

United States Department of the Interior



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

JAN - 9 2009

Mr. Jeff Hastings CGG Veritas US Land, Inc. 2450 Cinnabar Loop Anchorage, Alaska 99507

Dear Mr. Hastings:

Your application dated November 19, 2008, requests a Federal permit to conduct geophysical operations on certain Outer Continental Shelf (OCS) lands. The activity is in the Beaufort Sea area as shown on the map accompanying your application. Your application specified that CGG Veritas will conduct the subject operations using the equipment described in the permit application. Operations are proposed to begin on or after February 1, 2009, and will be completed on or before May 31, 2009. The proposed program is a 3D over-ice seismic acquisition using vibrators as energy source.

Your application states that CGG Veritas has requested incidental take authorizations from National Marine Fisheries Service (NMFS) for pinnipeds, and from U.S. Fish and Wildlife Service (USFWS) for polar bears and walrus. The Minerals Management Service (MMS) will require a copy of the IHAs or LOAs prior to the conduct of seismic operations.

OCS Permit 09-01 is hereby granted to conduct geophysical exploration operations on the OCS in the area and manner described in the application. A detailed track map of planned operations must be submitted to this office prior to the start of seismic operations. All operations are subject to the enclosed approved Permit for Geophysical Exploration for Mineral Resources on the OCS. In all cases, the specific mitigating measures identified in the NMFS and USFWS IHAs/LOAs will apply, where applicable, including protocols for monitoring programs.

The information contained in the following paragraphs should be evaluated before initiating operations and appropriate action taken:

The Endangered Species Act (ESA) states there shall be no activity conducted which might jeopardize the continued existence of an endangered species or result in the destruction or adverse change of habitat of such species. In addition, the Marine Mammal Protection Act (MMPA) provides there shall be no unauthorized take of marine mammals. "Take" means to harass, hunt, capture, collect, kill, or attempt to harass, hunt, capture, collect, or kill any marine mammals. Whenever whales or marine mammals are encountered in the project vicinity, CGG



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Ringed seal, bearded seal, polar bear, and arctic fox are know to inhabit the Beaufort Sea and may be present in the project vicinity during the period of operation. Walrus may be found in the western Beaufort. Ringed seal are the most common and widespread seals in the area and are usually found close to shore in the land fast ice and shear zone. They serve as a source of food for polar bear, arctic fox, and man.

Federal and State resource agencies have expressed concerns over the effects on ringed seals and their offspring by seismic operations. The concern is primarily due to the vulnerability of ringed seals and their offspring during the time of the year when whelping occurs. Pups are born in late March through April in lairs excavated in snowdrifts and pressure ridges, usually in the land fast ice zone. Pups are confined to the birth lair during the nursing period, which lasts from 4 to 6 weeks. Ringed seals are considered to be sensitive to disturbance, which could result in displacement from preferred pupping habitat or abandonment of the pup.

Further information on the identification and occurrence of marine mammals in the proposed area of operations and the provisions and penalties of the ESA and the MMPA are available. This information may be obtained from the

U.S. Fish and Wildlife Service
Alaska Region
1011E.Tudor Road
Anchorage, AK 99503
Telephone (907) 786-3467

And from the

National Marine Fisheries Service Federal Building, Room C-554 Anchorage, AK 99513 Telephone (907) 271-5006

This permit is effective from the date of approval until May 31st, 2009, or the completion of the survey, whichever occurs earlier. Please be advised that this office requires a weekly report of daily operations. We require a completion report within 30 days following cessation of field operations.

Sincerely,

Rance R. Wall Regional Supervisor

Resource Evaluation

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3 Enclosures