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

In re:

Shell Offshore Inc. Kulluk Drilling Unit and Frontier Discoverer Drilling Unit

OCS Permit Nos. R10OCS-AK-07-01 R10OCS-AK-07-02 OCS Appeal No. 07-01

SHELL OFFSHORE INC'S CERTIFICATE OF SERVICE OF LETTER RECEIVED FROM THE STATE OF ALASKA, DEPARTMENT OF ENVIRONMENTAL CONSERVATION DATED JULY 18, 2007

Pursuant to the discussion in the Scheduling Conference held by Environmental Appeals Board Judge Kathie A. Stein on July 19, 2007, the undersigned attorneys for Shell Offshore Inc. ("SOF") hereby certify that a true and accurate copy of the letter SOI received from the State of Alaska, Department of Environmental Conservation, dated July 18, 2007, was served on the following persons via electronic mail and facsimile on July 19, 2007: Chris Winter Crag Law Center 917/SW Oak St., Suite 417 Portland, OR 97205 Phone: (503) 525-2725 Facsimile: (503) 296-5454 Email: chris@crag.org

Dan Meyer Richard Albright Office of Air, Waste and Toxics U.S. EPA, Region 10 1200 Sixth Avenue Seattle, WA 98101 Phone: (206) 553-1200 Facsimile: (206) 553-0110 meyer.dan@epa.gov

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Juliane Matthews Edward Kowalski, Regional Counsel Office of Regional Counsel U.S. EPA, Region 10 1200 Sixth Avenue Seattle, WA 98101 Phone: (206) 553-1083 Facsimile (206) 553-0163 matthews.juliane@epa.gov

Elin Miller, Regional Administrator U.S. EPA, Region 10 1200 Sixth Avenue Seattle, WA 98101 Phone: (206) 553-1234 Facsimile: (206) 553-1809 Email: miller.elin@epa.gov

DATED this 19th day of July 2007.

nh.A

Susan M. Mathiascheck John C. Martin PATTON BOGGS LLP 2550 M Street NW Washington DC 20036 Telephone: 202-457-6000 Facsimile: 202-457-6315

Attorneys for Shell Offshore Inc.

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION OFFICE OF THE COMMISSIONER SARAH PALIN, GOVERNOR 410 Willoughby Ave., Ste 303 Post Office Box 111800 Juneau, AK 99811-1800 PHONE: (907) 465-5066 FAX: (907) 465-5070 http://www.dec.state.ak.us

July 18, 2007

U.S. Lawirormental Protection Agency Envirormental Appeals Board (1103B) Atom Clerk of the Board Eurika Durr Ariel NGS Building 1200 Pennsylvania Avenue, N.W. Washington, D.C. 20460-0001

Re OCS Appeal No. 07-01

In the Shell Offshore, Inc. Kulluk Drilling Unit and Frontier Discoverer Drilling Unit, OCS Permit Nos. R100CS-AK-07-01 and R1 M CS-AK-07-02

Dear Ms. Durc.

Thus latter expresses our agency's support for the Environmental Appeals Board's (EAB) expedited consideration of the North Slope Borough's petition for review of the above-referenced permits.

The Alaska Department of Environmental Conservation has responsibility for presention of Alaska's environment. As the ÉAB schedules the appeal process, we ask that even a custofer the following.

Final or perspective, the process employed by the U.S. Environmental Protection Agency (EPA) in developing the permits included good opportunity to identify and consider issues of concern. In fact, EPA considered and responded to a number of issues raised by our department and others. Because some of the issues raised in the appear are now familiar as a result of their being raised earlier, the parties should be prepared to articulate their positions without the need for extensive additional proparations.

We confirm the significant constraints, costs and complexity of planning and uncertaining an operation of this sort in an area as remote as the Beaufort Sea, and the contradical vs could well result in the loss of an entire field season. If the permit is $u_{\rm CO}(t)$, expected review of the appeal could pressure the potential that drilling can $p_{\rm CO}(t)$ this chason.

Circle the Board Durika Durr

Where the reason to dispute Shell Offshore, Inc.'s statements it will incur significant $e_{\rm C}$ and that an expedited review schedule $c_{\rm C}$ during this drilling season is lost and that an expedited review schedule $c_{\rm C}$ during the potential for needless impacts.

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We would not be urging expedited review in this matter if we believed it would compromise the fairness or thoroughness of your review. We respect the EAB appeal process and the need for your careful consideration of every appeal. We are not at a contract to argue the merits of the appeal. Thank you for considering our views.

Sincerely

Larry Hartig

Commissi aer

cc: in it topher Winter, Crag Law Center, Attorneys for the North Slope Borough in Miller, Regional Administrator, Region 10, EPA

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