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ENVIR. APPEALS BOARD

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August 22, 2007

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By Hand

Hon. Kathie Stein
Environmental Appeals Board
U.S. Environmental Protection Agency
1341 G Street NW
Suite 600
Washington, D.C 20005

Re: In re Shell Offshore Inc, OCS Appeal Nos. 07-01 & 07-02

Dear Judge Stein:

We are writing to provide additional information about the current status of Shell Offshore Inc.'s acquisition of permits for the 2007 drilling season and related proceedings in the U.S. Court of Appeals for the Ninth Circuit.

On August 17, 2007, SOI filed with the Ninth Circuit a petition for reconsideration or rehearing en banc of the court's August 15, 2007 order staying the effect of the MMS' approval of SOI's exploration plan. Yesterday the Ninth Circuit ordered petitioners in that case to file a response to SOI's petition within seven days, noting in the order that SOI's petition "warrants a response." A copy of the order is enclosed.

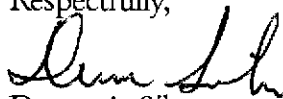
SOI continues to actively seek and obtain final permits/administrative approvals for exploration drilling in the Beaufort Sea during what will remain of the 2007 open water season after whale hunting is concluded in mid- to late-September. This week SOI received its Letter of Authorization from the U.S. Fish and Wildlife Service under the Marine Mammal Protection Act authorizing the "incidental take" of polar bears.

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Accordingly, SOI reiterates its request that the Environmental Appeals Board determine the referenced appeals as expeditiously as possible. Should the Ninth Circuit lift the current stay, SOI would hope to be able to move forward immediately with its search for critical petroleum resources on its Beaufort Sea leases. We will continue to advise Your Honor promptly of relevant developments. Please do not hesitate to contact me if the Board wishes more information.

Respectfully,



Duane A. Siler

Counsel for Shell Offshore Inc.

Cc: with enclosures

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UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

FILED

AUG 21 2007

CATHY A. CATTERSON, CLERK
U.S. COURT OF APPEALS

ALASKA WILDERNESS LEAGUE; et
al.,

Petitioners,

v.

DIRK KEMPTHORNE; et al.,

Respondents,

SHELL OFFSHORE, INC.,

Respondent - Intervenor.

No. 07-71457

ORDER

RESISTING ENVIRONMENTAL
DESTRUCTION ON INDIGENOUS
LANDS, A PROJECT OF THE
INDIGENOUS ENVIRONMENTAL
NETWORK; et al.,

Petitioners,

v.

DIRK KEMPTHORNE; et al.,

Respondents,

SHELL OFFSHORE, INC.,

Respondent - Intervenor.

No. 07-71989

07-71457, 07-71989, 07-72183

NORTH SLOPE BOROUGH; et al.,

Petitioners,

v.

DIRK KEMPTHORNE; et al.,

Respondents,

SHELL OFFSHORE, INC.,

Respondent - Intervenor.

No. 07-72183

Before: SCHROEDER, Chief Judges, HAWKINS and WARDLAW, Circuit Judges.

The court has received Intervenor-Respondent Shell Offshore, Inc.'s motion for reconsideration and/or en banc consideration of its August 15, 2007 order.

The motion for reconsideration and/or en banc consideration warrants a response. See 9th Cir. R. 27-10. Accordingly, within 7 days after the filing date of this order, petitioners shall file and serve a consolidated response not to exceed fifteen pages.

The briefing schedule established previously shall remain in effect.

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