**Petitioner's Exhibit 30** 



Shell Offshore Inc. 3601 C Street, Suite 1334 Anchorage, AK 99503

April 30, 2007

Ms. Elin Miller Administrator - EPA Region 10 1200 Sixth Avenue Seattle, WA 98101

RE: Extension of Comment Period on Shell Kulluk and Frontier Discoverer's 2007-2009 Permit Application for the 2007-2009 Beaufort Sea OCS Exploration Drilling Program

Dear Ms. Miller:

On behalf of Shell Offshore Inc. ("SOI"), I respectfully request that the Environmental Protection Agency ("EPA") maintain its schedule for final review and approval of SOI's air permit applications for SOI's proposed 2007 Beaufort Sea open-water exploratory drilling program. We urge you to decline the North Slope Borough's ("NSB") recent request to extend the public comment period for SOI's air permits into June 2007. Given the short summer drilling season in the Beaufort Sea, we must begin drilling operations in early July in order to accomplish a carefully planned 2007 Beaufort Sea exploration program. Several hundred million dollars have been invested in the program, much of which would be lost if the 2007 drilling season is compromised by delay in issuance of the air permit.

For over two years, SOI has been preparing for its 2007 exploratory drilling program and has invested a significant amount of money and effort in designing and implementing an exploration program that will ensure safe and environmentally responsible operations. We have also invested a significant amount of time and money in securing necessary state and federal permits and authorizations in addition to our Air Permit. The effects of *any* delay in the established schedule for final issuance of SOI's air permit applications – planning for and EPA review of which has been on going for over a year – would be immediate and severe. **Without timely issuance of its final air permits, SOI cannot proceed with its exploration program.** The resulting demobilization of personnel and equipment engaged on this project would cost the company many millions of dollars, and result in the loss of hundreds of jobs. In addition, any delay of EPA's approval would result in the loss of critical operational days during the short summer drilling season, which, depending on the duration of the delay, could result in the loss of the entire 2007 drilling season.

In preparation for its 2007 exploration program, SOI has undertaken various efforts over the past two years and invested significant financial and other resources in developing the technical capabilities and analysis to support this program. SOI will continue to devote substantial resources to this program and, in fact, SOI estimates that, for its 2007 exploration season alone, it has committed more than \$200 million on activities related to the exploratory program. The following summarizes the resources that SOI has devoted and will devote to this program:

- SOI has spent millions of dollars to demonstrate its commitment to employ the most technologically-advanced equipment for its exploratory drilling program. Specifically, we have spent and will continue to spend millions of dollars to acquire, update and maintain the two drilling vessels that will be used for its exploration activities. Many of the additions that have been made to the drilling ships and the accompanying support vessels are a result of a very rigorous application process undertaken by EPA Region 10, Air Office and SOI.
- During the 2006 open-water season, SOI conducted background research and data acquisition and analysis in the Beaufort and Chukchi Seas to form the basis for its Plan. We have conducted numerous geological and geophysical analyses of our leases to determine the best locations to drill exploratory wells in order to minimize environmental impacts. In addition, we employ approximately forty technical experts who continue to devote countless hours performing various technical studies to engineer each potential exploratory well.
- SOI has spent over \$100 million to develop a robust spill response capacity and implement a comprehensive Oil Discharge Prevention and Contingency Plan ("C-Plan"). This C-Plan, which was submitted with our 2007-2009 Plan of Exploration, details the proactive measures SOI will implement to prevent oil spills during exploratory operations and, in the extremely unlikely event of a spill, measures to respond and minimize the impacts.
- All of these efforts have provided the foundation for our Exploration Plan that was submitted to MMS in January 2007 and which MMS conditionally approved on February 15, 2007. The Plan describes all exploration activities that SOI proposes for the specific leases; the timing of those activities; information concerning drilling vessels; the location of each drilling well; projected wastes, discharges, and emissions; proposed environmental and marine monitoring; and other relevant information. This information provides the basis for requesting and obtaining the multiple additional federal and state governmental permits and approvals, all of which SOI has obtained or expects to obtain shortly.

As demonstrated above, SOI has invested significant financial and other resources in its proposed exploration program. NSB's request to delay the public hearing and extend the public comment period into June puts all of these significant interests and investments in jeopardy.

We appreciate the effort EPA has made over the last year to guide us as we developed these extremely meticulous air permit applications. Your staff's input and assistance was instrumental in the design of our final drilling program. We look forward to hearing from you after the close of the public comment period so we can respond to any final issues of concern in regard to the air permits and proceed with our work.

Call me at your convenience if you have any questions.

Sincerely,

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Susan Childs Regulatory Affairs Manager – Alaska

Cc: Ron Kreizenbeck – EPA Region 10 Richard Albright – EPA Region 10 Jeff Walker – MMS, Alaska Region