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ACRONYMS & ABBREVIATIONS

3D Three-dimensional

ABWC Alaska Beluga Whaling Committee

ADEC Alaska Department of Environmental Conservation

ADNR Alaska Department of Natural Resources

AEWC Alaska Eskimo Whaling Commission

ASRC Arctic Slope Regional Corporation

CAA Conflict Avoidance Agreement

CFR Code of Federal Regulations

COCP Critical Operations and Curtailment Plan

Com Centers Communication and Call Centers
EIA Environment Impact Assessment

EP Exploration Plan

EWC Eskimo Walrus Commission

ft foot/feet

Discoverer Drillship M/V Frontier Discoverer

IADC International Association of Drilling Contractors

ICAS Inupiat Community of the Arctic Slope

IHA Incidental Harassment Authorization

IMP Ice Management Plan

km kilometer/kilometers

LCMF Corporation, a division of Ukpeagvik Iñupiat Corporation

LOA Letter of Authorization

MMPA Marine Mammal Protection Act

4MP Marine Mammal Monitoring and Mitigation Plan

MMO Marine Mammal Observer

m meter/meters

mi statute mile/miles

MMS Department of the Interior, Minerals Management Service

NMFS National Marine Fisheries Service

NSB North Slope Borough

NWAB Northwest Arctic Borough

OCS Outer Continental Shelf

ODPCD or C-Plan Oil Spill Prevention and Contingency Plan

POC Plan of Cooperation

R&D Research and Development
Shell Shell Gulf of Mexico Inc.
TK Traditional Knowledge

UIC Ukpeagvik Iñupiat Corporation

USFWS United States Fish and Wildlife Service

yd yard/yards

INTRODUCTION 1.0

The following Plan of Cooperation (POC) was prepared pursuant to Minerals Management Service (MMS) Lease Sale Stipulation No. 5 (see Appendix A), which requires that all exploration operations be conducted in a manner that prevents unreasonable conflicts between oil and gas exploration activities and subsistence resources and activities. This stipulation also requires adherence to United States Fish and Wildlife Service (USFWS) and National Marine Fisheries Service (NMFS) regulations. regulations require an operator to implement a POC to mitigate the potential for conflicts between the proposed activity and traditional subsistence activities (50 Code of Federal Regulations [CFR] § 18.124(c)(4) and 50 CFR § 216.104(a)(12)).

The POC identifies the measures that Shell Gulf of Mexico Inc. (Shell) has developed in consultation with North Slope communities and will implement during its planned 2010 Chukchi Sea exploration drilling program to minimize any adverse effects on the availability of marine mammals for subsistence uses. In addition, the POC details Shell's communications and consultations with local communities concerning its proposed 2010 exploration drilling program, potential conflicts with subsistence activities, and means of resolving any such conflicts (50 CFR § 18,128(d) and 50 CFR § 216,104(a) (12) (i), (ii), (iv)). Shell has documented its contacts with the North Slope communities, as well as the substance of its communications with subsistence stakeholder groups. Tables summarizing the substance of Shell's communications, and responses thereto, are included in Appendix B. This POC may be supplemented, as appropriate, to reflect additional engagements with local subsistence users and any additional or revised mitigation measures that are adopted as a result of those engagements.

Shell's 2010 Chukchi Sea exploration drilling program, which is planned for the Burger, Crackerjack and Southwest Shoebill Prospects, which are located over 60 statute miles offshore in the Chukchi Sea (Figure 1), is set-out in detail in the Exploration Plan, 2010 Exploration Drilling Program, Posey Blocks 6713, 6714, 6763, 6764, and 6912, Karo Blocks 6864 and 7007, Burger, Crackerjack, and SW Shoebill Prospects OCS Lease Sale 193, Chukchi Sea (EP) and the impacts of the project, as well as the measures Shell will implement to mitigate those impacts, are analyzed in the Environmental Impact Analysis, 2010 Exploration Drilling Program, Posey Blocks 6713, 6714, 6763, 6764, & 6912, Karo Blocks 6864 & 7007 Burger, Crackerjack & SW Shoebill Prospects, Chukchi Sea, Alaska (EIA). Shell will implement this POC, and the mitigation measures set-forth herein, for its Chukchi Sea exploration drilling program.

POC LEASE STIPULATION AND REGULATORY 2.0 REQUIREMENTS

MMS Lease Sale Stipulation No. 5 (Appendix A) requires that all exploration operations be conducted in a manner that prevents unreasonable conflicts between oil and gas activities, and subsistence resources and activities of the residents of the North Slope. Specifically, Stipulation No. 5 requires the operator to consult directly with potentially affected North Slope subsistence communities, the North Slope Borough (NSB), the Alaska Eskimo Whaling Commission (AEWC), and co-management groups including the Alaska Beluga Whale Committee (ABWC), Alaska Eskimo Walrus Commission (EWC), Ice Seal Commission, and Nanuq Commission.

Consultation is needed "to discuss potential conflicts with the siting, timing, and methods of proposed operations and safeguards or mitigating measures which could be implemented by the operator to prevent unreasonable conflicts." Stipulation No. 5 also requires the operator to document its contacts and the substance of its communications with subsistence stakeholder groups during the operator's consultation process.

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The requirements of Stipulation No. 5 parallel requirements for receipt of a USFWS Letter of Authorization (LOA) and a NMFS Incidental Harassment Authorization (IHA). The LOA and IHA provide authorization for the nonlethal harassment of species protected by the Marine Mammal Protection Act. Both the USFWS and NMFS require an applicant to implement a POC to mitigate the potential for conflicts between the proposed activity and traditional subsistence activities (50 CFR § 18.124(c)(4) and 50 CFR § 216.104(a)(12)). The POC must identify the measures that will be taken to minimize any adverse effects on the availability of marine mammals for subsistence uses. In addition, both USFWS and NMFS require an applicant to communicate and consult with local subsistence communities concerning the proposed activity, potential conflicts with subsistence activities, and means of resolving any such conflicts (50 CFR § 18.128(d) and 50 CFR § 216.104(a) (12) (i), (ii), (iv)).

Figure 1 Chukchi Sea

3.0 MEASURES IN PLACE

The following mitigation measures, plans and programs, are integral to this POC and were developed during consultation with potentially affected subsistence groups, communities, and the NSB. These measures, plans, and programs will be implemented by Shell during its 2010 exploration drilling operations in the Chukchi Sea to monitor and mitigate potential impacts to subsistence users and resources. These measures are documented in the following sections:

- 2010 Mitigation Measures
- Exploration Drilling Marine Mammal Monitoring and Mitigation Program (4MP)
- Interaction and Avoidance Plan for Polar Bear and Pacific Walrus

3.1 2010 Mitigation Measures

The mitigation measures Shell has adopted and will implement during its 2010 Chukchi Sea exploration drilling operations are listed and discussed below. These mitigation measures reflect Shell's experience conducting exploration activities in Alaska since 2006 and its ongoing consultations with local subsistence communities to better understand their concerns and develop appropriate and effective mitigation measures to address those concerns. This most recent version of Shell's planned mitigation measures was presented to community leaders and subsistence user groups starting in January 2009 and has evolved since in response to comments and concerns expressed during the consultation process.

3.1.1 Subsistence Mitigation Measures

To minimize any cultural or resources impacts to subsistence beluga whaling or walrus hunting activities from its operations, exploration drilling activities will not take place in the Chukchi Sea until on or about July 4, 2010. Shell will implement the following measures to ensure coordination of its activities with local subsistence users and to minimize further the risk of impacting marine mammals and interfering with the subsistence hunt:

- To minimize impacts on marine mammals and subsistence hunting activities, vessels that can safely travel outside of the polynya zone will do so, unless it is necessary to break ice (as opposed to managing ice by pushing it out of the way) or if sea state conditions require an alternative route. Shell will notify the local communities of any change in the transit route through the Communication and Call Centers (Com Centers). In all cases, vessel transits will follow a route that allows for the highest degree of safety regarding ice conditions and sea states.
- Shell has developed a Communication Plan and will implement it before initiating exploration drilling operations to coordinate activities with local subsistence users as well as Village Whaling Associations in order to minimize the risk of interfering with subsistence hunting activities, and keep current as to the timing and status of the bowhead whale migration, as well as the timing and status of other subsistence hunts. The Communication Plan includes procedures for coordination with Communication and Call Centers (Com Centers) to be located in coastal villages along the Chukchi and Beaufort Seas during Shell's proposed activities in 2010.
- Shell will employ local Subsistence Advisors (SA) from the Beaufort Sea and Chukchi Sea villages to provide consultation and guidance regarding the whale migration and subsistence hunt. A total of nine SA-liaison positions will be hired to work approximately 8-hours per day and 40-hour weeks through 2010. The SA will use Traditional Knowledge (TK) to gather data on subsistence lifestyle within the community and advise in ways to minimize and

mitigate potential negative impacts to subsistence resources during the drilling season. Responsibilities include reporting any subsistence concerns or conflicts; coordinating with subsistence users; reporting subsistence-related comments, concerns, and information; and advising how to avoid subsistence conflicts. A SA handbook will be developed prior to the operational season to specify position work tasks in more detail.

- Shell will recycle drilling muds (e.g., use those muds on multiple wells), to the extent practicable based on operational considerations) (e.g., mud properties have deteriorated to the point where they cannot be used further), to reduce discharges from its operations. At the end of the season excess water base fluid, approximately 1,500 barrels (bbl) will be pre-diluted to a 30:1 ratio with seawater and then discharged.
- Shell will also implement flight restrictions prohibiting aircraft from flying within 1,000 ft (300 m) of marine mammals or below 1,500 ft (457 m) altitude (except during takeoffs and landings, in emergency situations or for MMO overflights) while over land or sea.

3.1.2 Marine Mammal Mitigation Measures

As described below, marine mammal mitigation measures will focus on the utilization of Marine Mammal Observers (MMOs) to ensure that drilling and support vessel activities do not disturb marine mammal resources and avoid unreasonable interference with the subsistence hunt of those resources. MMOs will be stationed on all drilling and drilling support vessels to monitor the exclusion zone (areas within isopleths of certain sound levels for different species) for marine mammals. For vessels in transit, if a marine mammal is sighted from a vessel within its respective safety radius, the Shell vessel will reduce activity (e.g., reduce speed and/or change course) and noise level to ensure that the animal is not exposed to sound above their respective safety levels. Full activity will not be resumed until all marine mammals are outside of the exclusion zone and there are no other marine mammals likely to enter the exclusion zone. Regular overflight surveys and support vessel surveys for marine mammals will be conducted to further monitor prospect areas. Shell will also implement flight restrictions prohibiting aircraft from flying within 1,000 ft (300 m) of marine mammals or below 1,500 ft (457 m) altitude (except during takeoffs and landings, in emergency situations, or for MMO overflights), further reducing the likelihood of impacts.

Anchored vessels, including the drilling vessel, will remain at anchor and continue ongoing operations if approached by a marine mammal. An approaching animal, not exhibiting avoidance behavior, is likely curious and not regarded as harassed. The anchored vessel will remain in place and continue ongoing operations to avoid possibly causing avoidance behavior by suddenly changing noise conditions.

For all marine mammals (ESA-listed and non-listed species), potential impacts will be mitigated by implementation of Shell's Marine Mammal Monitoring and Mitigation Plan (4MP). Shell's 4MP is attached as Appendix A to Shell's IHA application (EP Appendix D) for the activities associated with this EP and is an integral part of Shell's 2010 exploration program. Shell's 4MP serves multiple purposes; it protects marine mammal resources, fulfills reporting requirements of MMS, NMFS and USFWS and establishes a means of collecting scientific data on marine mammals to inform future planning. The principal components of the 4MP are summarized here

Shell's 4MP integrates marine mammal monitoring and real-time mitigation measures. These goals are accomplished by vessel-based, acoustic and aerial monitoring programs. Dedicated personnel onboard each vessel involved with this project will actively monitor the surrounding area for the presence of any marine mammals. These MMOs will be trained, experienced field observers, including both biologists and Inupiat personnel. MMOs will be stationed at various locations on the

Discoverer and drilling support vessels throughout the period of operations. They will actively monitor for marine mammals and record data on numbers, distance and behavior, including reactions to operations; and report results. Significantly, MMOs will initiate mitigation measures when appropriate. For example, for vessels in transit, MMOs will assist the vessel in maintaining the 500 yd (460 m) exclusion zone around polar bear and walrus. Vessels must also reduce speed and avoid course changes within 300 yd (275 m) of other marine mammals; MMOs will assist vessels in implementing this mitigation measure as well, and in avoiding collisions with marine mammals. Each drilling support vessel will have at least one Inupiat MMO. Inupiat MMOs will facilitate outreach and communication with local communities and, during the whale hunt, communications directly with whalers. These activities will mesh with Shell's broader POC to avoid impacts to subsistence resources and activities.

Acoustic monitoring will measure the sound levels produced by drilling activities of the drillship, including variations with time, distance and direction from the drillship. Acoustic monitoring will also measure the sound levels produced by support vessels, including ice management vessels. Drilling and vessel sounds will be measured and recorded using two methods, which may be used separately or together. The first method employs hydrophones mounted on the sea floor around the drilling vessel. This system will be located within 500-1000 m from the drilling vessel. These will feed real-time sound data by cable back to the drillship. An activity log will correlate sound levels with vessel activities. The second method will deploy additional hydrophone systems at various distances and locations around operations. Acoustic data from the second system will be stored digitally for later retrieval. Drilling sound monitoring equipment will be deployed as soon as possible after the *Discoverer* is on site.

Shell plans to deploy a separate acoustic monitoring system in the Chukchi Sea in 2010 similar to the systems deployed in the Beaufort and Chukchi Seas in 2007 and 2008. This system of acoustic recorders will be deployed in arrays to permit localization of bowhead whale and other marine mammal vocalizations. The objective of this system is to gather information on bowhead whale migration paths and evidence whether and to what extent there is deflection from industrial sound sources. The system uses directional autonomous seafloor acoustic records and will monitor sounds levels continuously for six to ten weeks during the migration from five coastal sites, subject to ice and weather conditions.

Aerial surveys will enhance the monitoring of onboard MMOs and acoustic monitoring. Aerial surveys will begin 5-7 days prior to field operations and continue 5-7 days after operations at a site are complete. Aerial surveys will occur daily during operations, subject to weather and flight conditions, and follow pre-determined survey grids tailored for Shell's specific operations. Each survey flight will have two monitors seated at bubble windows (to facilitate downward viewing) on either side of the aircraft. Aerial monitors will be in real-time communication with operating vessels. Aerial monitors will advise vessels of the presence of marine mammals in the area of operations and collect data on the distribution, numbers and movements of marine mammals near the drilling vessel and support vessels. Aerial monitors will record data on the impacts, if any, to migrating whales (e.g., the distance of any noted deflection) and other marine mammals (e.g., avoidance, flushing). This will document actual impacts on affected species and support regulatory reporting requirements. Aerial monitoring will also verify the availability of bowhead whales for Inupiat hunters.

These measures have proven effective at minimizing impacts marine mammals. The data gathered is used to monitor the effectiveness of operational mitigation measures, satisfy regulatory reporting obligations and collect valuable scientific data on mammals that otherwise would not be collected. To review the complete MMO protocol, refer to the Marine Mammal Monitoring and Mitigation Plan for Exploration Drilling of Selected Lease Areas in the Alaskan Chukchi Sea in 2010 (4MP).

3.1.3 Mitigation Measures for Oil Spill Prevention and Response

MMS has concluded that the probability of a large oil spill occurring during an exploration drilling project is extremely remote. Nevertheless, as required by both federal and state regulations, Shell has developed and will implement a comprehensive Oil Discharge Prevention and Contingency Plan (ODPCP or C-Plan) during its exploration drilling operations. The C-Plan will be reviewed and approved by both state and federal regulators to ensure that Shell has the spill response resources necessary to respond to any spill that might occur. While the probability of a spill is very remote, Shell will dedicate all necessary resources to respond to any spill that might occur. In addition to the maintenance and implementation of its ODPCP, Shell will implement the following additional measures to further minimize the risk of a spill that might impact marine mammals and interfere with the subsistence hunt:

- Shell has established and will follow transit routes that avoid known fragile ecosystems and critical habitat areas to reduce the possibility of impacting those resources in the unlikely event of a diesel spill.
- Shell has developed and will implement an Ice Management Plan (IMP) to ensure real-time ice and weather forecasting to identify conditions that might put operations at risk and modify its activities accordingly. The IMP also contains ice threat classification levels depending on the time available to suspend drilling operations, secure the well and escape from advancing hazardous ice. See EP, Section 9, for details regarding Shell's IMP.
- Shell has developed and will implement a Critical Operations and Curtailment Plan (COCP), which establishes protocols to be followed in the event potential hazards, including ice, are identified in the vicinity of the drilling operations (e.g., ice floes, inclement weather, etc.). Like the IMP, the COCP threat classifications are based on the time available to prepare the well and escape the location. The COCP also contains provisions for not initiating certain critical operations if there is insufficient time available before the arrival of the hazard at the drill site. See EP, Section 9, for details regarding Shell's COCP.
- Shell has designed each of its exploration wells (including hole sizing, mud program, casing design, casing cementing depth, hole sizing, and wellhead equipment, etc.) specifically to minimize the risk of uncontrolled flows from the wellbore due to casing or other equipment failures.
- Shell requires its drilling supervisors, toolpushers, drillers and assistant drillers to hold an International Association of Drilling Contractors (IADC) WellCap (or equivalent) certificate showing mastery of well control procedures and principles, and its crews must participate in regular training and drills in kick control to minimize the risk of a well control event that might lead to a spill.
- Shell will use state-of-the-art automatic kick detection equipment, including pit volume totalizers, a flow detector and various gas detectors placed about the rig, to provide early warning of a potential well control event.
- The blowout preventer Shell will install on the high-pressure wellhead housing on the 20-in conductor casing on each exploration well includes redundant mechanical barriers to provide multiple means of closing in the well to prevent an oil flow to the surface.
- Shell will install multiple barriers, including manual and automated valves, on the drilling rig to prevent flows from coming up the drill string.
- Shell has developed and will implement a Well Control Contingency Plan (WCCP) in the extremely unlikely event of a well control event to minimize the risk of oil coming in contact

with the water. Shell will prepare a Relief Well Drilling Plan for each location in advance of spudding the well to ensure that a relief well can be started quickly to kill the well as a part of the Well Control Contingency Plan. See EP, Section 9, for details regarding Shell's WCCP.

- Shell has developed and will implement a Fuel Transfer Plan (FTP), which, among other things, requires the deployment of containment boom prior to any refueling operation to minimize the risk of a diesel fuel spill. See EP, Section 9, for details regarding Shell's FTP.
- Shell will station and maintain its Oil Spill Response vessels in the immediate vicinity of its drilling operations to ensure timely response to any spill event. See ODPCP.

3.2 2010 Exploration Drilling Marine Mammal Monitoring and Mitigation Program

Under 50 CFR 218.108, NMFS requires any holder of an IHA in Arctic waters to complete monitoring and reporting requirements established in the IHA and published regulations. Additionally, the USFWS requires all applicants for LOAs to conduct monitoring under 50 CFR 18.128. To meet these requirements, a 4MP was developed for the 2010 Chukchi Sea exploration drilling program. The 4MP is designed to avoid, minimize, and mitigate potential adverse impacts to marine mammal subsistence resources that may result from offshore activities. The 4MP for Shell's 2010 activities is available from NMFS and is included in Section 9 of the 2010 Chukchi Sea Exploration Plan. The 4MP for the 2010 drilling program includes the following provisions:

- MMOs will be required to support the transit and operations in the Chukchi Sea. The shipboard MMO program is designed to provide real time observations of marine mammals by trained observers from individual vessels to document exposure to industrial activities. MMOs will be present on vessels to monitor for the presence of marine mammals, assist maintenance of marine mammal safety radii around vessels, monitor and record avoidance or exposure behaviors, and communicate with the Com and Call Centers and local subsistence hunters by marine radio. The experience and abilities of the NSB residents in sighting and identifying marine mammals during Shell's exploration programs contributed significantly to the success of Shell's previous monitoring and mitigation program.
- Manned Aerial Program aerial surveys to collect information in the Chukchi Sea regarding distribution and abundance of bowhead whales and other marine mammals.
- Acoustic Recorders a combination of recorder technology, such as pop-up or Directional Autonomous Seafloor Acoustic Recorder buoys, to monitor wide area distribution of marine mammals, specifically bowhead whales, in relation to Shell's proposed activities.
- Sound Modeling of vessels utilized for seismic and drilling activities.
- Sound Source Verification field measurement sound propagation profiles of all vessels utilized by Shell in the 2010 exploration drilling programs in the Chukchi Sea.

3.3 Interaction and Avoidance Plan for Polar Bear and Pacific Walrus

Shell has prepared an interaction and avoidance plan for polar bear and Pacific walrus to meet the requirements of 50 CFR 18.128 for holders of LOAs issued by the USFWS. The plan outlines procedures for mitigating potential impacts to polar bear and Pacific walrus, as well as monitoring program requirements. The same plan has been submitted for Shell's open water seismic and shallow hazard survey activities in 2007, 2008, and 2009; and the research and development on-ice seismic program for

2007 and 2008. A copy of the plan is on file with the USFWS. Measures in the plan, which cover all Shell activities are summarized here.

- New polar bear dens, identified by industry, local residents, and regulatory agencies are reported annually and will be incorporated into project plans to ensure both bear and worker safety. Bear dens discovered during operations will be reported to the designated USFWS representatives.
- Trash will be collected and separated so that all food-associated waste is placed in an appropriate bear-resistant dumpster.
- Hazardous wastes, if generated, would be transported off-site for disposal at an approved facility.
- Employees will be prohibited from directly feeding animals or deliberately leaving food for polar bears and other animals.
- If a polar bear is observed, all on-site personnel will be alerted so that work activities can be altered or stopped to avoid interactions. Personnel will contact the designated USFWS representative whenever a polar bear is sighted. Depending on the distance between the polar bear and the activities this may mean retreating to the safety of vehicles, emergency shelter, temporary buildings, or other safe haven.
- When a polar bear is observed, a designated bear watcher will be assigned to ensure continuous monitoring of the bear's movements. The On-Scene Shell Supervisor will be contacted before any bear hazing activities. Trained polar bear hazers and bear guards will support field operations.
- Exploration Drilling and support vessels will observe a 0.5 mi (800 m) exclusion zone around any bear observed on land or ice during transit.
- Aircraft will maintain 1,500 ft (457 m) minimum altitude within, 0.5 mi (800 m) of a hauled-out polar bear or Pacific walrus.
- Ice management mitigation measures, such as "ice scouting," will use radar, satellite imagery, observations from support vessels by trained Ice Pilots, and reconnaissance flights to monitor ice movement in areas near the prospect area prior to and during drilling operations. These measures will provide an early warning of bears in the vicinity so appropriate measures can be taken to limit polar bear/human interference.
- Polar bear monitoring, reporting, and survey activities will be conducted in accordance with those outlined in 71 Federal Register 26770.
- Exploration drilling and support vessels will observe an 0.5 mi (800 m) exclusion zone around Pacific walrus observed on land or ice during transit.

4.0 AFFECTED SUBSISTENCE COMMUNITY MEETINGS

Affected subsistence communities that were consulted regarding Shell's 2010 proposed activities in the Chukchi Sea include: Barrow, Wainwright, Kotzebue, Kivalina, Point Lay and Point Hope. Additionally, Shell met with subsistence groups including the AEWC, ICAS, and the Native Village of Barrow, and presented information regarding the proposed activities to the NSB and NWAB Assemblies, and NSB and NWAB Planning Commissions. Several one-on-one meetings were also held throughout the villages.

4.1 Consultation with Community Leaders

Beginning in early January 2009, Shell held one-on-one meetings with representatives from NSB and NWAB, subsistence-user group leadership, and Village Whaling Captain Association representatives. These meetings took place at the convenience of the community leaders and in various venues. Meetings were held starting on the 12th of January 2009 and continuing through April of 2009. Shell's primary purpose in holding individual meetings was to inform key leaders, prior to the public meetings, so that they would be prepared to give appropriate feedback on planned activities.

4.2 Community Meeting Summaries

Table 4.2-1 provides a list of public meetings attended by Shell while developing this POC. Appendix B presents sign-in sheets and presentation materials used at the POC meetings. Also, comment analysis tables summarizing feedback on Shell activities, with responses and mitigation measures were constructed using information received during the numerous meetings; these are included in A ppendix B.

Shell presented the proposed project to NWAB Assembly on January 27, to the NSB Assembly on February 2 and to the NSB and NWAB Planning Commissions in a joint meeting on March 25. Meetings were also scheduled with representatives from the AEWC, and presentations on proposed activities were given to ICAS, and the Native Village of Barrow. Shell made several attempts to be included on the agenda for the Native Village of Point Hope to consult on the 2010 program beginning in February, however, as yet, Shell has not been successful in scheduling a formal meeting (Shell hosted a public meeting in Point Hope on March 24). Shell will continue to engage with the Native Village of Point Hope to schedule a meeting prior to its 2010 activities. All engagements were directed towards discussing Shell's planned 2010 drilling activities in Camden Bay and the Chukchi Sea.

Shell attended the 2009 Conflict Avoidance Agreement (CAA) negotiation meetings in support of their 2009 Shallow Hazards surveys taking place in the Chukchi Sea. Shell is committed to a CAA process and will demonstrate this by making a good-faith effort to negotiate an agreement every year it has planned activities. Shell will hold additional consultation meetings in May with the affected communities and subsistence user groups, the NSB, and NWAB to discuss the mitigation measures included in the EP and POC.

TABLE 4.2-1 Meeting Dates and Locations

| 2009 | Meeting | Meeting Attendees – Position | |
|---------------|------------|--|--|
| | Location | | |
| 12-13 January | Barrow | Harry Brower - Whaling Captain, AEWC Chairman and Assistant Director of the | |
| | | NSB Wildlife Department | |
| | | Edward Itta - Whaling Captain and Mayor of the NSB | |
| | | Eugene Brower - Whaling Captain, ASRC Board Member and President of the NSB Assembly | |
| | | Anthony Edward - Whaling Captain and President of UIC | |
| | | Andy Mack - NSB Assistant to the Mayor | |
| | | Harold Curran - NSB Chief Administrative Officer | |
| | | Robert Suydam - NSB Wildlife Department Biologist | |
| | | Cheryl Rosa - NSB Wildlife Department Research Biologist | |
| | | Craig George - NSB Wildlife Department Biologist | |
| 21 January | Point Hope | Steve Oommittuk - Mayor of Point Hope | |
| 21 January | Barrow | Charlie Hopson - Whaling Captain Representative, LCMF member, and AEWC | |
| • | | alternate in Barrow | |
| | | Adeline Hopson – NSB Assembly Member | |
| | | Deano Oleuman - NSB Assembly Member | |
| 21 January | Barrow | Roy Koonuk - AEWC Commissioner and Point Hope Whaling Captain | |
| 21 January | Barrow | George Edwardsen - ICAS President | |
| · | | Juanita Smith - ICAS Natural Resource Director | |
| 21 January | Point Hope | Rex Rock – NSB Assembly Member and Tikiqag Representative | |
| 27 January | Kotzebue | Jackie Hill - Maniilaq Association Representative | |
| 27 January | Kotzebue | Martha Whiting – Mayor of the NWAB | |
| 27 January | Kotzebue | NWAB Assembly Meeting | |
| 27 January | Kotzebue | Chuck Greene, EJ Doll Garoutte, Walter Sampson, Gladys Pungowiyi - NANA | |
| | | Representatives | |
| 2 February | Barrow | NSB Assembly Workshop | |
| 2 February | Barrow | Plan of Cooperation Public Meeting | |
| 3 February | Barrow | Janice Meadows - AEWC Executive Director | |
| 3 February | Barrow | Vera Williams - Native Village of Barrow Realty Director | |
| | | Joseph Sage - Native Village of Barrow Wildlife Director | |
| 4-5 March | Anchorage | AEWC 2009 CAA Negotiations | |
| 24 March | Point Hope | Plan of Cooperation Public Meeting | |
| 25 March | Kotzebue | Plan of Cooperation Public Meeting | |
| 25 March | Kotzebue | NSB/NWAB Joint Planning Commission Meeting | |
| 26 March | Wainwright | Plan of Cooperation Public Meeting | |
| 2 April | Barrow | ICAS Monthly Meeting | |
| 20 April | Barrow | Native Village of Barrow Meeting | |
| 22 April | Point Lay | Plan of Cooperation Public Meeting | |
| 23 April | Kivalina | Plan of Cooperation Public Meeting | |

Notes:

AEWC = Alaska Eskimo Whaling Commission

ASRC = Arctic Slope Regional Corporation

ICAS = Inupiat Community of the Arctic Slope

LCMF = LCMF Incorporated. A subsidiary of Ukpeagvik Iñupiat Corporation

MMS = Department of the Interior, Minerals Management Service

NSB = North Slope Borough NWAB = Northwest Arctic Borough

UIC = Ukpeagvik Iñupiat Corporation

4.3 Project Information and Presentation Materials

To present consistent and concise information regarding the planned 2010 drilling program, Shell prepared presentation materials (listed below and attached in Appendix B) for meetings with stakeholders across the North Slope.

2010 Chukchi Sea Exploration Drilling Presentation Summary

- Summary of Proposed Oil Spill Prevention and Response techniques
- Shells approach to addressing applicable Resolutions that were issued jointly by the NSB/NWAB
- Summary of 2008 Exploration and Science Vessel Transit Routes
- Example of what Shell considers to be a typical Development Timeline
- Summary and explanation of Shell's 2010 Exploration Plan
- Summary of Shell's 2010 drilling discharge program
- Summary of Shell's proposed 2010 drill sites for Camden Bay and the Chukchi Sea

4.4 Meeting Process

Prior to Shell's public meetings, communities were contacted to determine an optimal meeting date and subsequently notified by public advertising. Meeting notices and flyers were sent to each city council and Native council for public posting well in advance of the meeting dates. Public notices were also published in the *Arctic Sounder*, the local paper that serves most of the North Slope region, and announcements were made on the local radio station KBRW 680 AM and KOTZ 720 AM.

Community meetings are designed to allow the public to voice their concerns and speak one-on-one with project experts. At each meeting, six kiosks manned by subject matter experts were set-up to facilitate direct communications and comment cards supplied for each station. Depending on the venue, an informal panel discussion was also held during which time the public was encouraged to pose their questions directly to the panel. Comment cards with a Shell return address were left with the communities and a toll free phone number and e-mail address were provided in case questions arose after the meeting. Food was provided and door prizes were given out to create a friendly environment and encourage attendance. Every effort was made to ensure the maximum amount of feedback was received and that all questions were addressed and answered to the fullest extent possible.

After the meetings, comment cards were gathered and compiled in a comment analysis table. This allowed for the grouping of the comments according to issue and provided a chance for feedback. A separate comment analysis table was completed for each POC meeting, the NSB Assembly Workshop, NSB and NWAB Joint Planning Commission Meeting, the April ICAS meeting, and April meeting with the Native Village of Barrow. For the one-on-one meetings, a combined comment analysis table including an additional column specifying which meeting the comment came from was also completed. Tables are included in Appendix B.

5.0 CONCLUSION

As discussed in Section 4, and detailed in the documents attached here, stakeholders have been provided information relevant to the project and have been invited to offer input on potential environmental, social, and health impacts, as well as and proposed mitigation and conflict avoidance measures. Shell is seeking alignment with stakeholders and, where appropriate and feasible, will incorporate the recommendations of stakeholders into project planning.

As required by applicable lease sale stipulations, as well as anticipated IHA and LOA stipulations, Shell will continue to meet with the affected subsistence communities and users to resolve conflicts and to notify the communities of any changes in its planned operations. The POC may be supplemented, as appropriate, to reflect additional engagements with local subsistence users and any additional or revised mitigation measures that are adopted as a result of those engagements. Shell respectfully submits that this POC meets its obligations under Stipulation No. 5, as well as the POC requirements established by applicable USF&WS and NMFS regulations (50 CFR 216.104, 50 CFR 18.124 and 128), and hereby requests formal acceptance and approval of the POC.

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Appendix A

OCS Lease Sale 193 Stipulations

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Appendix B Communication and Consultation with North Slope Subsistence Stakeholders