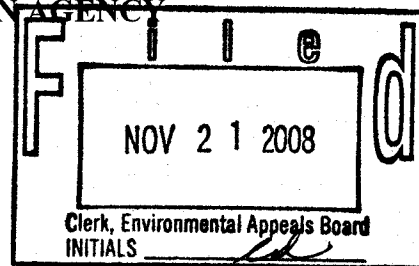


BEFORE THE ENVIRONMENTAL APPEALS BOARD  
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C.



In re: )  
Shell Offshore, Inc. )  
Kulluk Drilling Unit )  
OCS Permit No. R10OCS-AK-07-01 )  
(Revised) )

OCS Appeal Nos. 08-01, 08-02, & 08-03

**CANCELLATION OF ORAL ARGUMENT AND ORDER TO SHOW CAUSE**

On June 18, 2008, U.S. EPA Region 10 (“Region”) issued an Outer Continental Shelf (“OCS”) air regulation minor source permit to Shell Offshore, Inc. (“SOI”), pursuant to Clean Air Act section 328, 42 U.S.C. § 7627, and the applicable regulations governing air emissions from OCS sources at 40 C.F.R. part 55. The permit authorizes SOI to “mobilize, operate, and demobilize” a drilling vessel for placement and anchoring in the Beaufort Sea floor off the North Slope of Alaska, for the purpose of oil exploration. The following three petitioners seek review of the permit: 1) Bill MacClarence, P.E.; 2) The North Slope Borough, Inupiat Community of the Arctic Slope, and the Alaska Eskimo Whaling Commission; and 3) the Alaska Wilderness League, Center for Biological Diversity, Natural Resources Defense Council, Northern Alaska Environmental Center, Pacific Environment, and Resisting Environmental Destruction on Indigenous Land.

In a decision issued on November 20, 2008, the U.S. Court of Appeals for the 9th Circuit vacated the Minerals Management Service’s (“MMS’s”) approval of SOI’s exploration plan for proposed drilling operations in the Beaufort Sea. *See Alaska Wilderness League v. Kempthorne*, No. 07-71457, slip op. at 15,589 (9th Cir. Nov. 20, 2008). The court remanded for the MMS “to prepare a revised [environmental assessment] or, as necessary, an [environmental impact statement].”

*Id.* In light of the 9th Circuit's decision, and the uncertainty it casts over the timing and content of the permit challenged by the petitions for review in this matter, the oral argument scheduled for December 4, 2008, is hereby cancelled. If appropriate, the Board will reschedule the argument at a later date.

Further, the Region and SOI are hereby ordered to show cause why the OCS permit should now not be remanded to the Region. SOI's and the Region's responses to this Order to Show Cause must be filed<sup>1</sup> with the Board no later than December 4, 2008. Any of the petitioners in this matter may also file responses to this Order to Show Cause by December 4, 2008.

So ordered.

Dated: *November 21, 2008*

ENVIRONMENTAL APPEALS BOARD

By: *Charles J. Sheehan*  
Charles J. Sheehan  
Environmental Appeals Judge

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<sup>1</sup> Documents are "filed" with the Board on the date they are *received*.

## CERTIFICATE OF SERVICE

I hereby certify that copies of the forgoing Cancellation of Oral Argument And Order to Show Cause in the matter of Shell Offshore, Inc., OCS Appeal Nos. 08-01, 08-02, & 08-03, were sent to the following persons in the manner indicated:

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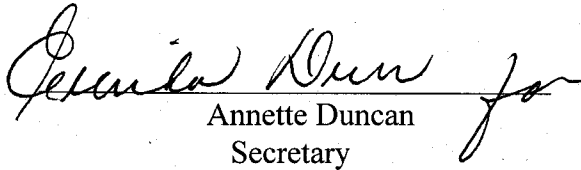
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Dated: 11/21/2008

  
Annette Duncan  
Secretary