

Appendix G

U.S. Army Corps of Engineers Nationwide Permit 8

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REPLY TO
ATTENTION OF:

DEPARTMENT OF THE ARMY
U.S. ARMY ENGINEER DISTRICT, ALASKA
REGULATORY DIVISION
P.O. BOX 6898
JBER, ALASKA 99506-0898

AUG 09 2011

Regulatory Division
POA-2011-447

Shell Gulf of Mexico Inc.
Attention: Ms. Susan Childs
3601 C Street, Suite 100
Anchorage, Alaska 99503

Dear Ms. Childs:

This is in response to your application, received May 17, 2011 and complete plans, received June 8, 2011, for a Department of the Army (DA) permit, to drill six exploratory wells on the outer continental shelf in the Chukchi Sea. It has been assigned file number POA-2011-447, Chukchi Sea, which should be referred to in all future correspondence with this office. The project site is located within Federal Outer Continental Shelf leases OCS-Y-2267 (block 6714), OSC-Y-2280 (block 6764), OCS-Y-2321 (block 6912), OCS-Y-2294 (block 6812), OCS-Y-2278 (block 6762), and OCS-Y-2324 (block 6915), located in the approximately 84 miles northwest of Wainwright, Alaska, in the Chukchi Sea.

Based on our review of the information you furnished and available to us, we have determined the above project area contains waters of the United States (U.S.), under the Corps' regulatory jurisdiction. A copy of the Approved Jurisdictional Determination form is available at www.poa.usace.army.mil/reg/ApprovedJDs.htm under the above file number.

This approved jurisdictional determination is valid for five (5) years from the date of this letter, unless new information supporting a revision is provided to us before the expiration date. Enclosed is a Notification of Administrative Appeal Options and Process and Request for Appeal form regarding this approved jurisdictional determination (see section titled "Approved Jurisdictional Determination").

DA permit authorization is necessary because your project would involve placement of structures into waters of the U.S. under our regulatory jurisdiction.

Based upon the information and plans you provided, we hereby verify that the work described above, which would be performed in accordance with the enclosed plan (sheets 1-3), dated July 12, 2011, is authorized by Nationwide Permit (NWP) No. 8, Oil and Gas Structures on the Outer Continental Shelf. NWP No. 8 and its associated Regional and General Conditions can be accessed at our website at www.poa.usace.army.mil/reg. Regional Condition B applies to your project. You must comply with all terms and conditions associated with NWP No. 8, Oil and Gas Structures on the Outer Continental Shelf.

Further, please note General Condition 26 requires that you submit a signed certification to us once any work and required mitigation are completed. Enclosed is the form for you to complete and return to us.

This verification is valid until the NWP's are modified, reissued, or revoked. All of the existing NWP's are scheduled to be modified, reissued, or revoked prior to March 18, 2012. It is incumbent upon you to remain informed of changes to the NWP's. We will issue a public notice when the NWP's are reissued. Furthermore, if you commence or are under contract to commence this activity before the date that the relevant nationwide permits are modified or revoked, you will have twelve (12) months from the date of the modification or revocation of the NWP's to complete the activity under the present terms and conditions of these nationwide permits.

Nothing in this letter excuses you from compliance with other Federal, State, or local statutes, ordinances, or regulations.

Please contact me via email at Benjamin.N.Soiseth@usace.army.mil, by mail at the address above, by phone at (907) 753-2773, or toll free from within Alaska at (800) 478-2712, if you have questions or to request paper copies of the jurisdictional determination, regional and/or general conditions.

Sincerely,



Benjamin Soiseth
Project Manager

Enclosures

Enclosure



**US Army Corps of Engineers
Alaska District**

Permit Number: POA-2011-447

Name of Permittee: Shell Gulf of Mexico Inc.

Date of Issuance: **AUG 09 2011**

Upon completion of the activity authorized by this permit and any mitigation required by the permit, sign this certification and return it to **Mr. Benjamin Soiseth** at the following address:

U.S. Army Corps of Engineers
Alaska District
Regulatory Division
Post Office Box 6898
JBER, Alaska 99506-0898

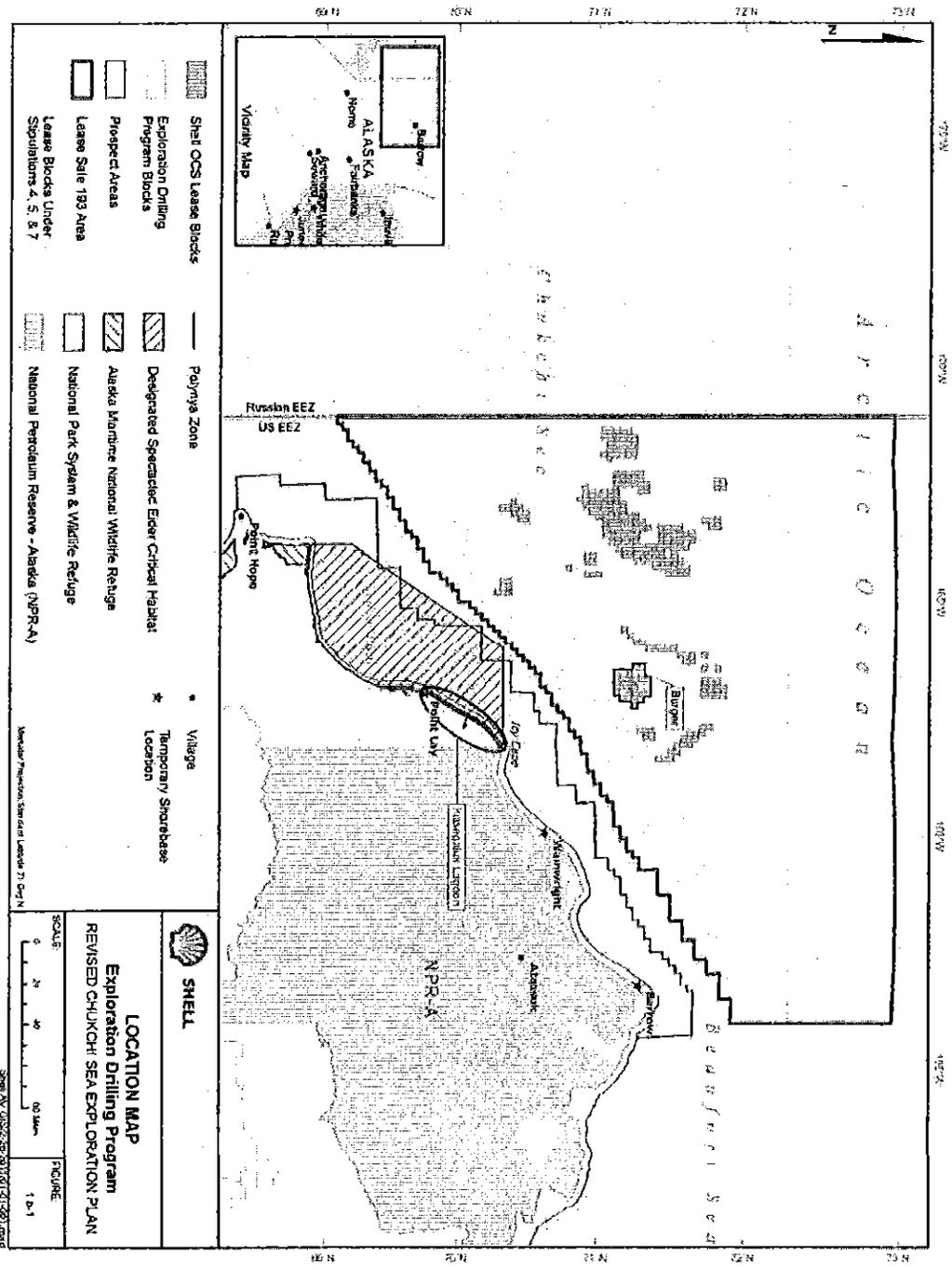
Please note that your permitted activity is subject to a compliance inspection by an U.S. Army Corps of Engineers representative. If you fail to comply with this permit you are subject to permit suspension, modification, or revocation.

I hereby certify that the work authorized by the above-referenced permit has been completed in accordance with the terms and conditions of the said permit, and required mitigation was completed in accordance with the permit conditions.

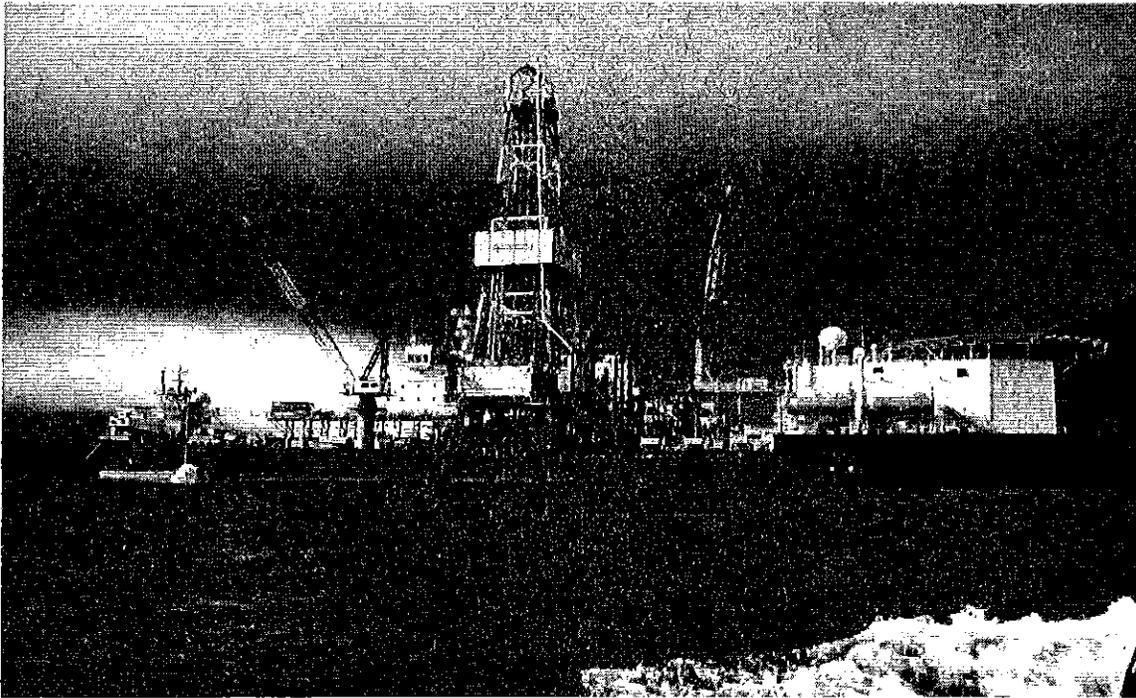
Signature of Permittee

Date

Figure 1.b-1 Location of Lease Blocks, Shell's Revised Chukchi Sea Exploration Plan



Chukchi Sea Exploration Block Locations
 POA-2011-447, Chukchi Sea
 July 12, 2011
 Sheet 1 of 3



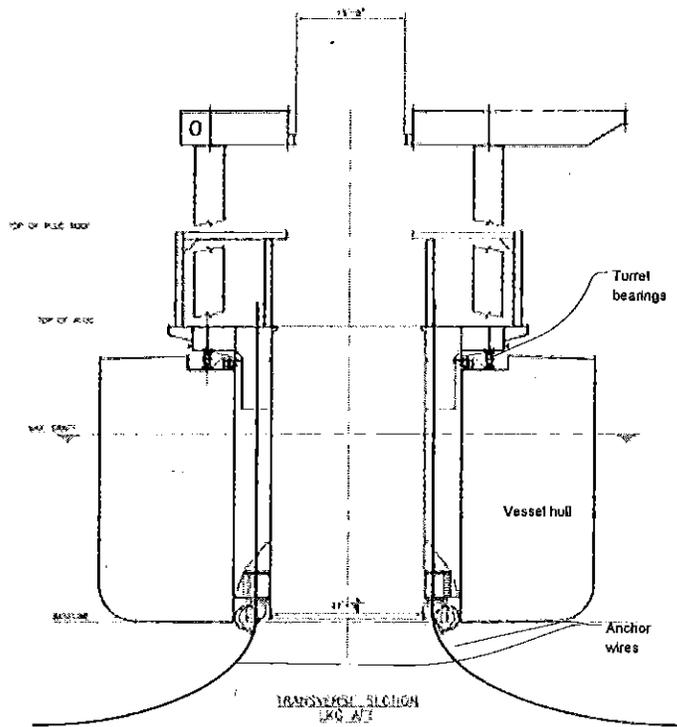
Discoverer Specifications

DISCOVERER SPECIFICATIONS	
TYPE-DESIGN	Drillship - Sonat Offshore Drilling <i>Discoverer</i> Class
SHAPE	Monohull with sponsons added for ice-resistance ¹
SHIP BUILDERS & YEAR	Namura Zonshno Shipyard, Osaka, Japan - hull number 355
YEAR OF HULL CONSTRUCTION	1965
YEAR OF CONVERSION	1976
DATE OF LAST DRY-DOCKING	2010

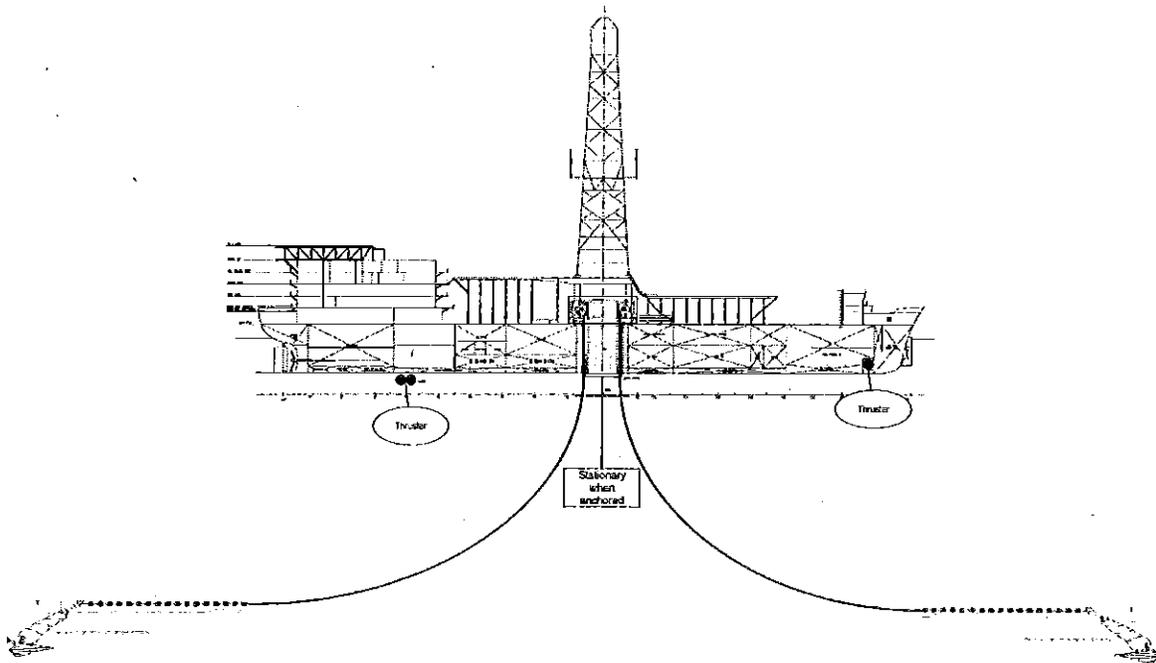
DISCOVERER DIMENSIONS		
LENGTH	514 ft	156.7 m
LBP	486 ft	148.2 m
BREADTH (MOULDED) OVER SPONSONS	85.3 ft	26.0 m
MAX HEIGHT (ABOVE KEEL)	274 ft	83.7 m
HEIGHT OF DERRICK ABOVE RIG FLOOR	175 ft	53.3 m

DISCOVERER MOORING EQUIPMENT	
Anchor pattern symmetric 8 points system. The unit is fitted with Sonat Offshore Drilling patented roller turret mooring system giving the unit the ability to maintain favorable heading without an interruption of the drilling operations	
ANCHORS	Stevpris New Generation 7,000 kilograms (kg) each (ea) 15,400 pounds (lb) ea
ANCHOR LINES	Chain Wire Combination
SIZE/GRADE	2.75-inch (in) wire 3-in ORQ Chain
LENGTH	2,750 ft (838 m) wire + 1,150 ft (351 m) chain (useable) per anchor

Discoverer Drilling Unit
 POA-2011-447, Chukchi Sea
 July 12, 2011
 Sheet 2 of 3



Center cross sectional diagram



Discoverer Drilling Unit Cross Section
 POA-2011-447, Chukchi Sea
 July 12, 2011
 Sheet 3 of 3

Applicant: Shell Gulf of Mexico Inc		File Number: POA-2011-447	Date: August 10, 2011
Attached is:		See Section below	
	INITIAL PROFFERED PERMIT (Standard Permit or Letter of Permission)	A	
	PROFFERED PERMIT (Standard Permit or Letter of Permission)	B	
	PERMIT DENIAL	C	
XXX	APPROVED JURISDICTIONAL DETERMINATION	D	
	PRELIMINARY JURISDICTIONAL DETERMINATION	E	

THIS REQUEST FOR APPEAL FORM MUST BE RECEIVED BY: October 10, 2011

SECTION I - The following identifies your rights and options regarding an administrative appeal of the above decision. Additional information may be found at http://www.usace.army.mil/CECW/Pages/reg_materials.aspx or Corps regulations at 33 CFR Part 331.

A: INITIAL PROFFERED PERMIT: You may accept or object to the permit.

- **ACCEPT:** If you received a Standard Permit, you may sign the permit document and return it to the District Engineer for final authorization. If you received a Letter of Permission (LOP), you may accept the LOP and your work is authorized. Your signature on the Standard Permit or acceptance of the LOP means that you accept the permit in its entirety, and waive all rights to appeal the permit, including its terms and conditions, and approved jurisdictional determinations associated with the permit.
- **OBJECT:** If you object to the permit (Standard or LOP) because of certain terms and conditions therein, you may request that the permit be modified accordingly. You must complete Section II of this form and return the form to the District Engineer. Your objections must be received by the District Engineer within 60 days of the date of this notice, or you will forfeit your right to appeal the permit in the future. Upon receipt of your letter, the District Engineer will evaluate your objections and may: (a) modify the permit to address all of your concerns, (b) modify the permit to address some of your objections, or, (c) not modify the permit, having determined that the permit should be issued as previously written. After evaluating your objections, the District Engineer will send you a proffered permit for your reconsideration, as indicated in Section B below.

B: PROFFERED PERMIT: You may accept or appeal the permit

- **ACCEPT:** If you received a Standard Permit, you may sign the permit document and return it to the District Engineer for final authorization. If you received a Letter of Permission (LOP), you may accept the LOP and your work is authorized. Your signature on the Standard Permit or acceptance of the LOP means that you accept the permit in its entirety, and waive all rights to appeal the permit, including its terms and conditions, and approved jurisdictional determinations associated with the permit.
- **APPEAL:** If you choose to decline the proffered permit (Standard or LOP) because of certain terms and conditions therein, you may appeal the declined permit under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the Division Engineer. This form must be received by the Division Engineer within 60 days of the date of this notice.

C: PERMIT DENIAL: You may appeal the denial of a permit under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the Division Engineer. This form must be received by the Division Engineer within 60 days of the date of this notice.

D: APPROVED JURISDICTIONAL DETERMINATION (JD): You may accept or appeal the approved JD or provide new information.

- **ACCEPT:** You do not need to notify the Corps to accept an approved JD. Failure to notify the Corps within 60 days of the date of this notice means that you accept the approved JD in its entirety, and waive all rights to appeal the approved JD.
- **APPEAL:** If you disagree with the approved JD, you may appeal the approved JD under the Corps of Engineers Administrative Appeal Process by completing Section II of this form and sending the form to the Division Engineer. This form must be received by the Division Engineer within 60 days of the date of this notice.

E: PRELIMINARY JURISDICTIONAL DETERMINATION: You do not need to respond to the Corps regarding the Preliminary JD. The Preliminary JD is not appealable. If you wish, you may request an approved JD (which may be appealed), by contacting the Corps district for further instruction. Also, you may provide new information for further consideration by the Corps to reevaluate the JD.

SECTION II - REQUEST FOR APPEAL or OBJECTIONS TO AN INITIAL PROFFERED PERMIT

REASONS FOR APPEAL OR OBJECTIONS: (Describe your reasons for appealing the decision or your objections to an initial proffered permit in clear concise statements. You may attach additional information to this form to clarify where your reasons or objections are addressed in the administrative record.)

ADDITIONAL INFORMATION: The appeal is limited to a review of the administrative record, the Corps memorandum for the record of the appeal conference or meeting, and any supplemental information that the review officer has determined is needed to clarify the administrative record. Neither the appellant nor the Corps may add new information or analyses to the record. However, you may provide additional information to clarify the location of information that is already in the administrative record.

In order for a Request For Appeal to be accepted by the Corps, the Corps must determine that it is complete, that it meets the criteria for appeal under 33 CFR Part 331.5, and that it has been received by the Division Office within 60 days of the date of the Notice of Appeal Process. It is not necessary to submit a Request For Appeal form to the Division office if you do not object to the decision.

POINT OF CONTACT FOR QUESTIONS OR INFORMATION:

If you have questions regarding this decision and/or the appeal process you may contact:

Benjamin Soiseth, Project Manager
Alaska District Corps of Engineers
CEPOA-RD-N
P.O. Box 6898
JBER, AK 99506-0898
(907) 753-2773
(800) 478-2712 (toll free in AK)

If you only have questions regarding the appeal process you may also contact:

Commander
USAED, Pacific Ocean Division
ATTN: CEPOD-PDC/Thom Litche
Building 525
Fort Shafter, HI 96858-5440

To submit this form, mail to the address above

RIGHT OF ENTRY: Your signature below grants the right of entry to Corps of Engineers personnel, and any government consultants, to conduct investigations of the project site during the course of the appeal process. You will be provided a 15-day notice of any site investigation, and will have the opportunity to participate in all site investigations.

Signature of appellant or agent.

Date:

Telephone number: