FINDING OF NO SIGNIFICANT IMPACT

Statoil USA E&P Inc.

Geological & Geophysical Permit
2010 3D/2D Seismic Acquisition
Chukchi Sea, Alaska

Introduction

In accordance with the National Environmental Policy Act (NEPA), Council on Environmental Quality (CEQ) regulations at 40 CFR 1501.3(b) and 1508.9, Department of the Interior (DOI) regulations implementing NEPA at 43 CFR Part 46, and Bureau of Ocean Management, Regulation, and Enforcement (BOEMRE) (formerly the Minerals Management Service or MMS)[1] policy, BOEMRE prepared an environmental assessment (EA) of the potential effects of Statoil USA E&P Inc.'s (Statoil) proposed 2010 seismic survey in the Chukchi Sea Planning Area of the Alaska outer continental shelf (OCS). The proposed seismic survey activities are authorized under the OCS Lands Act and are regulated under 30 CFR 251 Geological and Geophysical (G&G) Explorations of the OCS.

On July 1, 2010, a notice of preparation of an EA on Statoil's proposed seismic survey was sent to potentially affected stakeholders and posted on the Alaska OCS Region website. The notice provided "additional opportunity for the public to provide views, prior to a decision being made by the Responsible Official(s), that may inform the decision-making process, including issues or information regarding potential environmental effects that should be considered in the preparation of the EA." A summary of the substantive issues in the comments received and our consideration and response to them was prepared for consideration by Regional decisionmakers.

The BOEMRE prepared the EA to determine whether the proposed action may result in significant effects (40 CFR 1508.27) that could trigger the need for an environmental impact statement (EIS) and to assist with BOEMRE planning and decision-making (40 CFR 1501.3b).

The BOEMRE conducted the environmental evaluation to ensure the proposed seismic surveys are conducted "in a safe and environmentally sound manner so as to prevent harm or damage...to any life (including fish and other aquatic life)...or the marine, coastal, or human environment" (30 CFR 251.2). The EA analyzes the potential for significant adverse effects from specific proposed activities on environmental resources.

Purpose of the Proposed Action

Statoil submitted a G&G permit application (Statoil, 2009) and supporting documents for a proposed 2010 open-water, exploration seismic survey within the Chukchi Sea OCS Planning Area. The purpose of the seismic survey is to collect geophysical data for use in evaluating potential hydrocarbon accumulations in the Chukchi Sea.

Statoil proposes to collect both three-dimensional (3D) and two-dimensional (2D) seismic survey data. The same survey vessel, airgun array, and receiver would be used for both surveys. The primary difference between a 3D and 2D survey is the spacing between adjacent survey lines. Line spacing affects the density, resolution and processing of the data. Track lines for a modern 3D survey are generally spaced several hundred meters apart and parallel to each other across the survey area. Data acquisition along a single track line may take several hours, depending on the size of the survey area.

[1] On June 18, 2010, the Secretary of the Interior changed the name from Minerals Management Service to the Bureau of Ocean Energy Management, Regulation, and Enforcement (Secretarial Order No. 3302).

A 2D survey provides a less-detailed subsurface image than a 3D survey. It is conducted over a wide area or region and is used to develop a coarse geologic framework and to identify potential prospective areas.

Description of the Proposed Action

Statoil's proposal is to conduct a single season of marine seismic surveying in the Chukchi Sea during the open-water season between July 15 and November 30, 2010. The proposed survey would involve three survey vessels for approximately 60-days of data acquisition. The seismic vessel, *M/V Geo Celtic*, would tow two 3,000 cubic inch (in^3) 26-airgun arrays (discharging in alternating mode) and multiple hydrophone streamers. A single 60-in^3 airgun will be continuously operate during routine activities, such as making turns between survey lines, to maintain a minimal sound level as a deterrent to approaching marine mammals. Two additional vessels would be used for marine mammal monitoring, logistical support, and supply duties.

Depending on ice conditions, the vessels will depart Dutch Harbor in mid- to late July and travel to the survey area in the Chukchi Sea. Marine seismic surveys require essentially ice-free conditions to effectively maneuver the source array(s) and receiver streamer(s). The *M/V Geo Celtic* will deploy the airgun array and hydrophone streamers and begin sound-source verification measurements upon arriving in the survey area.

The proposed 3D survey area is in the vicinity of Statoil lease holdings obtained during OCS Lease Sale 193. The area is located approximately 114 miles northwest of Wainwright and 158 miles west of Barrow. The water depth in the survey area ranges from 100 feet to 165 feet. The 3D portion of the survey would take place a minimum of 90 miles offshore within an area of approximately 915 square miles. Obtaining 2D seismic data is a secondary priority for Statoil and is dependent upon the weather conditions and ice coverage experienced during survey operations. A maximum of four 2D survey lines, totaling approximately 420 line-miles would be collected at a minimum distance of 45 miles from the coast.

The proposed activities would be supported from existing infrastructure located in Nome. Goods and services would be obtained from Dutch Harbor and Nome. Vessel traffic between Nome and the survey area will remain outside of the Ledyard Bay Critical Habitat Unit (LBCHU), except in an emergency or as specifically authorized by the U.S. Fish and Wildlife Service (FWS).

Related Environmental Documents

The site-specific EA tiers and incorporates information by reference from previous NEPA documents prepared by MMS and the National Marine Fisheries Service (NMFS). These documents address issues and analyze potential effects of seismic surveys in the Arctic OCS. The tiering-process is detailed in NEPA's implementing regulations (40 CFR 1502.20 and 1508.28) and is intended to eliminate repetitive discussions of issues and concentrate on specific issues related to specific activities.

The EA tiers and incorporates information by reference from the following MMS/NMFS NEPA documents:

- Final Programmatic Environmental Assessment, Arctic Ocean Outer Continental Shelf, Seismic Surveys – 2006 (OCS EIS/EA MMS 2006-038) June 2006 (PEA).
- Final Environmental Impact Statement, Chukchi Sea Planning Area, Oil and Gas Lease Sale 193 and Seismic Surveying Activities in the Chukchi Sea (OCS EIS/EA MMS 2007-026) May 2007 (2007 Chukchi Sea Sale 193 FEIS)

The proposed seismic surveys are within the scope of the actions addressed in the following Endangered Species Act (ESA) consultation documents. The EA incorporates by reference information from these documents:

- NMFS Biological Opinion for Oil and Gas Leasing and Exploration Activities in the U.S. Beaufort and Chukchi Seas, Alaska and Authorization of Small Takes Under the Marine Mammal Protection Act (USDOC, NOAA, NMFS, 7/17/08) (NMFS 2008 BiOp)
- FWS Biological Opinion for Beaufort and Chukchi Sea Program Area Lease Sales and Associated Seismic Surveys and Exploratory Drilling (USDOI, FWS, 9/3/09) (FWS 2009 BiOp)

Environmental Evaluation

The following issues and concerns were identified by the technical analysts for consideration during this environmental review:

- potential effects of seismic survey sound on bowhead whale migration patterns;
- potential effects of seismic survey sound on marine fish and essential fish habitat;
- potential effects of seismic survey operations on marine wildlife, including marine mammals, marine birds, and threatened and endangered species; and
- potential effects of seismic survey operations on subsistence activities.

Previous seismic survey-related environmental evaluations (2006 Final Seismic PEA and 2007 Chukchi Sea Sale 193 FEIS) concluded the effects to terrestrial mammals, air quality, and water quality from open-water seismic survey operations in the Chukchi Sea would be negligible. Effects to terrestrial mammals, air quality, and water quality were not further analyzed in the site-specific EA.

The BOEMRE evaluated the Proposed Action and a No Action alternative. No additional alternatives that met the purpose and need for the proposal were identified by BOEMRE. No additional alternatives that met the purpose and need for the proposal were identified by BOEMRE. Other alternatives were considered but not analyzed.

No Action.

Under this alternative, BOEMRE would not approve the proposed activities. This alternative would delay or eliminate any potential adverse effects to the physical environment, biological resources, or subsistence activities from the acquisition of seismic survey data in the vicinity of Statoil's Chukchi Sea leases during the 2010 open-water season. Potential economic benefits to the communities and residents of Dutch Harbor, Nome, and the North Slope residents would be delayed or would not be realized. Although the number of local residents employed for the proposed activities is expected to be relatively small and the effect to be negligible at the community level, BOEMRE disapproval of the proposed activities during the 2010 season would be a considerable adverse effect on individuals who lost potential employment. This alternative could also result in lost opportunities for discovery and production of oil and gas resources.

Proposed Action.

Based on review of the proposed seismic survey activities and the best available scientific information, the analysis in the attached EA concludes that **negligible** to **minor** adverse effects are expected to occur from Statoil's proposed seismic survey in the Chukchi Sea during the 2010 open-water season. Mitigation measures incorporated into the proposed action were considered in the analysis. The overall conclusions of the proposed action analysis are summarized below:

Biological Resources: Statoil's proposed seismic survey is expected to have negligible or minor, short-term effects on biological resources. Effects on marine mammals, marine birds, and most marine fish or their habitats would be restricted to disturbance and temporary avoidance or displacement.

Threatened and endangered species expected to occur in the proposed survey area are humpback, fin, and bowhead whales, polar bear, and Steller's and spectacled eiders. Effects on long-tailed ducks, gray whales and Pacific walruses from Statoil's proposed seismic survey are expected to be minor and limited to disturbance and potentially some avoidance of the area being surveyed by some individual animals.

No population level effects are anticipated. Adverse effects to humpback and fin whales are unlikely, as these species are extralimital in the proposed survey area. Bowhead whales mostly concentrate in the Beaufort Sea during the open-water season; they migrate past the survey area in September and October and may detour around the survey area because of discharging airguns. Eiders could be disturbed or displaced by vessel traffic associated with Statoil's activities, but the effects are expected to be negligible and temporary.

The proposed seismic survey activities are expected to have a negligible effect, or no effect, on designated critical habitat for threatened spectacled eiders, proposed critical habitat for polar bears, or essential fish habitat.

Subsistence Activities, Employment, and Community Health: Effects on subsistence activities undertaken by Barrow, Wainwright, Point Lay, and Point Hope are expected to be negligible. The effect of employment of local residents in support of proposed activities is expected to be negligible at the community level. The proposed activities would be supported from existing infrastructure located in Nome, and goods and services would be obtained from Dutch Harbor and Nome. These business interactions are expected to have a minor effect on the economies of Dutch Harbor and Nome and are not expected to adversely affect community health within these communities. The proposed activities are expected to have no adverse effect on the health of the residents of the North Slope Borough or the communities of Barrow, Wainwright, Point Lay, and Point Hope.

Significance Review (40 CFR 1508.27)

Pursuant to 40 CFR 1508.27, significance is evaluated by considering both context and intensity.

The potential significance of an action must be analyzed in several contexts such as society as a whole (human, national), the affected region, the affected interests, and the locality. Significance varies with the setting of the proposed action. For site-specific actions like this one, significance would usually depend upon the effects in the locale rather than in the world as a whole. Both short-term and long-term effects are relevant. For this proposed action, the context is one of an offshore environment, more than 45 miles to the coast and 114 miles to the closest rural, subsistence-based village. Given the nature of the proposed seismic survey activities, essentially all notable effects are expected to be short-term, occurring only while the activities are taking place. It is with this context in mind that the intensity of potential effects is considered.

Intensity refers to the severity of effect. Pursuant to 40 CFR 1508.27(b), the following ten factors have been considered in evaluating the intensity of Statoil's proposed activities:

1. **Impacts that may be both beneficial and adverse**. A significant effect may exist even if the Federal agency believes that on balance the effect will be beneficial. Potential adverse effects of the proposed activities to the physical environment, biological resources, and subsistence activities are expected to be negligible to minor. The potential beneficial economic effects for local residents employed in support of the proposed activities are expected to be temporary and negligible at the community level. Therefore, the level of adverse and beneficial effects of the proposed action does not render the potential impacts significant.
2. **The degree to which the proposed action affects public health or safety.** The communities closest to the proposed survey area are Wainwright, about 114 miles east-southeast, and Barrow, about 158 miles east. The proposed survey area is at least 45 miles from shore. The proposed activities would be supported from existing infrastructure located in Nome. Goods and services would be obtained from Dutch Harbor and Nome, and these business interactions are not expected to adversely affect community health. Previous seismic survey-related environmental evaluations (2006 Final Seismic PEA and Sale 193 EIS) concluded that effects to water and air quality from open-water seismic survey operations in the Chukchi Sea would be negligible. Statoil's proposed activities will incorporate mitigation measures developed

cooperatively with the Chukchi Sea communities to avoid interference with subsistence activities. These measures will an integral part of the activities and will be required and enforced by BOEMRE if the proposed action is approved. Therefore, the degree to which the proposed action may affect public health or safety does not render the potential impacts significant.

3. **Unique characteristics of the geographic area such as proximity to historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.** The proposed 3D survey area lies approximately 8 miles southwest of Hanna Shoal and one of the 2D survey lines extends onto Hanna Shoal. During the spring and early summer, a large proportion of Hanna Shoal retains sea ice providing resting/foraging platforms for several marine mammal species. Arctic sea ice has been proposed for designation as Critical Habitat for threatened polar bears (see also the discussion for criteria 9 below). Open-water marine seismic surveys require essentially ice-free conditions to maneuver the source array(s) and receiver streamer(s). Seismic surveying is not expected to occur if sea ice that could serve as a platform for polar bears, walrus, and ice seals is in the vicinity. The proposed activities are expected to have negligible or minor, short-term effects on biological resources. Effects on marine mammals are expected to be limited to disturbance and temporary avoidance or displacement.

   The LBCHU in the U.S. Chukchi Sea is a federally designated critical habitat for threatened spectacled eiders under the ESA (see also the discussion for criteria 9 below). In accordance with requirements of the FWS 2009 BiOp, vessel traffic between Nome and the survey area will remain outside of the LBCHU.

   The essential fish habitat (EFH) for five species of Pacific salmon and Arctic cod encompasses the entire Chukchi Sea Planning Area. Although EFH for saffron cod and snow crab have been designated within the U.S. Chukchi Sea, they do not extend to the proposed survey area. The BOEMRE analysis for EFH consultation with NMFS concluded that Statoil's activities would have negligible adverse effects on EFH.

   The likelihood of coastal areas or sea ice being contacted by fuel spilled from the proposed activities is extremely low. The proposed survey area is 45 miles and greater from the U.S. Chukchi coast. Statoil hopes to complete survey operations in mid-October, in which case the source vessel *M/V Geo Celtic* will not need to be refueled during the survey. If weather and/or ice conditions extended the survey operations into November, at-sea refueling may become necessary for the *M/V Geo Celtic*. At-sea refueling operations are conducted under U.S. Coast Guard (USCG) implementing regulations at 33 CFR 156 Subpart C—Special Requirements for Lightering of Oil and Hazardous Material Cargoes. Should the fuel transfer hose become disconnected or the fuel hose break, fuel valves are expected to be shut off quickly, limiting the volume of fuel spilled. For purposes of the analysis in the EA, a seismic survey fuel-transfer spill is assumed to be 13 barrels or less of diesel fuel. Small fuel spills are expected to evaporate, dissipate, and dilute within several hundred yards. Previous analysis of such spills (2006 Final Seismic PEA and Lease Sale 193 EIS) concluded that any effects would be localized, temporal, and negligible.

   Emissions and discharges from the survey vessels must comply with regulations that are applicable to all vessels. Emissions from seismic survey activities are expected to be localized and short term, and to have negligible effects on local air quality (2006 Final Seismic PEA and Lease Sale 193 EIS). Discharges from Statoil's proposed activities would be regulated under the Environmental Protection Agency's (EPA) National Pollutant Discharge Elimination System Vessel General Permit for Discharges Incidental to the Normal Operation of Vessels (EPA, 2009a), which became effective for Alaska on February 6, 2009. Current USCG regulations related to pollution prevention and discharges for vessels carrying oil, noxious

liquid substances, garbage, municipal or commercial waste, and ballast water are found at 33 CFR 151. Allowable discharges and emissions are not expected to reach or affect the coastal area or sea ice.

Therefore, the degree to which the proposed action may affect unique geographic areas does not render the potential impacts significant.

4. **The degree to which the effects on the quality of the human environment are likely to be highly controversial.** Whaling is a culturally self-defining practice of the Inupiat people. From it comes nutritious food, the basis for self-worth, and other attributes that have implications to many facets of their life, even including choosing their government leaders. Stakeholder concerns related to anthropogenic noise in the Arctic marine environment have focused on the potential effects to marine species, particularly the bowhead whale, from impulse sounds associated with high-energy seismic surveys, such as the proposed action. Stakeholder concerns have included the potential effects of noise on other marine mammals, fish, and birds; the biological significance of bowhead whales' responses to anthropogenic marine noise; and potential interference with subsistence activities.

   The anticipated effects of the proposed activities are based upon well-defined and established models for sound transmission. The proposed activities include specific and enforceable mitigation measures. The effects analyses in the EA are based on the best available scientific information. No unavailable information relevant to potential significant effects or essential to a reasoned decision on the proposal or alternatives was identified. There remain no substantial questions regarding whether the proposed action may cause significant effects. Therefore, the degree to which the potential effects of the proposed action may be highly controversial does not render the potential impacts significant.

5. **The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.** Permitted seismic surveys have been conducted in the federal waters of the Beaufort and Chukchi Seas since the 1960's with a peak in the 1980's. Prior to the 2006 open-water season, approximately 80,000 line-miles of 2D seismic surveys had been conducted in the Chukchi Sea Planning Area. Three seismic surveys were conducted during the 2006 open-water season in the Chukchi Sea. No significant adverse effects were observed during these operations, which incorporated both marine mammal observers and passive acoustic monitoring.

   Potential effects to bowhead whales, other marine mammals, and subsistence, were analyzed previously in the 2006 Final Seismic PEA, the 2007 Chukchi Sea Sale 193 FEIS, and multiple EAs prepared by MMS and NMFS for proposed seismic surveys in 2007 and 2008. Based on its NEPA analyses, BOEMRE found no significant effects to marine mammals and subsistence activities from seismic surveying activities. Based on its NEPA analyses, NMFS found negligible effects to marine mammals and no unmitigable adverse effects to the availability of subsistence resources from seismic survey activities. The NMFS July 17, 2008, BiOp concluded that OCS exploration activities, including seismic surveying, in the U.S. Arctic Ocean are not likely to jeopardize the continued existence of the fin, humpback, or bowhead whale. The FWS September 3, 2009, BiOp concluded that OCS exploration activities, including seismic surveying, in the Beaufort and Chukchi Seas are not likely to jeopardize the continued existence of the polar bear, the Steller's eider, or the spectacled eider, nor will they destroy or adversely modify critical habitat. These NEPA and ESA consultation findings were neither highly uncertain nor involved unique or unknown risks.

   The effects of the proposed action are not expected to be highly uncertain nor does the proposed action involve unique or unknown risks. Therefore, the degree to which the potential

effects of the proposed action may be highly uncertain or involve unique or unknown risks does not render the potential impacts significant.

6. **The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration.** Statoil's G&G permit application was submitted pursuant to OCS operating regulations at 30 CFR 251. The permit application is limited to Statoil's proposed seismic survey in the Chukchi Sea Planning Area during the 2010 open-water season. Statoil's proposed seismic survey in the vicinity of the company's Chukchi Sea leases is consistent with the overall objectives of the OCS Lands Act to determine the extent of the oil and natural gas resources of the OCS at the earliest practicable time. In compliance with OCS Lands Act and DOI policy in 516 DM 15, BOEMRE conducts technical and environmental review on each G&G permit application. No precedent for future actions or decision on principles for future considerations is made through decision on these specific proposed activities. Although the data and information obtained as a result of the proposed seismic surveys is a prerequisite to any decision by Statoil to proceed with exploration drilling, issuance of a G&G permit does not constrain the decision on any subsequent Exploration Plan (EP), nor does denying a G&G permit set a precedent for future approval of any future G&G permit or EP. This action will not establish a precedent for future actions nor represent a decision in principle about a future consideration. Therefore, the degree to which the proposed action may establish a precedent for future actions or represents a decision in principle about a future consideration does not render the potential impacts significant.

7. **Whether the action is related to other actions with individually insignificant but cumulatively significant impacts. Significance exists if it is reasonable to anticipate a cumulatively significant impact on the environment. Significance cannot be avoided by terming an action temporary or by breaking it down into small component parts.** The pending decision on Statoil's G&G permit application would be applicable solely to the proposed activities. Issuance of the G&G permit does not set a precedent for future approval of any other G&G permit. Although the data and information obtained as a result of the proposed seismic surveys would be a prerequisite to any decision by Statoil to proceed with exploration drilling, issuance of a G&G permit does not constrain the decision on any subsequent EP, nor does denying a G&G permit set a precedent for future approval of any future G&G permit or EP. All G&G permits and EPs are subject to BOEMRE proposal-specific technical and environmental review and separate decisionmaking process.

   The EA considered the potential cumulative effects of the proposed seismic activities and other expected activities in 2010 in the Chukchi Sea OCS, including Shell Gulf of Mexico Inc's approved exploration drilling activities. The EA concludes that the proposed activities are not reasonably anticipated to produce significant impacts or to incrementally add to the effects of other activities to the extent of producing significant effects. The proposed action is not directly or causally related to other actions with cumulatively significant impacts. Therefore, the degree to which the potential effects of the proposed action may be related to other actions with individually insignificant but cumulatively significant impacts does not render the potential impacts significant.

8. **The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historical resources.** The proposed activities do not include seafloor-disturbing activities (e.g., anchoring). The proposed survey area is located more than 45 miles offshore of the U.S. Chukchi coast. Allowable discharges and emissions are not expected to reach or affect the coastal area. At-sea refueling of the source vessel may occur if operations extend beyond 60 days. The likelihood of coastal

areas or sea ice being contacted by fuel spilled from the proposed activities is extremely low. The proposed action is not expected to adversely affect historic resources. Therefore, the degree to which the proposed action may adversely affect historic resources does not render the potential impacts significant.

9. **The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973.** Statoil's proposed seismic surveying activities are within the scope of the activities covered in the current ESA consultations. The NMFS July 17, 2008, BiOp concluded that OCS exploration activities, including seismic surveying, in the U.S. Arctic Ocean are not likely to jeopardize the continued existence of the fin, humpback, or bowhead whale. The FWS September 3, 2009, BiOp concluded that OCS exploration activities, including seismic surveying, in the Beaufort and Chukchi Seas are not likely to jeopardize the continued existence of the polar bear, the Steller's eider, or the spectacled eider, nor will they destroy or adversely modify critical habitat. The BiOp provided incidental take authorization for listed eiders, and required that incidental take of polar bears be authorized under the MMPA, at which time an ESA Incidental Take Statement (ITS) will be issued.

   The effects of the proposed action on endangered or threatened marine mammals are expected to be minor and temporary, and limited to disturbance and potentially some avoidance of the survey operations by a small number of marine mammals. This level of effects would be consistent with findings that are prerequisite to the issuance of incidental take authorizations under the MMPA. To issue incidental take authorizations under MMPA, NMFS and FWS must determine that the proposed action would have a negligible impact on marine mammals and no unmitigable impact on subsistence use. Statoil has applied to NMFS for an Incidental Harassment Authorization under the MMPA (December 18, 2009, revised April 14, 2010). Statoil has applied to FWS for a Letter of Authorization under the MMPA (December 18, 2009). Any approval of Statoil's permit would be a conditional approval. Under the conditional approval, Statoil may not commence survey activities prior to the receipt of all necessary permits and authorizations, including MMPA authorizations from NMFS and FWS.

   The best available information indicates that few threatened eiders would be present in the proposed survey area during the time of the proposed operations. Eiders could be disturbed or displaced by vessel traffic associated with the proposed activities, but the effects would be minor and temporary.

   The LBCHU in the U.S. Chukchi Sea is a federally designated critical habitat for threatened spectacled eiders under the ESA. In accordance with requirements of the FWS 2009 BiOp, vessel traffic between Nome and the survey area will remain outside of the LBCHU.

   The entire coastal area of the U.S. Chukchi Sea (barrier islands and denning habitats) and Arctic sea ice have been proposed for designation as critical habitat for threatened polar bears. The sea-ice habitat considered under the proposed rule to be essential for polar bear conservation is located over the continental shelf where water depths are typically 984 feet or less. Seismic surveying is not expected to occur if sea ice that could serve as a platform for polar bears is in the vicinity. The proposed activities are planned for the Arctic summer open-water season in 2010. The start of on-site survey activities would begin on or after July 15, which is after the retreat of the ice in most years (early June to late July). The proposed survey area is located seaward of the typical extent of landfast ice during the time of operations. Grounded ridge ice is not anticipated in the survey area at the time of operations. Pack ice could move into the survey area during the time of operations due to wind or currents. If this occurs, survey operations would be shut down as marine seismic surveys require essentially ice-free conditions to effectively maneuver the source array(s) and receiver streamer(s).

Allowable discharges and emissions are not expected to reach or affect the coastal area or sea ice. At-sea refueling is not proposed nor expected. The likelihood of coastal areas or sea ice being contacted by fuel spilled from the proposed activities is extremely low.

Therefore, the degree to which the proposed action may adversely affect endangered or threatened species or designated critical habitat does not render the potential impacts significant.

10. **Whether the action threatens a violation of Federal, State, or local law or requirements imposed for the protection of the environment.** In determining whether the proposed action may violate Federal, State, or local law or requirements imposed for the protection of the environment, BOEMRE considered documentation in Statoil's G&G permit application and support documentation. The BOEMRE determined that the proposed activities comply with OCS regulations at 30 CFR 251. The BOEMRE requires compliance with all applicable Federal, State, and local laws and requirements. Any approval of Statoil's permit would be a conditional approval. Under the conditional approval, Statoil may not commence survey activities prior to the receipt of all necessary permits and authorizations, including MMPA authorizations from NMFS and FWS. Therefore, the proposed action does not threaten a violation of Federal, State, or local law or requirement imposed for the protection of the environment.

Finding of No Significant Impact

I have considered the evaluation of the potential effects of the proposed activities in the attached EA, the mitigation measures incorporated in the proposed activities to assure that potential adverse effects are mitigated to the extent possible and major disputes over the effects of the proposal are avoided, and the review of 40 CFR 1508.27 significance factors. It is my determination that no substantial questions remain regarding potentially significant impacts and that no potentially significant impacts are expected to occur as a result of the proposed activities. It is my determination that implementing the proposed action does not constitute a major federal action significantly affecting the quality of the human environment within the meaning of Section 102(2)(c) of the National Environmental Policy Act of 1969.

Cleveland J. Cowles Ph.D. — 7/23/10

Cleveland J. Cowles, Ph.D.
Regional Supervisor, Office of Leasing and Environment
Alaska OCS Region

Date

Attachment: Environmental Assessment, Statoil USA E&P Inc. Geological & Geophysical Permit 2010 3D/2D Seismic Acquisition Chukchi Sea, Alaska. OCS EIS/EA BOEMRE 2010-020.

Copies of the EA on Statoil USA E&P Inc. Geological & Geophysical Permit 2010 3D/2D Seismic Acquisition Chukchi Sea, Alaska, can be obtained by request to Bureau of Ocean Energy Management, Regulation, and Enforcement, Alaska OCS Region, 3801 Centerpoint Drive, Suite 500, Anchorage, AK 99503-5823 or 1-800-764-2627. The EA can be viewed at BOEMRE website http://www.mms.gov/alaska.