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May 1, 2015

Dr. James Kendall  
Regional Director  
Bureau of Ocean Energy Management  
Alaska OCS Region

**VIA REGULATIONS.GOV<<http://REGULATIONS.GOV>>**

Re: Shell Gulf of Mexico Inc. Outer Continental Shelf Lease Revised Exploration Plan (Rev 2),  
Chukchi Sea, Alaska Burger Prospect (March 2015), Docket No. BOEM-2015-0039

Dear Dr. Kendall:

The Bureau of Ocean Energy Management (BOEM) is considering Shell Gulf of Mexico's (Shell) Revised Chukchi Sea Exploration Plan for the Chukchi Sea. For the reasons described below, our organizations urge BOEM not to approve Shell's plan.

Shell's proposed exploration plan calls for a massive mobilization of vessels, aircraft, and drilling units. The plan calls for two drilling units operating simultaneously in the Chukchi Sea, close to twenty support vessels operating in the area, multiple round-trip helicopter flights between Barrow and the drilling sites each week, and remotely operated vehicles digging mudline cellars in the ocean floor. If permitted, these activities will introduce substantial noise, air, and water pollution into the Arctic environment.

The scope and scale of Shell's proposed activities would unavoidably result in significant impacts to the environment. As a result, BOEM must prepare an Environmental Impact Statement (EIS) to fully evaluate Shell's drilling proposal. Beyond the adverse impacts associated with routine drilling and support operations, BOEM's NEPA analysis must consider and disclose the potential impacts of a large oil spill. As the *Deepwater Horizon* disaster in the Gulf of Mexico unfortunately showed, catastrophic accidents do result from exploration drilling. A large oil spill during Shell's drilling operations could cause catastrophic impacts on Arctic wildlife and on marine and coastal environments. Until BOEM has thoroughly evaluated all these impacts in an EIS, it should not consider approving Shell's proposed exploration plan.

In addition, Shell does not appear to have provided information necessary for BOEM to evaluate whether the company is prepared to operate safely and responsibly in the Arctic. The limited information that BOEM has made available to the public does not show that Shell's third-party management systems review is complete. Absent a complete and comprehensive audit of Shell's

management systems, public review of its results, and full implementation of recommended actions, BOEM should not approve Shell's 2015 exploration plan.

The exploration plan also does not appear to satisfy regulations requiring an approved oil spill response plan. Instead of providing a spill response plan to accompany the exploration plan, Shell suggests that a version of the 2014 approved Chukchi Spill Plan containing "[a]dministrative updates" will govern 2015 operations. BOEM should require a complete and approved spill plan. BOEM also has yet to complete consultation with the National Marine Fisheries Service (NMFS) regarding the effects of Shell's proposed operations on endangered and threatened species, such as whales and seals. Among other issues, BOEM and NMFS must assess the effects of Shell's operations in light of the newly identified bowhead whale aggregation area south of the Hanna Shoal.<sup>1</sup> Such an assessment should be completed before BOEM determines whether to approve the exploration plan.

There are also unanswered questions about BOEM's evaluation of the impacts from the substantial air emissions that would result from Shell's proposed activities in 2015. BOEM needs better information about the emissions from the drilling units and associated vessels when the drilling units are not anchored, emissions from associated vessels operating at a distance of more than 25 miles from the drilling sites, emissions from aircraft, and emissions from onshore facilities and operations.

Shell was not ready to operate safely and responsibly when it last tried to drill exploration wells in the Arctic Ocean in 2012. The company and its contractors violated numerous permit conditions, failed to ensure the proper preparation of spill response equipment, and failed to respect environmental conditions, resulting in the near-grounding of the *Noble Discoverer* near Dutch Harbor and the actual grounding of the *Kulluk* near Kodiak Island. Given this track record, Shell's 2015 Arctic exploration plan merits careful scrutiny from BOEM. Shell's exploration plan, however, does not give BOEM the information necessary to evaluate the risks associated with the proposed drilling operations and satisfy its regulatory responsibilities. BOEM should require Shell to provide additional information before determining whether to approve Shell's exploration plan.<sup>2</sup>

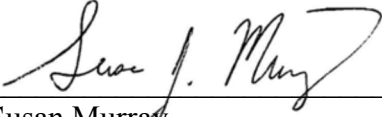
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<sup>1</sup> The Aerial Survey for Arctic Marine Mammals sighted large numbers of bowhead whales during the fall migrations of 2012 and 2013 in the region that is likely to be ensouffied by Shell's operations. Analysis of the relative density of sighted whales across the Beaufort and Chukchi seas in the fall indicates that the region south of Hanna Shoal was a hotspot for whales in those years equivalent to hotspots seen on the U.S. Beaufort Shelf. BOEM should consider that, in at least some years, large numbers of bowhead whales may use the region south of Hanna Shoal, which could result in large numbers of whales being affected by Shell's proposed activities. See Audubon, et al., Scoping Comments for the 2017-2022 Proposed Oil and Gas Leasing Program Programmatic EIS and Comments on the Draft Proposed OCS Oil and Gas Leasing Program for 2017-2022 at 10 – 11.

<sup>2</sup> We agree with and incorporate the substantive concerns that are raised in a separate letter submitted today on behalf of Earthjustice and other conservation organizations.

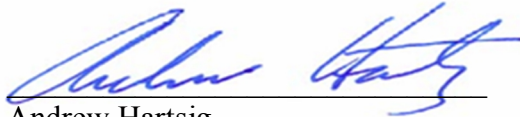
BOEM appears willing to rush the required process in order to allow Shell to proceed this summer. Such a rush is not in the best interests of the agency, company, or the public at large. We urge BOEM not to approve Shell's exploration plan.

Sincerely,



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