United States Department of the Interior

FISH AND WILDLIFE SERVICE
1011 E. Tudor Road
Anchorage, Alaska 99503-6199

IN REPLY REFER TO:

AFES/MMM

NOV 30 2011

Mr. James Winegarner
Vice President, Land and External Affairs
Brooks Range Petroleum Corporation
510 L Street, Suite 601
Anchorage, Alaska 99501

Dear Mr. Winegarner:

This responds to the letter Brooks Range Petroleum Corporation (BRPC) submitted to the U.S. Fish and Wildlife Service (Service), dated September 21, 2011, requesting Letters of Authorization (LOA) for the incidental and intentional take of polar bears for the 2011-2012 North Tarn Exploration Program.

The 2012 North Tarn Exploration Program will include the following major activities:

- Helicopter travel and landing to conduct site clearing field studies;
- Traveling on tundra via Rolligon or similar tundra-approved vehicle to pre-pack ice road alignment;
- Clearing snow from approved sources;
- Collecting water and ice aggregate from approved sources of water and ice;
- Constructing approximately 4.5 miles (approximately 7.2 km) of ice road from the existing Kuparuk River Unit gravel roads to the North Tarn ice pad;
- Constructing the North Tarn ice drill pad;
- Re-entering and completing the North Tarn #1A sidetrack well at the North Tarn Pad;
- Performing a short term production flow test(s) at the North Tarn Pad; and
- Drilling the Mustang # 1, #2, and #3 exploration wells at the North Tarn Pad.

These activities are discussed in detail in the "Plan of Operations North Tarn/ Mustang 2011-2012 Exploration Program (September 2011)."

Enclosed is an LOA (11-25) for the 2011-2012 North Tarn Exploration Program that will allow BRPC to take small numbers of polar bears incidental to oil and gas industry exploration activities at the locations identified in your LOA request. The proposed start date for this project is November 2011. If any changes develop in your project during the 2011-2012 season, such as activities or location, please notify the Service, Marine Mammals Management Office (MMM) prior to the planned operation. This will allow us to evaluate the activity and, if appropriate, amend your LOA.

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In addition, the Service is amending BRPC's current Intentional Take Authorization (11-INT-18) to include the operations described in your September 21, 2011, request. This authorization currently expires on July 22, 2012. In the future, we will include all annual operations in one authorization. It is the responsibility of BRPC personnel to report all polar bear harassment events to the Service, MMM within 24 hours. Intentional take is authorized under Sections 101 (a)(4)(A), 109(h), and 112(c) of the Marine Mammal Protection Act (MMPA).

If a polar bear interaction escalates into a life threatening situation, Section 101(c) of the MMPA allows, without specific authorization, the take (including lethal take) of a polar bear if such action is necessary for self-defense or to defend the life of a person in immediate danger. Any such action or take must be reported to the Service, MMM within 24 hours.

Furthermore, BRPC will: 1) provide copies of the polar bear observation form to all BRPC contractors operating under the LOAs; 2) report any polar bear sightings, or signs of polar bears, such as tracks, scat, or diggings, to the Service, MMM by phone or using the polar bear observation form; 3) report any possible den locations that are found during work activities within 12 hours to the Service, MMM; and 4) institute the one-mile (1600-meter) buffer immediately upon discovery of a maternal den site, as required by condition five of the LOA. Service biologists will be available for consultation if questions or concerns arise during the project period at the phone numbers listed below, and noted in your interaction plan.

Per the Programmatic Biological Opinion (Tier 1 BO) for the Beaufort Sea Incidental Take Regulations for Polar Bear, Pacific Walrus, and Polar Bear Critical Habitat (Regulations) (July 2011), issuance of this LOA also completes consultation for polar bears, Pacific walrus, and polar bear critical habitat pursuant to section 7 of the Endangered Species Act (ESA) of 1973, as amended. This LOA also serves as an "Incidental Take Statement" (ITS), which is required by the ESA in order for incidental take to be authorized.

Reasonable and prudent mitigation measures, as well as implementing terms and conditions were included by the Service, MMM in the Tier 1 BO and have been incorporated into the LOA process. Issuance of this ITS with the LOA completes ESA requirements for authorization of incidental take of polar bears. Compliance with the terms and conditions of this LOA ensures that the LOA holder is also in compliance with the ESA.

An additional requirement of this LOA is for BRPC to provide observational data of polar bears throughout the project and a complete report of all observations at the conclusion of the project to MMM. This report meets the tracking and reporting requirements relative to the documentation of take as required by the MMPA and the ESA.

This authorization is issued in accordance with MMPA Incidental Take Regulations published in the *Federal Register* (76 FR 47010), dated August 3, 2011. Please review these regulations.

If you should have any further questions, please contact Mr. Craig Perham, at (907) 786-3810, or Mr. Christopher Putnam, at (907) 786-3844, of our Marine Mammals Management Office.

Sincerely,

Rosa Meehan, Ph.D.
Chief, Marine Mammals Management

Enclosures

cc: Mr. Richard Shideler, ADF&G
Fairbanks Fish and Wildlife Field Office (FFWFO)
Office of Law Enforcement (OLE)
North Slope Borough Department of Law

United States Department of the Interior

FISH AND WILDLIFE SERVICE
1011 E. Tudor Road
Anchorage, Alaska 99503-6199

IN REPLY REFER TO:
AFES/MMM

**U.S. Fish and Wildlife Service**

**LETTER OF AUTHORIZATION**
**(11-25)**

ISSUED: November 20, 2011
EXPIRES: November 20, 2012

Brooks Range Petroleum Corporation (BRPC) is hereby authorized to take small numbers of polar bears incidental to activities occurring during the 2011-2012 North Tarn/Mustang Exploration Program.

The 2012 North Tarn Exploration Program will include the following major activities:

- Helicopter travel and landing to conduct site clearing field studies;
- Traveling on tundra via Rolligon or similar tundra-approved vehicle to pre-pack ice road alignment;
- Clearing snow from approved sources;
- Collecting water and ice aggregate from approved sources of water and ice;
- Constructing approximately 4.5 miles (approximately 7.2 km) of ice road from the existing Kuparuk River Unit gravel roads to the North Tarn ice pad;
- Constructing the North Tarn ice drill pad;
- Re-entering and completing the North Tarn #1A sidetrack well at the North Tarn Pad;
- Performing a short term production flow test(s) at the North Tarn Pad; and
- Drilling the Mustang # 1, #2, and #3 exploration wells at the North Tarn Pad.

These activities are discussed in detail in the "Plan of Operations North Tarn/ Mustang 2011-2012 Exploration Program (September 2011)." This authorization and the required conditions below include contractors of BRPC performing BRPC-approved work under the scope of operations to be conducted. This Letter of Authorization (LOA) is subject to the following conditions:

1. The BRPC Polar Bear Interaction Plan entitled "Polar Bear Interaction Plan North Tarn/Mustang 2012 Exploration Program (revised November 2011, HAND DELIVERED November 8, 2011)," is approved and all provisions must be complied with unless specifically noted otherwise in this LOA. A copy of the Polar Bear Interaction Plan must be available on site for all personnel.

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2. BRPC Operations Managers, or designates, must be fully aware, understand and capable of implementing the conditions of this LOA.

3. Intentional take is prohibited under this LOA.

4. This authorization is valid only for those activities identified in the request for a Letter of Authorization dated September 21, 2011.

5. Polar bear monitoring, reporting, and survey activities will be conducted in accordance with 50 CFR §18.128. The basic monitoring and reporting requirements follow:

   - BRPC must cooperate with the U.S. Fish and Wildlife Service (Service), and other designated Federal, State or local agencies to monitor the impacts of oil and gas exploration activities on polar bears.

   - BRPC must not conduct activities that operate nor pass within one mile (1600 meters) of known polar bear dens. All observed dens must be reported to the Service, Marine Mammals Management Office (MMM) within 12 hours of discovery. Should occupied dens be identified within one mile of project activities work in the immediate area will cease and the Service, MMM must be contacted for guidance. The Service, MMM will evaluate these instances on a case-by-case basis to determine the appropriate action. Potential actions may range from cessation or modification of work to conducting additional monitoring. BRPC must comply with any additional measures specified.

   - BRPC must designate a qualified individual(s) to observe, record, and report the effects of the activity on polar bears to the Service within 24 hours of observation.

   - At the discretion of the Service, BRPC must allow a Service observer on site to monitor the impacts of the activity on polar bears.

   - BRPC must submit an annual monitoring report to the Service, MMM as required under 50 CFR § 18.128, which will be received no later than 90 days after the expiration date of the LOA.

6. In the Programmatic Biological Opinion for Polar Bears, Pacific Walrus, and Polar Bear Critical Habitat on Beaufort Sea Incidental Take Regulations (Regulations) (July 2011), the Service determined the total incidental take anticipated as a result of the issuance of the Regulations is not likely to result in jeopardy to the polar bear or Pacific walrus, and will not adversely modify polar bear critical habitat. In order for an Incidental Take Statement (ITS) to be provided: (1) the proposed activity must provide the required information, as described in the §18.124 of the Regulations, (2) the LOA includes mitigation measures appropriate for the specific activity and location, as described in §18.128 of the Regulations, and (3) that the incidental take for the specific activity will be consistent with the negligible impact finding for the total take allowed under the Regulations.

We (MMM) have determined that the proposed action meets these three requirements. Therefore, issuance of this LOA also completes ESA requirements for authorization of incidental take of polar bears. Compliance with the terms and conditions of the above LOA ensures that the LOA holder is also in compliance with the ESA.

7. This Letter of Authorization is valid for the period indicated on this authorization, unless extended or terminated in writing by the U.S. Fish and Wildlife Service, Marine Mammals Management Office.

NOV 30 2011

Chief, Marine Mammals Management

Date

United States Department of the Interior

FISH AND WILDLIFE SERVICE
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IN REPLY REFER TO:

AFES/MMM

**U.S. Fish and Wildlife Service**

**AUTHORIZATION TO TAKE, BY HARASSMENT, POLAR BEARS**
**(11-INT-18, Amended)**

ISSUED: July 22, 2011
EXPIRES: November 20, 2012

Under Sections 101(a)(4)(A), 109(h) and 112(c) of the Marine Mammal Protection Act of 1972 (MMPA), as amended, Brooks Range Petroleum Corporation (BRPC) is authorized to take, by harassment, polar bears during exploration activities in association with BRPC's 2011-2012 North Tarn/Mustang Exploration Program. These activities are discussed in detail in the "Plan of Operations North Tarn/ Mustang 2011-2012 Exploration Program (September 2011)."

The purpose of authorizing taking by harassment, or deterrence, is to maintain human and bear safety and welfare in the North Slope oilfields. Authorizing Level B harassment take reduces the likelihood of death or injury of polar bears. This is accomplished by the following objectives:

1. Prevent bears from associating food with humans and facilities.
2. "Condition" bears to avoid people (avoidance conditioning).
3. Allow bears to use travel routes (natural and man-made) to move along the coast.
4. Prevent bears from extended use of areas around facilities.
5. Prevent bears from entering the developed parts of the oilfield.

Harassment authorization is subject to the following conditions:

1. The BRPC Polar Bear Interaction Plan entitled "Polar Bear Interaction Plan North Tarn/Mustang 2012 Exploration Program (revised November 2011, HAND DELIVERED November 8, 2011)," is approved and all provisions are incorporated into this Letter of Authorization (LOA) by reference. A copy of the appropriate Polar Bear Interaction Plan must be available on site for all personnel.

2. BRPC Operations Managers, or designates, must be fully aware, understand and capable of implementing the conditions of this authorization.

3. This LOA is restricted to harassment activities.

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4. BRPC is responsible for ensuring that trained and qualified personnel are assigned the task of deterring polar bears.

   - In the event that firearms are used as a deterrent tool, BRPC is solely responsible for ensuring that their personnel meet Federal and State laws and regulations regarding the use and carry of firearms.
   - Furthermore, BRPC is solely responsible for ensuring that a U.S. Fish and Wildlife Service (Service)-approved procedure for handling less-lethal ammunition in a safe and proper manner is on file with the Service, Marine Mammals Management Office (MMM), if firearms are to be used as a deterrent tool.

5. Authorized individuals are responsible for documenting and reporting to the Service, MMM at (907) 786-3800, all instances involving harassment activities as soon as possible and not later than 24 hours after the occurrence.

6. Harassment and Intentional take (or project activities) will not occur nor pass within one mile (approximately 1600 meters) of known polar bear dens. All observed dens will be reported to the Service, MMM within 12 hours. Should occupied dens be identified within one mile of activities, work in the immediate area will cease and the Service, MMM will be contacted for guidance. The Service will evaluate these instances on a case-by-case basis to determine the appropriate action. Potential responses may range from cessation or modification of work to conducting additional monitoring. BPRC must comply with any additional measures specified.

7. To meet basic polar bear monitoring and reporting requirements, BRPC shall:

   - Cooperate with the Service to monitor the impacts of project activities on polar bears.
   - Designate a qualified individual or individuals to observe, record, and report the sightings of polar bears.
   - Report all sightings of polar bears or polar bear signs (using the polar bear observation form) within 24 hours of initial observation by FAX to (907) 786-3816 or email to craig_perham@fws.gov.
   - Submit a final report to the Service, MMM within 60 days after the expiration of this authorization.

8. Harassment, or deterrent techniques, must not cause the injury or death of a bear. Types of hazing techniques may include, but are not limited to:

   - Bear monitors.
   - Air horns.
   - Electric fences.
   - Chemical repellents.
   - Acoustic recordings.
   - Vehicles.
   - Projectiles: cracker shells, bean bags, rubber bullets and/or "screamers."

9. Prior to conducting a harassment activity, operators must:

   - Reduce/eliminate attractants.
   - Secure site, notify supervisor and move personnel to safety.
   - Ensure bear has an escape route(s).
   - Ensure communication with all personnel.

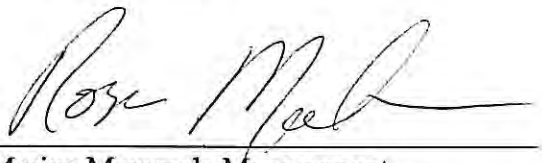
10. When conducting a harassment activity, operators must:

    - Chose the method that will have the least adverse effect on the bear and only increase the intensity of the method, or use additional methods, if necessary.
    - Shout at the bear before using projectile (avoidance conditioning).
    - Move bear in safe direction and continue with minimal necessary deterrents to achieve desired result.

11. After a harassment event has occurred, operators must:

    - Monitor bear movement (to ensure no return).
    - Notify supervisor and personnel to resume work.
    - Fill out report to be sent to the Service as required under condition five above (within 24 hours).

12. This Letter of Authorization is valid for the period indicated on this authorization, unless extended or terminated in writing by the U.S. Fish and Wildlife Service, Marine Mammals Management Office.



NOV 30 2011

Chief, Marine Mammals Management — Date