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 0 1 2013

Ms. Sheyna Wisdom
Operations Manager
Olgoonik Fairweather, LLC
3201 C Street, Suite 700
Anchorage, Alaska 99503

Dear Ms. Wisdom:

We have received your request dated May 20, 2013, for a Letter of Authorization (LOA) for the incidental take of polar bears and Pacific walruses during activities associated with the Olgoonik Fairweather, LLC (OLF) 2013 Baseline Environmental Studies Program in the Chukchi Sea.

In response, enclosed is LOA 13-CS-04 granting OLF authority to take small numbers of polar bears and Pacific walruses incidental to the activities identified in your request. This authorization is issued in accordance with the Incidental Take Regulations published in the *Federal Register* (78 FR 35364), dated June 12, 2013.

OLF proposes to conduct a variety of baseline environmental studies in support of oil and gas industry exploration in the Chukchi Sea during the 2013 open water season. The proposed schedule for these studies is from late July through mid-October 2013 during which time OLF will conduct the Chukchi Sea Environmental Studies Program, and the Shell Baseline Environmental Sampling Program. Two vessels will be utilized to perform this work, the *R/V Westward Wind* and the *R/V Norseman II*. The overall purpose of these studies is to assess the biological and physical status of oil and gas industry lease areas within the Chukchi Sea and to assess the potential impact of oil and gas industry exploration upon the environment.

Detailed descriptions of the proposed activities is found in OLF's *Application for a Letter of Authorization for Baseline Environmental Studies in the Chukchi Sea by Olgoonik Fairweather, LLC*, dated May 20, 2013, including: *Attachment A, Chukchi & Beaufort Sea Plan of Operations with Maps*; *Attachment B, Vessel(s) Descriptions*; *Attachment C, Polar Bear Interaction Plan with Sighting Forms*; *Attachment D, Walrus Interaction Plan with Sighting Form*; *Attachment E, Marine Mammal Disturbance Avoidance Protocols*; and *Study Plans for the Environmental Studies Program in the Chukchi & Beaufort Seas 2013*. All provisions contained within these plans are incorporated by reference into this LOA **with the following condition**. The required mitigation distance for vessels to avoid Pacific walruses on land is **1,610 meters (1 mile)**, not **800 meters (1/2 mile)** as stated in Attachments D and E of your request letter. Be sure to correct these distances in your plans and communicate the correct information to appropriate personnel. Refer to 78 FR 35364 (June 12, 2013) for the current Chukchi Sea Incidental Take Regulations.

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OLF must provide monitoring data of polar bears and Pacific walruses throughout the project and a complete report of all observations at the conclusion of the project in accordance with 50 CFR §18.118. This final report must be provided to the U.S. Fish and Wildlife Service (Service), Marine Mammals Management Office (MMM) within 90 days after completion of the project.

In addition, the Service is authorizing a variance to allow OLF to enter and conduct operations in the Hanna Shoal Walrus Use Area (HSWUA). The HSWUA, is an area which we have identified as important to walrus foraging and occupancy during the ice free period. Industry activities are generally limited within the HSWUA; however, we received your July 19, 2013, request for a variance to conduct certain activities due to your timing constraints for work within the HSWUA. We have determined that with the additional mitigation measures incorporated into Mitigation Measure 9 (A)(v) of the attached LOA, your proposed activities are likely to only take small numbers of Pacific walrus with minimal disturbance and negligible impact.

If questions or concerns arise during the project period, Service, MMM biologists are available for consultation at the phone numbers listed below and noted in your Interaction Plan. If any changes develop in your project, such as activities or location, the MMM 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 and conference under the Endangered Species Act of 1973, as amended (ESA), on the issuance of this LOA and has determined that issuance is not likely to jeopardize the continuing existence of polar bears and Pacific walruses. Therefore, no additional authorization under the ESA is required.

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,

Deborah Pierce Williams
Chief, Marine Mammals Management

Enclosure

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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Anchorage, Alaska 99503-6199

IN REPLY REFER TO:

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## U.S. Fish and Wildlife

# LETTER OF AUTHORIZATION
# (13-CS-04)

ISSUED: August 1, 2013
EXPIRES: October 30, 2013

Olgoonik Fairweather, LLC (OLF) is hereby authorized to take small numbers of polar bears and Pacific walruses incidental to activities occurring during the 2013 Baseline Environmental Studies Program in the Chukchi Sea. This authorization is issued in accordance with the Incidental Take Regulations published in the *Federal Register* (78 FR 35364), dated June 12, 2013.

Olgoonik Fairweather, LLC proposes to conduct a variety of baseline environmental studies in support of oil and gas industry exploration in the Chukchi Sea during the 2013 open water season. The proposed schedule for these studies is from late July through mid-October 2013. Olgoonik Fairweather, LLC will conduct the Chukchi Sea Environmental Studies Program, funded by ConocoPhillips, Shell, and Statoil as well as the Shell Baseline Environmental Sampling Program. Two vessels will be utilized to perform this work, The *R/V Westward Wind* and the *R/V Norseman II.* The overall purpose of these studies is to assess the biological and physical status of oil and gas industry lease areas within the Chukchi Sea and to assess the potential impact of oil and gas industry exploration upon the environment.

Detailed descriptions of the proposed activities is found in OLF's *Application for a Letter of Authorization for Baseline Environmental Studies in the Chukchi Sea by Olgoonik Fairweather, LLC*, dated May 20, 2013, including: *Attachment A, Chukchi & Beaufort Sea Plan of Operations with Maps*; *Attachment B, Vessel(s) Descriptions*; *Attachment C, Polar Bear Interaction Plan with Sighting Forms*; *Attachment D, Walrus Interaction Plan with Sighting Form*; and *Attachment E, Marine Mammal Disturbance Avoidance Protocols* as well as *Study Plans for the Environmental Studies Program in the Chukchi & Beaufort Seas 2013.*

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

TAKE PRIDE IN AMERICA

1. Intentional take is prohibited under this LOA.

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

3. The species authorized for takings, by Level B Harassment only, are: Pacific walrus (*Odobenus rosmarus divergens*), and polar bear (*Ursus maritimus*). The taking of any walrus or polar bear in a manner prohibited under this authorization must be reported within 24 hours of the taking to the U.S. Fish and Wildlife Service (Service), Marine Mammals Management Office (MMM), Incidental Take Coordinator in Anchorage, Alaska at (907) 786-3800, or their designee.

4. This authorization is valid only for those activities identified in the request for a Letter of Authorization, *Application for a Letter of Authorization for Baseline Environmental Studies in the Chukchi Sea by Olgoonik Fairweather, LLC*, dated May 20, 2013.

5. The OLF *Application for a Letter of Authorization for Baseline Environmental Studies in the Chukchi Sea by Olgoonik Fairweather, LLC*, dated May 20, 2013, including: *Attachment A, Chukchi & Beaufort Sea Plan of Operations with Maps*; *Attachment B, Vessel(s) Descriptions*; *Attachment C, Polar Bear Interaction Plan with Sighting Forms*; *Attachment D, Walrus Interaction Plan with Sighting Form*; *Attachment E, Marine Mammal Disturbance Avoidance Protocols*; and *Study Plans for the Environmental Studies Program in the Chukchi & Beaufort Seas 2013* are approved **with the following conditions**:

   A. The sighting reports in Attachments C and D of your request letter are outdated;
   B. Use the current sighting report formats included with this LOA;
   C. The required mitigation distance for vessels to avoid Pacific walruses on land is **1,610 meters(m) (1 mile [mi])**, not **800 m (1/2 mi)** as stated in Attachments D and E of your request letter;
   D. Correct these distances in your plans and communicate the correct information to appropriate personnel;
   E. All provisions contained within these plans are incorporated by reference into this LOA;
   F. All provisions must be complied with unless specifically noted otherwise in this LOA;
   G. A copy of these plans must be available on site for all personnel;
   H. A copy of this LOA and these plans must be in the possession of the operators of all vessels and aircraft engaged in any activity operating under the authority of this LOA.

6. OLF is required to cooperate with the Service and any other Federal, State or local agency monitoring the impacts of the activity on Pacific walruses and polar bears.

7. At the discretion of the Service, MMM the operator will allow the Service, MMM to place an observer on site (vessels and aircraft) to monitor the impacts of the activity on Pacific walruses and polar bears.

8. If any changes develop in your project during the 2013 Baseline Environmental Studies Program in the Chukchi Sea, such as activities or location; notify the Service, MMM prior to the planned operation.

9. OLF must comply with mitigation, monitoring and reporting requirements in accordance with 50 CFR §18.118. Mitigation, monitoring and reporting requirements include, but may not be limited to:

   A. Mitigation Requirements.

      i. At all times, vessels must maintain the maximum distance possible from concentrations of walruses or polar bears. Under no circumstances, other than an emergency, should any vessel approach within an 805-m (0.5-mi) radius of walruses or polar bears observed on ice. Under no circumstances, other than an emergency, should any vessel approach within 1,610 m (1 mi) of groups of walruses observed on land or within an 805-m (0.5-mi) radius of polar bears observed on land.

      ii. Vessel operators must take every precaution to avoid harassment of concentrations of feeding walruses when a vessel is operating near these animals. Vessels should reduce speed and maintain a minimum 805 m (0.5-mi) operational exclusion zone around groups of 12 or more walruses encountered in the water. Vessels may not be operated in such a way as to separate members of a group of walruses from other members of the group. When weather conditions require, such as when visibility drops, vessels should adjust speed accordingly to avoid the likelihood of injury to walruses.

      iii. Operators of support aircraft should, at all times, conduct their activities at the maximum distance possible from concentrations of walruses or polar bears.

      iv. Under no circumstances, other than an emergency, should fixed wing aircraft operate at an altitude lower than 457 m (1,500 feet [ft]) within 805 m (0.5 mi) of walrus groups observed on ice, or within 1,610 m (1 mi) of walrus groups observed on land. Under no circumstances, other than an emergency, should rotary winged aircraft (helicopters) operate at an altitude lower than 914 m (3,000 ft) within 1,610 m (1 mi) of walrus groups observed on land. Under no circumstances, other than an emergency, should aircraft operate at an altitude lower than 457 m (1,500 ft) within 805 m (0.5 mi) of polar bears observed on ice or land. Helicopters may not hover or circle above such areas or within 805 m (0.5 mi) of such areas. When weather conditions do not allow a 457-m (1,500-ft) flying altitude, such as during severe storms or when cloud cover is low, aircraft may be operated below the required altitudes stipulated above. However, when aircraft are operated at altitudes below 457 m (1,500 ft) because of weather conditions, the operator must avoid areas of known walrus and polar bear concentrations and should take precautions to avoid flying directly over or within 805 m (0.5 mi) of these areas.

v. Within the Hanna Shoal Walrus Use Area (HSWUA): OLF is allowed to transit through, and conduct only those operations in locations described in the variance request dated July 19, 2013 (*Olgoonik Fairweather, LLC Hanna Shoal Walrus use Area Variance for Baseline Environmental Studies in the Chukchi Sea*). Additional stipulations in the HSWUA, August 50% utilization distribution contour[1] (UD) for Pacific Walruses include:

a. In addition to current Pacific walrus monitoring practices, Marine Mammal Observers (MMOs), from their location on the bridge, will monitor all walrus throughout a 360 degree circumference from the ship and record observations until animals disappear from the MMO's view in any direction;
b. For groups of walruses that are too large to monitor each animal, one or more focal animals (e.g., cow/calf pair, subadult female, adult male, etc.), should be chosen to monitor until no longer observable. Initially, focal animals should be chosen without bias in relation to age and sex, but as observations accumulate if any specific age/sex categories are underrepresented, focal animals should be chosen from those underrepresented categories if possible. Age categories should include 0, 1, 2, 3, 4-5, 6-9, 10-15, and 15+ years, if possible. Sex only needs to be determined for 6+ year olds (For age and sex classifications see Fay and Kelley [1989, Development of a method for monitoring the productivity, survivorship, and recruitment of the Pacific walrus population. OCS study MMS 89-0012. Minerals Management Service, Anchorage, AK]);
c. MMOs from their location on the bridge will observe and track walruses while the boat is in normal operations;
d. Behaviors and changes in behaviors of walruses will be recorded as long as they are in view of the boat;
e. Time of first observation, time of changes in behavior, and time last seen will be recorded.

vi. All vessels must avoid areas of active or anticipated subsistence hunting for walrus or polar bear as determined through community consultations. Plan all aircraft routes to minimize any potential conflict with active or anticipated walrus or polar bear hunting activity as determined through community consultations.

B. Monitoring Requirements. Depending on the siting, timing, and nature of Industry activities, holders of LOAs will be required to:

i. Maintain trained, Service-approved, on-site observers to carry out monitoring programs for polar bears and walruses necessary for initiating adaptive mitigation responses.

ii. MMOs will be required on board all operational and support vessels to alert crew of the presence of walruses and polar bears, initiate adaptive mitigation responses, and

[1] The 50 % UDs is described in 78 FR 35364 (June 12, 2013) and based on, Jay, C.V., A.S. Fischbach, and A.A. Kochnev. 2012. Walrus areas of use in the Chukchi Sea during sparse sea ice cover. Marine Ecology Progress Series Vol. 468: 1–13, 2012) (GIS files and map available at, http://alaska.fws.gov/fisheries/mmm/itr.htm).

carry out specified monitoring activities identified in the marine mammal monitoring and mitigation plan necessary to evaluate the impact of authorized activities on walruses, polar bears, and the subsistence use of these subsistence resources. The MMOs must have completed a marine mammal observer training course approved by the Service.

C. Reporting requirements.

i. In-season monitoring reports. Activity progress reports. Operators must keep the Service informed on the progress of authorized activities by:

a. Notifying the Service at least 48 hours prior to the onset of activities;
b. Providing weekly progress reports of authorized activities noting any significant changes in operating state and or location;
c. Notifying the Service within 48 hours of ending activity.

ii. Walrus observation reports. The operator must report, on a weekly basis, all observations of walruses during any Industry operation. Information within the observation report will include, but is not limited to:

a. Date, time, and location of each walrus sighting;
b. Number, sex, and age of walruses (if determinable);
c. Observer name, company name, vessel name or aircraft number, LOA number, and contact information;
d. Weather, visibility, and ice conditions at the time of observation;
e. Estimated distance from the animal or group when initially sighted, at closest approach, and end of the encounter;
f. Industry activity at time of sighting and throughout the encounter. If a seismic survey, record the estimated radius of the zone of ensonification;
g. Behavior of animals at initial sighting, any change in behavior during the observation period, and distance from the observers associated with those behavioral changes;
h. Detailed description of the encounter;
i. Duration of the encounter;
j. Duration of any behavioral response (e.g., time and distance of a flight response);
k. Actions taken.

iii. Polar bear observation reports. The operator must report, within 24 hours, all observations of polar bears during any Industry operation. Information within the observation report will include, but is not limited to:

a. Date, time, and location of observation;
b. Number, sex, and age of bears (if determinable);
c. Observer name, company name, vessel name, LOA number, and contact information;
d. Weather, visibility, and ice conditions at the time of observation;

e. Estimated closest point of approach for bears from personnel and/or vessel/facilities;
f. Industry activity at time of sighting, and possible attractants present;
g. Behavior of animals at initial sighting and after contact;
h. Description of the encounter;
i. Duration of the encounter;
j. Actions taken.

iv. Notification of incident report. Reports should include all information specified under the species observation report, as well as a full written description of the encounter and actions taken by the operator. The operator must report to the Service within 24 hours:

a. Any incidental lethal take or injury of a polar bear or walrus;
b. Observations of walruses or polar bears within prescribed mitigation monitoring zones.

i. After-action monitoring reports. The results of monitoring efforts identified in the marine mammal monitoring and mitigation plan must be submitted to the Service for review within 90 days of completing the year's activities. Results must include, but are not limited to, the following information:

a. A summary of monitoring effort including: Total hours, total distances, and distribution through study period of each vessel and aircraft;
b. Analysis of factors affecting the visibility and detectability of walruses and polar bears by specified monitoring;
c. Analysis of the distribution, abundance, and behavior of walrus and polar bear sightings in relation to date, location, ice conditions, and operational state;
d. Estimates of take based on the number of animals encountered/kilometer of vessel and aircraft operations by behavioral response (no response, moved away, dove, etc.), and animals encountered per day by behavioral response for stationary drilling operations;
e. Raw data in electronic format (i.e., Excel spreadsheet) as specified by the Service in consultation with Industry representatives.

D. A report on the Plan of Cooperation, including the notification of the affected communities, measures taken to ensure that project activities did not interfere with subsistence activities, and follow-up notification after the season, shall be submitted to the Service no later than 90 days after the project. A copy of the report shall be sent to affected local subsistence communities, the Alaska Nanuuq Commission, the Eskimo Walrus Commission and the North Slope Borough Wildlife Department as well as to the Service.

Activities related to the monitoring described in this authorization do not require a separate scientific research permit issued under Section 104 of the Marine Mammal Protection Act.

This Letter of Authorization is valid for the period indicated above, unless extended or terminated in writing by the U.S. Fish and Wildlife Service.

Chief, Marine Mammals Management

8/1/13
Date