12 Those questions that you asked are on the record, It's  
13 now the Agency's obligation, under the National Environmental  
14 Policy Act, to answer them. Answer them in writing and  
15 memorialize that answer in a final Environmental Impact  
16 Statement. I sort of answered your first question early on.

17 Can you clean up, effectively clean up a 100 percent of  
18 oil on ice? I have not seen a 100 percent of oil in a major oil  
19 spill be cleaned up in anywhere by anybody, anytime. So it's  
20 safe to say that they will not clean up with all the technology  
21 that's available today 100 percent of any oil in a major oil  
22 spill that takes place on ice.

23 If you spill a gallon of oil on ice you can clean a 100  
24 percent of it. In 90 knot winds you will not be able to clean a  
25 100 percent of it because it will blow through the air all over

1 the place.

2 First time I came to Point Hope by airplane, I got off the  
3 plane, I was wearing a ball cap. There were 45 knot winds which  
4 is half of 90 knots and I swear to God my ball cap went to  
5 Russia. It disappeared. And so it's safe to say that spilled  
6 oil on the surface, in those kinds of winds, it's going to be  
7 far from a 100 percent. Typically, and our documents reflect  
8 it, the industry's able to clean up about 12 percent.

9 MS. FRANKSON-HENRY: That's all?

10 MR. LOMAN: About 12 percent. Much of the oil in typical  
11 situations evaporates.

12 MS. FRANKSON-HENRY: So our -- all our migratory marine  
13 mammals and birds will be affected by this development if it  
14 occurs?

15 MR. LOMAN: In the event of a major oil spill?

16 MS. FRANKSON-HENRY: Will you be able to help them and get  
17 another ocean for them?

18 MR. LOMAN: You certainly can't make an ocean -- not any  
19 man that I know of or any industry. In the event of a major oil  
20 spill in the Arctic under the activities that have been proposed  
21 and are being proposed now, exploratory drilling. What industry  
22 has put before the Agency for approval is a spill response  
23 capability that is -- it's really almost to the point where if  
24 you add more vessels or more capability, you could have a  
25 negative impact from that magnitude of -- it takes boats and

1 people et cetera, in an area that's sensitive. I mean, we all  
2 agree that the Arctic is a sensitive environment.

3         So you add more and that has more effects -- negative  
4 effects on the sensitive resources. And it's now to the point  
5 where it doesn't make any sense. One, given the chance of a  
6 major oil spill is very, very negligible. It's not likely to  
7 happen in the first place. Even in the Arctic conditions there  
8 have been 83-84 exploratory wells drilled -- 30 in the Beaufort,  
9 five in the Chukchi. There have been no major oil spills.  
10 That's not a lot. Eighty-three in Alaska, most in the first  
11 half of the Federal government's oversight for 17, 18 years.  
12 Only three in the last half of our Agency's existence.

13         So, when we look at what industry says they intend to do  
14 with respect to spill response we know this. It's not like Deep  
15 water because the Deepwater Horizon incident, because it's about  
16 150 feet. So in the event of that catastrophic release at the  
17 ocean floor, that oil will arrive to the surface in seconds not  
18 days in a place that's unknown like the Deepwater Horizon spill  
19 occurred.

20         It arrives to the surface in seconds and in minutes  
21 because their spill response capability is right there, right  
22 there in place. That was not the case with the Deepwater  
23 Horizon. Did they mobilize a lot right away? Yeah -- matter of  
24 fact I'll reserve my opinion of what went on. But what's being  
25 proposed now, it's at substantial capability and it's right

1 there. Will they clean up a 100 percent? Probably not. Will  
2 they keep it from harming marine mammals? We hope so -- might  
3 not.

4 Can you bring claims under the laws that exist today for  
5 damages to natural resources? Definitely. What does that tell  
6 industry? That tells industry -- industry is motivated by  
7 money. There's no industry that's going to come up here and do  
8 anything unless they think they can make money, period. They're  
9 motivated by money. If they have a major oil spill it will be a  
10 negative -- negative in a big way in the Arctic. So that's a  
11 big motivator without any regulatory agency to keep them from  
12 having a major oil spill.

13 That being said, I think we'll let us respond to you in  
14 writing in the FEIS with respect to your questions. I know that  
15 we can't satisfy anyone who's concerned about even the remotest  
16 chance of hurting something that is so important to your culture  
17 and to your children et cetera. And I understand that  
18 completely.

19 MS. FRANKSON-HENRY: One more question. Aggie Frankson-  
20 Henry, for the record, F-R-A-N-K-S-O-N hyphen H-E-N-R-Y. We  
21 know that ice pressure ridges build up, our ice builds up. And  
22 a wall -- the ice can be as tall as this building, once it goes  
23 up because of the currents in our waters, in our oceans. We  
24 know that will be very discouraging to industries to know that  
25 their rig can just go in seconds. It can happen. And if

1 they're not careful it will happen because of our climate.

2 I believe climate change is not going to melt all the ice.  
3 You never know -- it may be even just -- even get harder and  
4 more frozen and compact, the Lord willing. I know for sure in  
5 the Arctic, in the Beaufort Sea and straight down here in the  
6 Chukchi Sea, our ice comes from afar. And it's a challenge. We  
7 know we cannot go on the ice. We would no longer be alive if we  
8 didn't know. If we didn't have no means of transportation, your  
9 Coast Guard officials will be endangered if they were to try to  
10 rescue the personnel working in the rigs, on the ships. Not  
11 every ice breaker works.

12 With all the contaminants along with the vessels, with the  
13 Clean Air Act regulate them -- enforce them. Put those -- get  
14 those tax monies from them -- from those vessels to -- not only  
15 from the amount of oil gushing out from a well. You have to see  
16 these other impacts too that will affect our air and our water  
17 and our land, our people.

18 We've been -- for so many years giving testimonies  
19 regarding how affected we are not only from oil and gas but also  
20 from Project Chariot, Cape Lisburne site. We don't know what  
21 kind of chemicals they have, what they put into our lands, in  
22 our air, and our sea.

23 We're affected -- the whole coastal communities along the  
24 coast. We take it serious when we don't land a whale. Maybe  
25 it's because of the seismic testing. Maybe that set the bowhead

1 whale from seismic testing has gotten them, you know, uneasy.  
2 And the effects of seismic testing, too, needs to be informed to  
3 the public of how our marine mammals and our people will be  
4 affected. Once it bounces on the rocks to a person, to a  
5 mammal, to a bird, to fish. Their ears are blown off. The  
6 walruses, the seals, the stomachs of the bowhead whales and all  
7 the other marine mammal species I care about, and love to eat.  
8 Because if they're affected, I'm affected. Our eco-system even  
9 through seismic testing, we did not have the voice to say no to  
10 seismic testing other than coming here in these government to  
11 government consultation meetings and then ask (indiscernible).  
12 Thank you.

13 MR. LOMAN: Thank you.

14 MR. SCHAEFER: Can we testify now?

15 MR. LOMAN: You certainly can Jack.

16 MR. SCHAEFER: I'm not used to doing this right away but I  
17 guess I can. Can you hear me okay? My name is Jack Schaefer.  
18 I am the Council Member with a federally recognized Tribe known  
19 as the Inupiat Community of the Arctic Slope. It is a Regional  
20 Tribe for all the villages in the North Slope. It has the same  
21 responsibility as any Federally recognized Tribe. And we have  
22 expressed our concerns for quite some time. I am the grandson  
23 of Timmy Kanooguk (ph). He caught 23 whales within his  
24 lifetime. His last one was caught by his son in 1975 just  
25 before they had this whale ban. So, you know, I grew up around



1 culture.

2           Concerns that I have in regards to these public hearings.  
3 We have very little opportunity to express our concerns  
4 regarding our government to government relationship and  
5 obligations. And so, with that said, there's this government  
6 report GAO Report 02357 which is a report that dealt with the  
7 restoration of Prudhoe Bay. There were promises that were made  
8 by the industry that they'll clean up Prudhoe Bay when they're  
9 done. We expressed our concerns in the past in regards to the  
10 migratory animals that are directly affected by development.  
11 And the migration had been changed because of development that  
12 had taken place in Prudhoe Bay, that from the view of a  
13 satellite, looks like East L.A.

14           There's so many lights in Prudhoe Bay and the animals have  
15 moved away from there. Now they promised that they would  
16 restore this area. GAO did a report indicating that it wasn't  
17 done and that companies had changed their name, walked away,  
18 filed for bankruptcy, and still has not been cleaned up and the  
19 impact is still there.

20           And the caribou are moving. The animals are moving  
21 elsewhere. And development is moving closer and closer to Point  
22 Hope, moving west, without that restoration. And we feel that  
23 that restoration needs to take place so that these animals have  
24 a place to go. We feel that development should take place on  
25 land before you even go to the ocean.

1           And it's interesting to see the changes in regards to --  
2 what has been said in the past in dealing with the presence of  
3 oil, evidence of oil, and circumstances. When there has been  
4 offerings of incentives to do business and do development for  
5 less -- industry goes that way. And so it seems and looks like  
6 the temptation has been brought offshore and not onshore.

7           And that really has a direct impact in regards to benefits  
8 of those stakeholders, when there's taxation that can take place  
9 on land. When there are businesses such as ANSCA Corporations,  
10 Land owners, municipalities, Tribal governments' ability to tax  
11 onshore can be taken advantage of, can as an arrangement of  
12 doing business. That looks like a very slim thing that's going  
13 to happen now.

14           The Federal government has indicated through talking --  
15 that two individuals that had to fight for land on the Trust,  
16 known as a Native Allotments under 1906-1926, that their  
17 allotments are very valuable in oil and gas. And that you need  
18 to prove that they're not valuable in oil and gas and subject  
19 to, you know, certain processes. Now that the push has gone for  
20 offshore, those opportunities and those events will not -- and  
21 shows that they will not take place.

22           The people that have Native Allotments, the businesses  
23 that own property onshore will lose. Oil formations are, you  
24 know, look like saucers filled with liquid, you know, those  
25 round plates. And so when you go to the middle and use a straw

1 and you suck on it -- you know you get everything in that  
2 saucer. But the edge of that saucer is right at Wainwright,  
3 Point Hope, Point Lay, Barrow, Katovik. And there aren't  
4 taxation by the State and others. So they go where there's  
5 cheaper and that's what they were interpreting.

6 When we confront and indicate that is a concern that we  
7 have they say, oh there's nothing. There's just little puddles  
8 over here and we got no interest. Where's this government  
9 documentation that indicates, you know, this? So we see this  
10 development taking place offshore and, you know, we miss out as  
11 a major stakeholder. And so onshore is something that should be  
12 looked at and utilized to the maximum extent. And in the  
13 meantime, you know, try to determine what type of infrastructure  
14 that you will use to transport that oil.

15 We had said no to Alaska Native Claims Settlement Act. We  
16 received only ten percent of the land that we have used, that we  
17 own. We have not addressed the ownership of the ocean. We feel  
18 we own the ocean. That is ours. The definition of Alaska we  
19 feel it still needs to be interpreted and defined. Whether it  
20 be something done by the Russian government, something done by  
21 the Department of Defense through Public Landowner 92 or the  
22 three mile Alaska boundary.

23 And so we've gone to court, saying the ocean is ours.  
24 That belongs to us. You've got to deal with us. And there are  
25 rulings that have been made over years, since the late 70s, have

1 been -- we don't have to address this. We don't have to give  
2 you a decision now. We'll wait and decide on this from a  
3 different case that has been addressed to us and brought to our  
4 attention. And so that's been going on for years now.

5         So we feel we still have ownership of the ocean and still  
6 have that claim and have the authority to regulate, the  
7 authority to tax. And that hasn't taken place now. So this  
8 human right is being violated as we speak, and we need to have  
9 this addressed. As I had indicated earlier during our  
10 discussions that we have dealt with the United Nation sector on  
11 our Human Rights regarding Prudhoe Bay, the environmental  
12 impacts, the economic impacts that have taken place. What was  
13 taken from our oil away from us, the monetary value, being taxed  
14 in regards to the reduction in animals. So that's one of the  
15 things that we are, you know, about to address and are concerned  
16 about.

17         The impacts from previous spills like the Exxon Valdez  
18 still had -- really had a severe impact on the red fallrour (ph)  
19 which is what we refer to as a south rook (ph), a little bird  
20 that is about a little longer than this, that is red. It's a  
21 sandpiper type of bird that when it swims in the water it goes  
22 in circles. That used to be a bird that was -- that had one to  
23 several hundred feet thick and 52 hundred feet in height running  
24 miles along the beach, and the form of waves when they'd fly.

25         After that Exxon Valdez spill we never saw that again.

1 There's very few of those birds around. And that used to be  
2 something that we had to get for our grandmothers because it was  
3 tender meat and they enjoyed that very much. So we took great  
4 pride as little kids to gather those birds for our elders to  
5 eat. And so there has been some impacts in regards to animals  
6 that have taken place on these disasters in the past and we feel  
7 that there hasn't been enough studies for the Chukchi Sea, the  
8 Beaufort Sea. As to who exactly did all these technical reports  
9 for the Beaufort Sea and the Chukchi Sea is still unclear and  
10 as to whether they're reliable or not.

11 The ones that I noticed in regards to the Beaufort Sea  
12 were done by an accounting company, KPMG, through a contract.  
13 And so as to whether or not that information is accurate or not  
14 is unclear. Furthermore, they're old and that has already been  
15 admitted to the Environmental Impact Statements. Baselines  
16 haven't been established.

17 There's no way that you can clean up an oil spill in ice.  
18 The impacts are far too great. There are no revenue sharing  
19 arrangements. There's no corporate social responsibility. We  
20 have no control. Decisions are being made by the North Slope  
21 Borough, by the State of Alaska, regardless of their  
22 relationship between Federally recognized Tribes and Federal  
23 agencies regarding the Coastal Zone Management Program and other  
24 programs.

25 So all of this is very much premature. I don't know why

1 we're going beyond the basic concerns about cleaning up an oil  
2 spill in the middle of winter and bad ice conditions. For ice  
3 scourging is something that has been looked at thoroughly in the  
4 80s where the ice rubs against the ocean floor and the patterns  
5 shown what effects it has on wildlife refuges and those animals  
6 that are protected within those, whether it be the muir (ph) or  
7 something else.

8         The areas that has some concerns in regards to the whaling  
9 ships that have sank off of the southern part of this lease sale  
10 area. The water is very shallow. And when you look at flows of  
11 anything, when something is wide, the flow is slow. When  
12 something is sharp it's just like an -- shallow is just like an  
13 hour glass. So everything moves real quick. And different  
14 times of the year just by the, you know, the physics -- the  
15 physical risks you know -- 100 feet times 75 feet versus one  
16 mile deep. The patterns and the flows of that oil will hit --  
17 portend and we might not see the real impacts, but our relatives  
18 will, from Wainwright and the villages all the way to Canada  
19 where it's shallow and then where it mixes into deeper water.  
20 What agreements have been made and were they done with our  
21 consent?

22         Are we going to welcome those whaling crews that will lose  
23 their ability to whale when there's a spill and come over here  
24 and compete with us through this term, good neighbor policies  
25 that have been established since 2000, which has not been told

1 to anybody. Very little is known about it and what was done  
2 with it and what the status is and whether something is still  
3 there.

4 We would like to have existing EIS's and other reports  
5 incorporated into this EIS such as for seismic. The  
6 Environmental Assessments and the findings and no significant  
7 impacts in regards to authorizations for taking of animals for  
8 seismic purposes through the National Marine Fishery Service and  
9 the U.S. Fish and Wildlife Service which has a different set of  
10 regulations that have these methodical, categorical exclusions  
11 involved where they don't involve legitimate addressing remedies  
12 and correcting those findings that have been made in the form of  
13 an Impact Statement.

14 And we have gone to court with that in the past and lost  
15 several times because of those loopholes and the interpretations  
16 that have been put into Federal Register that took away from  
17 Federally recognized Tribes and renamed non-governing  
18 organizations and municipalities as communities that has a  
19 identical figure as Federally recognized Tribe and the  
20 exploitation of those regulations that have gone and been  
21 utilized up to this date.

22 As time went on, these adjustments have been made. We  
23 haven't been consulted with that and haven't gone beyond a  
24 consultation phase. And we do understand that we are having  
25 this Trust relationship that we are trying to end and work with

1 each other and trying to move in a right path to ensure that we  
2 benefit both ways in the future. And the technology doesn't  
3 show that we have that there and taking those big risks offshore  
4 at this time to the methods that are being proposed in the  
5 Environmental Impact Statements that have been drawn up already.

6 And so, again, I do, encourage you -- you look offshore --  
7 I mean onshore first -- look offshore when you have the  
8 technology. But, as far as I can tell, that technology isn't  
9 there. The response isn't there whether you can cap a well,  
10 before it freezes too much is unclear. And to be going at it  
11 again the following year when it melts off and there's open  
12 water.

13 It's still too soon. And there are other arrangements  
14 that can be made. And I feel that you need to honor and  
15 implement your Federal regulations in regards to looking at  
16 environmental concerns. Also the international flaws like the  
17 Law of the Sea and whatever else is applicable. Again, with  
18 migrating animals and such and I find it really surprising that  
19 the Chukchi is being looked at when there are other locations  
20 that could be taken advantage of, whether it be the Kotzebue  
21 Sound or whatever.

22 So I am really, you know, confused as to the location  
23 other than what we've been told that, you know, it's the largest  
24 oil deposit in the world. And because of your responsibility as  
25 the Federal government toward us indigenous peoples, starting



1 from the time the (indiscernible) filed lawsuits from the time  
2 that Jacob Adamson filed his lawsuit back in 1977 in regards to  
3 the banning of harvesting bowhead whales and to the decision  
4 that was made, which was somewhat controversial because of the  
5 decision was said that, because the International Weather  
6 Commission is going to make a decision next year, we feel that  
7 we will not take a position that there's a significant impact in  
8 regards to oil and gas. And therefore, we'll dismiss this case  
9 with the understanding that you'll be able to whale next year.

10 So, you know, all of these decisions that have been made  
11 are really controversial. We are not the only village -- we're  
12 not the only Tribe to have filed in the court in regards to the  
13 ocean. ICAS Native Village of Gambell, Nome Eskimo Community,  
14 Native Village of Akutan, Native Village of Eak (ph) have all  
15 filed lawsuits and claim ownership to the ocean, in regards to  
16 their subsistence activities and their way of life and the term  
17 that they had used which was imminent threat and the Federal  
18 government's interpretation in dealing with imminent threat  
19 doesn't apply until you turn that stone on the ocean floor  
20 versus what Bush Administration saw, term on how we use that  
21 phrase.

22 So there are these things that we need to have addressed  
23 and we need to be at the table. I am unaware of any  
24 participation in dealing with the Endangered Species Act. Bruce  
25 Babbitt had given an example on how the Endangered Species Act

1 worked where everybody comes to the table, draw the lines, where  
2 development is going to take place. Where subsistence is going  
3 to take place, where the animals are going to take place, how  
4 it's going to impact and come out with a conclusion and a  
5 process and after that's done, it's hard to come back to the  
6 table. That was Bruce Babbitt's explanation of the Endangered  
7 Species Act and how that process works. I am unaware of that  
8 taking place, haven't heard of it taking place here in Point  
9 Hope. I haven't heard of it taking place with the Inupiat  
10 Community Arctic Slope. I feel that there has been things that  
11 might have been done without our knowledge regarding the State  
12 of Alaska and we need other non-governing organizations that  
13 poses to have authority over us as Federally recognized Tribes.

14 And so we have Human Right issues. We are concerned about  
15 our future. And you know it all falls back on, you know, can  
16 you clean it up, it be capped and we shouldn't even bother with  
17 it. We have wasted a lot of time talking about small portions  
18 of the Environmental Impact Statement, different types of  
19 animals, different types of things when we know that we can't  
20 clean this up. That it can't be done safely. And we haven't  
21 seen the regulations that have been announced and the  
22 reassurances that have been given by the Department of Interior  
23 indicating that these regulations have been changed. We haven't  
24 seen that. So we haven't been able to give an opinion as to,  
25 you know, what has changed if anything at all. And we really

1 can't afford to starve and that's what we have at risk.

2       The people in Cook Inlet, their herring has never  
3 recovered. The subsistence hasn't really recovered. They have  
4 had a real hard time. They've never been compensated for over  
5 20 years adequately. We don't want that to happen to us.  
6 There's too much of a risk. Exhaust what you have onshore  
7 before you go offshore.

8       Re-look at how you're doing this and put these guys back  
9 in their places because Edwards versus Morton, which was a case  
10 that involved the trust relationship of the United States and us  
11 regarding the impacts and the exploitation by transnational  
12 corporations such as British Petroleum or Atlantic Richfield.  
13 And the responsibility of the United States to protect us and  
14 our interests have already been decided on through that case.  
15 And we feel that still needs to be addressed. As far as I know  
16 our legal representation has not addressed our trust  
17 relationship in regards to indigenous peoples. The First People  
18 versus the trust relationship with the general public. And  
19 those are two different animals all together, still not real  
20 clear understanding in regards to that but it has been asked on  
21 Congressional record in regards to EPA and NOAA in their trust  
22 relationship only toward the general public, not to our  
23 Federally recognized Tribes.

24       Our legal representation, to our knowledge, has not  
25 addressed this trust relationship yet. And I don't know when we

1 will, if we will. But we are working on a trust relationship  
2 and we need to continue to do that. We do not like court cases.  
3 We don't like going to court. It takes a lot of our energy and  
4 a lot of our time. I could be watching my favorite TV show now.  
5 And -- but no, we're talking about this and we don't have this  
6 relationship. You know they have no -- companies haven't even  
7 partnered with us fully. We don't have a royalty management  
8 system in place. We haven't established our environmental  
9 regulations. We feel the regulations that are being done by the  
10 State under its Coastal Zone Management program and their own  
11 regulations have a conflict of interest. And the State is not  
12 fulfilling its obligation. And they won't, because they have  
13 this constitutional thing that deals with equality. And they  
14 don't respect the sovereignty of tribes and culture.

15 So I have more to say but I can't think of anything right  
16 away. Again you know we didn't have much time to completely  
17 review. It's hard to imagine who is delegated to gather the  
18 birds, to gather the mammals, to get the walrus and clean it and  
19 let it go. That portion of the Environmental Impact Statement  
20 is very confusing. Some of it is semi-blank. They have certain  
21 delegation. There's only two organizations that can deal with  
22 birds, rescue the birds. I can't go out there and rescue a bird  
23 if there's a seal. The same goes for mammals. There are  
24 delegated groups assigned to do that. They don't have the  
25 technology to deal with a 2,000 pound walrus which happens to

1 have 30 other friends with him and they're all real tight, just  
2 like a gang, a family. And they're very aggressive when you  
3 insult one of them. So there are, you know, concerns that we  
4 have. And I hope we continue to move forward and try to come  
5 out with a way that will work. But at this time it doesn't look  
6 that way.

7 And I hope that all these other reports are incorporated  
8 into and these concerns that are incorporated into this and that  
9 they are responded. The Environmental Assessments that have  
10 been made regarding seismic completely ignored Tribal concerns.  
11 They only addressed and responded to non-governing organizations  
12 such as the Alaska Wilderness League, The Center of  
13 Biodiversity, the Natural Resource Defense Council. Those big  
14 groups are the only ones that have been responded to by, you  
15 know, governmental entities in these Environmental Impact  
16 Statements. And Tribes need to be addressed too.

17 The North Slope Borough isn't the only authority to be  
18 responded to. They have interests and they have conflicts of  
19 interest also. And when the government tells them to do  
20 something, they have to do it. And we had some very interesting  
21 Governors in the past. They're not very trustworthy. And they  
22 don't look out for our interests. They look out for Alaska as a  
23 whole. And regardless of the impacts, and we seen that. Red  
24 Dog has been the number one polluter in the United States for  
25 six years straight. And it's going to take 40 years to clean up

1 that mine and ten years of follow-up. And there's a lot of  
2 money involved with that. And they're expanding on that thing.

3 With that I thank you for allowing me to testify and  
4 please keep this file open for additional comments and I really  
5 look forward to mending our trust and our responsibilities. We  
6 don't like to be adversaries in the world of -- world wrestling  
7 and two cave men. And I want to be your wrestler. Thank you.

8 MR. LOMAN: Thank you very much sir -- appreciate it.

9 MS. FRANKSON-HENRY: Leaving? I agree with Mr. Schaefer.  
10 This is Aggie Frankson-Henry, for the record. F-R-A-N-K-S-O-N  
11 hyphen H-E-N-R-Y. I believe there should be an extension if  
12 Environmental Impact Statements allow the coastal villages that  
13 are impacted. As you know that -- there may be not very many  
14 people that are educated with seismic testing in the Bassett  
15 (ph) house -- to the people and the marine mammals. Is Albert  
16 Barros still with --?

17 MR. LOMAN: Albert retired. He went back to the Nesperth  
18 (ph) Reservation.

19 MS. FRANKSON-HENRY: Is there another person that has his  
20 spot?

21 MR. LOMAN: Yes -- Michael Haller -- right there.

22 MS. FRANKSON-HENRY: Okay. For the record my  
23 Environmental Impact Statement is dated November 2, 2010,  
24 Bureau of Ocean Energy Management Regulation and Enforcement. I  
25 had attentioned it to Albert Barros, Bureau of Ocean Energy

1 Management Regulation and Enforcement Community Liaison, cc  
2 Jeffery Loman, Deputy Director of Bureau Ocean Energy Management  
3 Regulation and Enforcement. Is that your current title?

4 MR. LOMAN: Yes ma'am.

5 MS. FRANKSON-HENRY: This is regarding opposing the Arctic  
6 Multi-Sale in the Beaufort Sea and Chukchi Sea planning areas  
7 oil and gas lease sale 193, 209, 212, 217 and 221. For the  
8 record, I'm Aggie Frankson-Henry, a Tribal Secretary and Tribal  
9 member of the Native Village of Point Hope.

10 I am opposing the Bureau of Ocean Energy Management  
11 Regulation and Enforcement decision on the proposed action for a  
12 multiple sale EIS for the Chukchi Sea Sales 193, 212 and 221 and  
13 Beaufort Sea's lease sale 209 and 217. And I support  
14 Alternative One, Beaufort and Chukchi Sea, no lease sale.

15 I am an Inupiat mother, wife, daughter, aunt, Tribal  
16 member of the Native Village of Point Hope, and most of all a  
17 whaler and harvester dependent on the Chukchi Sea and Beaufort  
18 Sea for means of survival.

19 Being Inupiat is an inherit freedom to hunt, harvest from  
20 the vast frozen seas to nurture my family and extended families  
21 across Alaska and Lower 48. The Chukchi and Beaufort Seas  
22 provides nutritional food supply on my table without any after  
23 taste of spilled debris from oil and gas. As stewards of the  
24 ocean, I believe there is not enough traditional knowledge and  
25 scientific studies to support the lease sales. With that said

1 please, no lease sales.

2 Tikigaqs, Point Hope, Alaska, oceans is a land of  
3 opportunity to preserve my culture. Because of climate change,  
4 this generation is faced with for a healthier ecosystem balance  
5 for bowhead whales, walruses, polar bears, seals, ducks, fishes,  
6 birds, crabs, plankton, oysters, clams, seaweed, worms, killer  
7 whales, nor-whales, right whales, beluga whales, grey whales and  
8 all the marine mammals of these two great oceans the Chukchi and  
9 Beaufort that we the people of Pont Hope are blessed with.

10 The Bureau of Ocean Energy Management Regulation and  
11 Enforcement must conduct scientific studies before a lease sale  
12 must be proposed for a lease sale. My question is, how can you  
13 clean all the oil on ice? How can you make sure that trillions  
14 of oil that may be leaked from a well be cleaned and managed in  
15 a 40 to 90 mile hour gusting wind? As we all know, as Inupiat  
16 people of the Arctic we cannot even think of surfing the oceans  
17 because our lives would be endangered by the great seas. Based  
18 on current agriculture in Valdez, Alaska, it is not my best  
19 interest to harm this great State with offshore oil, gas  
20 drilling around the Chukchi and Beaufort Seas.

21 And based on the facts of the current agriculture in the  
22 Gulf of Mexico, the impacts and damages brought forth into the  
23 United States of America from the Gulf of Mexico and Valdez oil  
24 spills, it is not my interest to harm these oceans that this  
25 great nation is dependent on. The natural resources that are



1 impacted by proposed spilled debris from oil, gas and toxic  
2 chemicals in which is an imminent threat to our ecosystem and  
3 marine life, as well as the people of this great State of Alaska  
4 who are dependent on the two great pristine oceans, the Chukchi  
5 and Beaufort Seas. I oppose the industrial development along  
6 the Chukchi and Beaufort Seas.

7 I am voicing my right to life, liberty and equality. I  
8 believe this great State, the Federal government agencies and  
9 industrial servants can find other means of resources to benefit  
10 the economy like wind and water generation to fuel the economy.

11 I am an Inupiat and I love to eat my traditional meals  
12 that are delicious, healthy and nutritious in which are provided  
13 naturally by the great seas along the Chukchi and Beaufort Seas.  
14 I am an American who strives to survive in this harsh climate  
15 through traditional knowledge and very dependent on the  
16 resources along the seas. I oppose the industrial development  
17 along the Chukchi and Beaufort Seas.

18 Once again I am opposing the Bureau of Ocean Energy  
19 Management Regulation and Enforcement's decision on the proposed  
20 actions for a multiple sale EIS for the Chukchi Sea Sales 193,  
21 212 and 221 and Beaufort Sea Sales 209 and 217. And I support  
22 Alternative One, Beaufort and Chukchi Sea, no lease sale. Thank  
23 you for your time.

24 MR. LOMAN: Thank you very much. Anybody else that hasn't  
25 testified like to make a comment before we close? I would like

1 to thank everybody for coming. We appreciate your time. We  
2 know that there are other events and activities in the community  
3 tonight. We apologize for having to hold this meeting during  
4 those activities and we appreciate the time you sacrificed and  
5 the comments you've made. And we hope that you've learned and  
6 we've shared some information that was helpful to you. Thank  
7 you very much. This hearing is closed.

8 THE REPORTER: Off the record at 9:40 p.m.

9 (Off record at 9:40 p.m.)

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

**TRANSCRIBER'S CERTIFICATE**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

I, Judy Bradshaw, hereby certify that the foregoing pages numbered 2 through 73 are a true, accurate and complete transcript of the Bureau of Ocean Energy Management Regulation and Enforcement Public Hearing regarding the Environmental Impact Supplemental Statement Relating to Chukchi Sea Sale 193 held in Point Hope, Alaska on November 2, 2010, transcribed by me from a copy of the electronic sound recording to the best of my knowledge and ability.

\_\_\_\_\_  
Date  
\_\_\_\_\_  
Judy Bradshaw