United States Department of the Interior

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

IN REPLY REFER TO:
AFES/MMM

AUG 19 2013

Mr. Larry Burgess
Nikaitchuq HSE Manager
Eni U.S. Operating Company Incorporated
3800 Centerpoint Drive, Suite 300
Anchorage, Alaska 99503

Dear Mr. Burgess:

We have received your request, dated August 2, 2013, for a Letter of Authorization (LOA) for the incidental take of polar bears for activities associated the Eni U.S. Operating Company, Inc. (Eni) Nikaitchuq Project on the North Slope of Alaska.

In response, enclosed is LOA 13-14 authorizing Eni to take small numbers of polar bears and Pacific walrus incidental to year-round oil and gas exploration, development, and production activities associated with Eni's Nikaitchuq Project, provided annual monitoring reports of the previous year's activities are received by January 15 of each year.

On August 3, 2011, final regulations that authorize the incidental, unintentional take of small numbers of polar bears and Pacific walrus during year-round oil and gas industry exploration, development, and production activities in the Beaufort Sea and adjacent northern coast of Alaska were issued for a period of five years. The Eni Nikaitchuq Project activities are ongoing and expected to continue through the life of the regulations.

Eni proposes to conduct oil and gas development and production activities as described in Eni's *Plan of Operations, Nikaitchuq Development Project, North Slope, Alaska* (November 2007)." Planned activities include:

- Oil and gas production.
- Onshore and offshore facility installation and maintenance.
- Onshore and offshore development well drilling.
- Ice roads and ice pads construction to support operations.
- Mine site and water site extraction, management, and reclamation.

All provisions contained within Eni's *Polar Bear/Personnel Encounter Plan, Nikaitchuq Project, North Slope, Alaska* (May 2013) are incorporated by reference into this LOA.

Eni field camps and personnel may limit encounters of polar bears by being observant of approaching animals (i.e., the use of polar bear guards) and where practicable, by allowing the

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animals to pass unhindered. Eni will also: 1) provide copies of the polar bear observation form to all Eni contractors operating under the LOA; 2) report any polar bear sightings, or signs of polar bears, such as tracks or diggings, to this office by phone or using the polar bear observation report; and, 3) report any possible den locations that are found during work activities immediately to our office. U.S. Fish and Wildlife Service (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.

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. Additionally, through monitoring, the Service seeks to limit disturbance to maternal polar bear den sites, both known dens and those areas that could possibly be preferred by denning polar bears. Eni must use caution when operating near these areas during the maternal denning period (mid November to mid April).

The U.S. Geological Survey has posted information regarding polar bear denning habitat 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 available on the ASC website: (http://www.absc.usgs.gov/dataproducts.htm). Use these resources when planning activities in potential denning areas.

If any changes develop during the Nikaitchuq Project, such as activities or location, the Service must be notified prior to the planned operation. This will allow us to evaluate the activity and, if appropriate, amend the LOA.

The Service has completed intra-Service consultation under the Endangered Species Act of 1973, as amended (ESA), on the issuance of this LOA and has determined that the issuance this LOA is not likely to jeopardize the continuing existence of polar bears. No additional authorization under the ESA is required.

This LOA is issued in accordance with regulations listed at 76 FR 47010, dated August 3, 2011. If you have any further questions, please contact Mr. Craig Perham or Mr. Christopher Putnam of our Marine Mammals Management Office, at (907) 786-3810 or (907) 786-3844, respectively.

Sincerely,

Acting 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

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U.S. Fish and Wildlife Service

LETTER OF AUTHORIZATION
Incidental Take
(13-14)

ISSUED: August 20, 2013
EXPIRES: August 3, 2016

Eni U.S. Operating Company, Incorporated (Eni) is hereby authorized under section 101(a)(5)(D) of the Marine Mammal Protection Act (16 U.S.C. 1371 (a)(5)(D)) to take, by Level B Harassment only, small numbers of polar bears (*Ursus maritimus*) and Pacific Walruses (*Odobenus rosmarus divergens*) incidental to year-round activities, including exploration, development and production activities associated with Eni's Nikaitchuq Project. This authorization is limited to the oil and gas exploration, development, and production activities that will be conducted within the boundaries of the Nikaitchuq Project. Detailed descriptions of the authorized activities can be found in Eni's *Plan of Operations, Nikaitchuq Development Project, North Slope, Alaska* (November 2007). Planned activities include:

- Oil and gas production.
- Onshore and offshore facility installation and maintenance.
- Onshore and offshore development well drilling.
- Ice roads and ice pads construction to support operations.
- Mine site and water site extraction, management, and reclamation.

This Letter of Authorization (LOA) and the required conditions below apply to all Eni employees, contractors and personnel performing Eni-approved work under the scope of operations to be conducted. This authorization is subject to the following conditions.

1. Intentional take is prohibited under this LOA.

2. Eni's *Polar Bear/Personnel Encounter Plan, Nikaitchuq Project, North Slope, Alaska* dated May 2013, is approved and all provisions must be complied with unless specifically noted otherwise in this LOA. A copy of this LOA and the approved interaction and avoidance plans listed above must be posted and available for all personnel and in the possession of the

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operators of all vessels and aircraft engaging in the activities approved under the authority of this LOA.

3. This authorization is valid only for those activities identified in the request for a Letter of Authorization dated August 2, 2013 and in Eni's *Plan of Operations, Nikaitchuq Development Project, North Slope, Alaska* (November 2007).

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

5. At the discretion of the U.S. Fish and Wildlife Service (Service), Eni must allow the Service to place an observer on site, including any facilities, vessels, aircraft or vehicles, to monitor the impacts of the activity on marine mammals, when requested.

6. Polar bear monitoring, reporting and survey activities will be conducted in accordance with 50 CFR § 18.128 and must comply with the following monitoring, mitigation and reporting requirements:

   - Eni must cooperate with the Service, and other designated Federal, State, or local agencies to monitor the impacts of oil and gas exploration activities on polar bears.

   - If any changes develop in the project during the period approved under this LOA, such as activities, location or methods, Eni must notify the Service, Marine Mammals Management Office (MMM) prior to the implementation of such changes.

   - Eni must not conduct activities that operate nor pass within one mile (1.6 km) of known polar bear dens, and all observed dens must be reported to the Service, MMM within 12 hours of discovery. If occupied dens are identified within one mile of activities, work within the immediate area will cease and the 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 Eni must comply with any additional measures specified.

   - Eni 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.

   - Eni must submit an annual monitoring report, as required under 50 CFR § 18.128, which must be received by the Service, MMM no later than January 15 of each year.

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

Acting Chief, Marine Mammals Management

AUG 19 2013

Date