United States Department of the Interior

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

IN REPLY REFER TO:

AFES/MMM

MAR 06 2013

Ms. Wanda Slocum
Senior Land Consultant
Repsol E&P USA, Inc.
2001 Timberlock Place, Suite 300
The Woodlands, Texas 77830

Dear Ms. Slocum:

We have received your request dated November 26, 2012, requesting Letters of Authorization (LOAs) for the incidental take of polar bears and walruses and the intentional take (deterrence) of polar bears during activities for the Repsol E&P USA, Inc. (Repsol) 2013 Winter Drilling Program in the Colville River Delta area.

In response, enclosed is an LOA (13-05) that authorizes Repsol to take small numbers of polar bears and walruses incidental to oil and gas industry activities for this project at the locations identified in your LOA request. In addition, an Intentional Harassment Authorization LOA (13-INT-09), as authorized under sections 101(a)(4)(A), 109(h), and 112(c) of the Marine Mammal Protection Act (MMPA), is also enclosed.

Repsol proposes to conduct an oil and gas exploration drilling program on leases operated by Repsol during the 2012-2013 winter drilling season. The drilling program will continue through the summer of 2013. Proposed activities are described in the *Plan of Operations, 2012-2013 Winter Drilling Program, North Slope, Alaska (Revised October 9, 2012).* In summary, they include:

- Winter on-shore and off-shore ice road, approximately 30 miles (~48 kilometers [km]), and ice pad construction.
- Winter and early spring drilling operations at up to three locations.
- Camps, rigs, vehicles and equipment to support these operations.
- Demobilization of equipment in the spring.
- Summer clean up operations.

A detailed description of the proposed activities and timelines may be found in Repsol's *Plan of Operations, 2012-2013 Winter Drilling Program, North Slope, Alaska (Revised October 9, 2012).* If any project changes develop during the 2013 season please notify the U.S. Fish & Wildlife Service (Service), Marine Mammals Management Office (MMM). This will allow us to evaluate the activity and, if appropriate, amend your LOAs.

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Polar bear conservation has benefited from monitoring programs associated with the Incidental Take Program since 1993. Monitoring serves to assess the effect of industrial activities on polar bears by evaluating trends and effects of bear encounter rates, take frequency, as well as the location and timing of encounters. The Service believes that protection measures for polar bears described in Repsol's *Bear-Personnel Encounter Plan, 2012-2013Winter Drilling Program, North Slope, Alaska (November 26, 2012)* and the *Plan of Operations, 2012-2013 Winter Drilling Program, North Slope, Alaska (Revised October 9, 2012),* contain appropriate safeguards to limit human/animal interactions and are hereby incorporated into the terms of the LOAs by reference. Repsol field camps and personnel can limit encounters of polar bears by being observant of approaching animals (i.e., the use of polar bear guards) and breaking off interactions, if practicable, by allowing the animals to continue their travel. We encourage Repsol to implement the terms of these plans. Service biologists are available for consultation if questions or concerns arise during the project period at the phone numbers listed below and noted in your interaction plan.

Historical polar bear denning activity reveals that some creek cutbanks and river bluffs provide suitable denning habitat for polar bears, especially in and around the larger, braided rivers, such as the Colville River Delta and Kalubik Creek. Approximately 1,782 miles (2,870 km) of potential polar bear denning habitat is located between the Colville River and the Canning River; of that, approximately 300 miles (480 km) of potential polar bear habitat occurs within the boundaries of the above-mentioned oilfield unit. Disturbance during denning could lead to abandonment of dens and possible mortality to cubs. Repsol must use caution when operating near these areas during the maternal denning period (late October to mid April). Polar bear den detection surveys will be required prior to Repsol beginning operations.

The U.S. Geological Survey has posted information regarding polar bear denning habitat including the polar bear den habitat GIS coverage on the Alaska Science Center (ASC) website. The den habitat map (ARC/INFO export file), the mapping manuscript (PDF file) and a picture of den habitat (JPG file) are now available for downloading on the ASC website (*http://alaska.usgs.gov/science/biology/polar_bears/pubs.html*). Please use these resources when planning activities in potential denning areas and contact us immediately if any dens are found during your activities.

As a precondition to the exploratory program, on January 10, 2013, a FLIR (Forward Looking Infrared) survey flight was conducted in the Repsol project area by Repsol with Service approval. The FLIR survey investigated den habitat within a 1-mile (1.6 km) envelope around potential denning habitat in the project area. No polar bear dens were identified during this survey within the defined survey area.

As stated earlier, enclosed is an Intentional Harassment Authorization (13-INT-09) for Repsol and its representatives to take polar bears by harassment (deterrent activities) for the protection of both human life and polar bears while conducting project activities in polar bear habitat. This authorization is issued specifically to Repsol employees who are responsible for ensuring that trained and qualified personnel are assigned the task to harass (deter) polar bears. It is the

responsibility of Repsol personnel to report all polar bear harassment events to our MMM office within 24 hours. Intentional take is authorized under sections 109(h), and 112(c) of the 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 taking is imminently necessary for self-defense or to save the life of a person in immediate danger and such taking is reported to the Service, MMM office within 24 hours.

For your information, the Service has completed intra-Service consultation under the Endangered Species Act of 1973, as amended (ESA), on the issuance of these LOAs and has determined that the issuance these LOAs is not likely to jeopardize the continuing existence of polar bears and is not likely to destroy or adversely modify polar bear critical habitat, if designated. Therefore, no additional authorization under the ESA is required.

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,

Deborah Pierce Williams
Chief, Marine Mammals Management

Enclosures

cc: Mr. Richard Shideler, Alaska Department of Fish and Game (Email)
U.S. Fish and Wildlife Service, Fairbanks Fish and Wildlife Field Office
U.S. Fish and Wildlife Service, Office of Law Enforcement
North Slope Borough, Department of Law

United States Department of the Interior

FISH AND WILDLIFE SERVICE
1011 E. Tudor Road
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IN REPLY REFER TO:

AFES/MMM

U.S. Fish and Wildlife Service

LETTER OF AUTHORIZATION
(13-05)

ISSUED: March 6, 2013
EXPIRES: January 25, 2014

Repsol E&P USA, Inc. (Repsol) is hereby authorized to take small numbers of polar bears incidental to activities occurring during the 2013 Winter Drilling Program in the Colville River Delta area.

This authorization and the required conditions below include contractors of Repsol performing Repsol-approved work under the scope of operations to be conducted. This Letter of Authorization (LOA) is subject to the following conditions:

1. The Repsol *Bear-Personnel Encounter Plan, 2012-2013 Winter Drilling Program, North Slope, Alaska (November 26, 2012),* is approved and all provisions must be complied with unless specifically noted otherwise in this LOA. A copy of the Bear-Personnel Encounter Plan must be available on site for all personnel.

2. Repsol Operations Managers, or designates, must be fully aware of, understand, and be 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 (*Plan of Operations, 2012-2013 Winter Drilling Program, North Slope, Alaska* [Revised October 9, 2012]*)* in the request for a Letter of Authorization dated November 26, 2012, for the 2013 Winter Drilling Program in the Colville River Delta area.

5. Polar bear monitoring, reporting, and survey activities will be conducted in accordance with 50 CFR 18, Section 18.128. The basic monitoring and reporting requirements follow:

   - Repsol 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.

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- Repsol must not conduct activities that operate nor pass within one mile (approximately 1600 meters) of known polar bear dens, and all observed dens must be reported to the Service, Marine Mammals Management Office (MMM), upon discovery. Should occupied dens be identified within one mile of activities, work within the immediate area will cease and Service must be contacted for guidance. The Service 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, and Repsol must comply with any additional measures specified. Polar bear den detection surveys may be required prior to Repsol beginning operations.

- Repsol must designate a qualified individual or individuals to observe, record, and report the effects of the activity on polar bears to the Service within 24 hours of visual observation.

- Repsol must allow the Service to have an observer on the site to monitor the impacts of the activity on polar bears, at the discretion of the Service.

- Repsol must submit an annual monitoring report to the Service, MMM as required under 18 CFR 18.128(f), which will be received up to 90 days after the expiration date of the LOA.

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.

Chief, Marine Mammals Management

MAR 06 2013
Date

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

AUTHORIZATION TO TAKE, BY HARASSMENT, POLAR BEARS (13-INT-09)

ISSUED: March 6, 2013
EXPIRES: January 25, 2014

Under sections 101(a)(4)(A), 109(h) and 112(c) of the Marine Mammal Protection Act of 1972, as amended, Repsol E&P USA, Inc. (Repsol) is authorized to take, by harassment, polar bears during activities for the 2013 Winter Drilling Program in the Colville River Delta area as described in Repsol's *Plan of Operations, 2012-2013 Winter Drilling Program, North Slope, Alaska (Revised October 9, 2012)*.

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. For this reason, this authorization is guided by the following objectives:

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

This harassment Letter of Authorization (LOA) is subject to the following conditions:

1. The Repsol *Bear-Personnel Encounter Plan, 2012-2013 Winter Drilling Program, North Slope, Alaska (November 26, 2012),* is approved and all provisions must be complied with unless specifically noted otherwise in this LOA. A copy of the Bear-Personnel Encounter Plan must be available on site for all personnel.

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

3. This LOA is restricted to harassment activities and is valid only for those activities identified in the request for a Letter of Authorization dated November 26, 2012, for the 2013 Winter Drilling Program in the Colville River Delta area.

TAKE PRIDE IN AMERICA

4. Authorized individuals are responsible for documenting and reporting to the U.S. Fish and Wildlife Service (Service), Marine Mammals Management Office (MMM), (907) 786-3800, all instances involving harassment activities as soon as possible and not later than 24 hours after the occurrence.

5. This authorization is issued specifically to Repsol who is responsible for ensuring **trained and qualified** personnel are assigned the task to harass (deter) polar bears. A list of trained personnel responsible for deterrence will be on file prior to initiation of activities with the Service Incidental Take Coordinator.

6. Repsol is solely responsible for ensuring that personnel operating under this authorization meet all Federal and State of Alaska laws and regulations regarding the use and carry of firearms should firearms be used for bear deterrence.

7. Repsol will not conduct activities that operate nor pass within one mile (approximately 1600 meters) of known polar bear dens, and all observed dens will be reported to the Service, MMM immediately. Should occupied dens be identified within one mile of activities, work in the immediate area will cease and Repsol will contact the Service 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. Repsol must comply with any additional measures specified. Polar bear den detection surveys may be required prior to Repsol beginning operations.

8. A final report of all encounters and hazing events must be submitted to the Service, MMM within 60 days from the expiration date of this authorization.

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

    - Bear Guards or Bear Monitors.
    - Air horns.
    - Electric fences.
    - Chemical repellents.
    - Acoustic recordings.
    - Vehicles.

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

    - Make a reasonable effort to reduce or eliminate attractants.
    - Secure site; notify supervisor; move personnel to safety.
    - Ensure bear has escape route(s).
    - Ensure communication with all personnel.

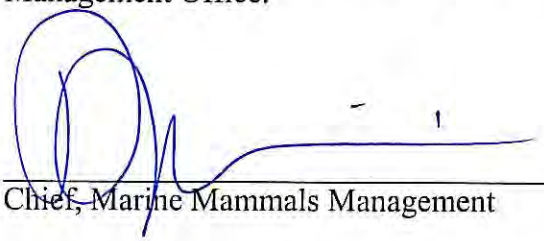
11. When conducting a harassment activity, operators must:

- Choose the method that will have the least effect on the bear and increase the intensity of the method or use additional methods only if necessary.
- Shout at the bear before using projectile (avoidance conditioning).
- Move bear in proper direction; continue with minimally necessary deterrents to receive desired result.

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

- Monitor bear's movement (to ensure no return).
- Notify supervisor and personnel when it is safe to resume work.
- Fill out report to be sent to the Service as required under condition number 4, above, (within 24 hours)

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.



Chief, Marine Mammals Management

MAR 06 2013

Date