



United States Department of the Interior



MINERALS MANAGEMENT SERVICE
Alaska Outer Continental Shelf Region
3801 Centerpoint Drive, Suite 500
Anchorage, Alaska 99503-5823

JUL 21 2005

Mr. Rick Trupp
Permits Coordinator
Veritas DGC
2000 East 88th Avenue
Anchorage, Alaska 99507

Dear Mr. Trupp:

Your application dated April 26, 2005, requests a Federal permit to conduct geophysical operations on certain Outer Continental Shelf (OCS) lands in the Cook Inlet area, as shown on the map accompanying the application. Veritas DGC will conduct the operations for ConocoPhillips using the vessels Peregrine, Falcon, Arctic Wolf, and Polar Bear. Operations are proposed to commence on or after September 5, 2005, and will be completed on or before November 15, 2005. The proposed program is a 3-D marine seismic survey using air guns as an energy source.

A permit designated OCS Permit 05-01 is hereby granted to conduct geophysical exploration operations on the OCS in the area and manner described in the application subject to the enclosed Permit for Geophysical Exploration for Mineral Resources in the OCS and the enclosed Stipulations.

The information contained in the following paragraphs should be evaluated before initiating operations.

The Cook Inlet area is rich in fish and wildlife resources. The area supports intensive sport fishing, subsistence fishing, and commercial fishing operations for salmon, halibut, herring, king crab, Tanner crab, Dungeness crab, and shrimp. Fishing operations for crab and shrimp may occur during the time period requested under this permit. In addition to the abundant fishery resources, the area supports substantial populations of seabirds, shorebirds, waterfowl, and marine mammals.

The National Marine Fisheries Service (NMFS) has listed the Steller sea lion as a threatened species. In addition, gray, humpback, fin, and sei whales continue to be listed as endangered species. Particular attention should be given to minimize adverse encounters between the project operations and marine mammals.

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The Endangered Species Act (ESA) provides that no activity may be conducted which might jeopardize the continued existence of a threatened or endangered species or result in the destruction or adverse modification of habitat of such species. The Marine Mammal Protection Act (MMPA) also provides that there shall be no unauthorized take of marine mammals. "Take" means to harass, hunt, capture, collect, or kill or attempt to harass, hunt, capture, collect, or kill any marine mammals. Whenever marine mammals may be encountered, precautions should be taken to assure that your activities are conducted so as not to violate the provisions of the ESA and MMPA.

Further guidance and information on the identification and occurrence of marine mammals in the proposed area of operations and the provisions and penalties of the ESA and MMPA is available from the:

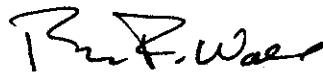
U.S. Fish and Wildlife Service
Alaska Region
1011 E. Tudor Road
Anchorage, Alaska 99503
Telephone: (907) 786-3542

And from the:

National Marine Fisheries Service
222 West 7th Avenue, Box 43
Anchorage, Alaska 99513
Telephone: (907) 271-1508

This permit shall be effective from the date of approval until November 15, 2005, or the completion of the programmed survey, whichever occurs earlier. Any change(s) to the permitted operations under this permit will require written approval from the Regional Supervisor, Resource Evaluation, prior to the initiation of such modifications. Please be advised that this office requests a weekly report of daily operations. We will require a completion report as prescribed in the Section III B of this Permit within 30 days following cessation of field operations. Also, it should be noted that navigation data for the survey operations will be required as part of the completion report.

Sincerely,



Rance R. Wall
Regional Supervisor

4 Enclosures