



# United States Department of the Interior

## BUREAU OF OCEAN ENERGY MANAGEMENT

Alaska OCS Region

3801 Centerpoint Drive, Suite 500

Anchorage, Alaska 99503-5823

JUN 13 2012

Shell Exploration and Production  
AK Venture Support Integrator  
Attn: Susan Childs, Manager  
3601 C Street, Suite 1000  
Anchorage, Alaska 99503

Dear Ms. Childs:

This correspondence is in response to your letters dated April 26, May 4, and June 6, 2012, seeking confirmation of Shell's fulfillment of Conditions #3, #5, #6, and #11 of Shell's Revised 2012 Camden Bay EP.

- Camden Bay EP Condition #3 requires Shell to obtain Marine Mammal Protection Act (MMPA) authorizations from the National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Services (USFWS). Shell submitted copies of the approved Incidental Harassment Authorization (IHA) issued by NMFS in the May 4, 2012 letter, and two Letters of Authorization (LOA), LOA 12-13 and LOA 12-INT-11, from USFWS in the June 6, 2012 letter. Accordingly, the Bureau of Ocean Energy Management (BOEM) has determined that Shell has submitted all information required under Condition #3 for drilling operations during the open water season in 2012. This is an annual requirement; a current IHA must be submitted to BOEM prior to the start of operations each year.

Condition #3 also conditions exploratory drilling activities on BOEM receiving an Endangered Species Act (ESA) Incidental Take Statement (ITS) from NMFS and USFWS. The USFWS issued an ITS to BOEM on May 8, 2012, as part of the Biological Opinion covering oil and gas activities in the Beaufort and Chukchi Planning Areas. The NMFS issued an ITS to BOEM on June 11, 2012. We note for the record that NMFS issued an ITS to Shell on June 5, 2012, a copy of which you included in your June 6, 2012 letter to BOEM. Condition #3 is now satisfied in terms of ESA authorization.

- Camden Bay EP Condition #5 requires Shell to provide additional information and documentation concerning its Plan of Cooperation (POC) developed to satisfy the consultation requirements under Beaufort Sea Lease Stipulation #5. The need for Shell to submit certain information under Stipulation 5 is an on-going requirement. In its April 26, 2012 letter, Shell submitted the following documents:
  - a copy of slides shown at community meetings held since approval of the EP;
  - a table of issues brought up at those meetings; and
  - a copy of the Subsistence Advisors Handbook for 2012.

BOEM accepts and incorporates these documents in the record for Shell's 2012 Camden Bay EP. BOEM notes that Shell must still submit daily summaries of POC activities and daily monitoring

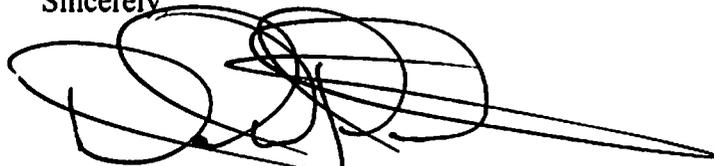
results, including but not limited to, Marine Mammal Observers' and local Subsistence Advisors' reports and notifications, as well as Shell's responses to each incident.

- Camden Bay EP Condition #6 requires Shell to have an approved bowhead whale monitoring program or an approved IHA from NMFS. The condition further informs Shell that BOEM will coordinate with NMFS to assure that the IHA monitoring and peer review process satisfies the requirements of Lease Stipulation 4. With its May 4, 2012 letter, Shell submitted a revised 4MP Plan (required under the IHA) entitled *Marine Mammals Monitoring and Mitigation Plan for Exploration Drilling of Selected Lease Areas in Camden Bay in the Alaska Beaufort Sea in 2012*, revised April 2012. BOEM accepts and incorporates the revised 4MP plan in the record for Shell's 2012 Camden Bay EP. Accordingly, BOEM has determined that Condition #6 is fulfilled for the open water season of 2012.
- Camden Bay EP Condition #11 requires Shell to provide justification for the alternative boom configuration proposed by Shell in its Camden Bay EP. Shell submitted the following documents with its April 26, 2012 letter and a correction in the June 6, 2012 letter:
  - Alaska Fuel Transfer Procedures; and
  - Supplemental Explanation of Shell's Fuel Transfer Procedures.

BOEM has reviewed Shell's Fuel Transfer Procedures and supplemental explanation and concludes that Configuration 2 provides a reasonable, safe, and environmentally sound process for handling fuel transfers between vessels whereas Configuration 1 would not provide adequate containment if the fuel transfer barge was required to maneuver away from the transfer site under an emergency situation. Accordingly, under the authority of 30 CFR 550.141, I am approving Configuration 2, as described under Appendix M, Revised 2012 Camden Bay EP, as an alternative booming configuration that provides a level of safety and environmental protection equal to, or surpassing, the current requirements of Stipulation 6.

If you have any questions concerning this letter, please contact me at (907) 334-5273.

Sincerely,

A handwritten signature in black ink, appearing to read 'David W. Johnston', with a long horizontal line extending to the right.

David W. Johnston, Regional Supervisor  
Office of Leasing & Plans

cc: Mark Fesmire, Bureau of Safety and Environmental Enforcement  
Jeffrey Missal, Bureau of Safety and Environmental Enforcement  
David Moore, Bureau of Safety and Environmental Enforcement  
Geoff Haskett, U.S. Fish & Wildlife Service  
Craig Perham, U.S. Fish & Wildlife Service  
James Balsiger, National Marine Fisheries Service  
Brad Smith, National Marine Fisheries Service