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U.S. House of Representatives Committee on Natural Resources

Washington, **DC** 20515

January 3, 2013

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> Mr. Marvin E. Odum President Shell Oil Company P.O. Box 2463, Houston, TX 77252

Dear Mr. Odum,

I write regarding the ongoing incident with Shell Oil's Kulluk drill ship in Alaska. The drill ship ran aground Monday night off Sitkalidak Island in Alaska after Shell experienced problems towing the Kulluk through a storm. According to statements by the federal on-scene coordinator, there are more than 140,000 gallons of diesel fuel and 12,000 gallons of other petroleum products on board the Kulluk. While the Kulluk reportedly still appears to be structurally sound and no oil spills have been detected, heavy seas continue to prevent Shell from regaining control of the vessel. This is just the most recent incident in Shell's attempt to drill offshore in the Arctic and it raises serious questions about its ability to conduct these operations safely and in a way that protects the environment.

I therefore ask that you respond to the following questions in writing by the close of business of Wednesday, January 9, 2012:

- 1. According to press reports, the Alaska Department of Environmental Conservation's on-scene coordinator said that "customized response plans are being drafted." This is not the first instance involving the loss of control of one of Shell's vessels in the Arctic. In July, Shell's Noble Discoverer drill ship slipped its anchor and drifted near shore in Unalaska Bay, Alaska. Given this previous incident, had Shell submitted any contingency plans to the U.S. Coast Guard or the Department of the Interior or developed any plans internally to deal with loss of control of one of its drill ships? If so, please provide a copy of such plans and if not, why not?
- 2. The Kulluk was reportedly carrying roughly 140,000 gallons of diesel fuel and 12,000 gallons of other petroleum products. Given that the Kulluk drill ship does not possess its

¹ Alaska Dispatch, January 1, 2013. Available at: http://www.alaskadispatch.com/article/salvage-crews-await-weather-shells-grounded-arctic-drill-rig-sways-place

² CNN, July 16, 2012. Available at: http://www.cnn.com/2012/07/16/us/alaska-drilling-ship/index.html

- own propulsion system, did Shell consider offloading any fuel and petroleum from the Kulluk prior to it being towed? If not, why not?
- 3. The grounding of the Kulluk drill ship happened to occur roughly 20 miles from Kodiak Island, Alaska, which is the site of a Coast Guard station. The Kodiak station is reportedly the closest permanent Coast Guard facility to the site of Shell's offshore drilling in the Arctic yet is more than 1,000 miles away. Given the difficulty in responding to this incident that occurred in close proximity to the Kodiak Coast Guard station, how would Shell carry out an effective response should a similar incident occur in a more remote location?
- 4. According to press reports, the National Weather Service had said that winds had reached 70 miles per hour and waves had reached 50 feet. Did Shell consider waiting out the storm in a safe location rather than attempting to continue to tow the Kulluk in such weather and sea conditions? If not, why not?
- 5. While this weather is severe, it is not unprecedented for Alaska in winter. Please provide me with a copy of any plans that Shell has submitted to the U.S. Coast Guard or the Interior Department or that it has developed internally to deal with severe weather either while drilling operations are occurring or during transit to and from the drilling site. If no such plans have been submitted or developed, why not? Under what weather conditions does Shell believe it is not safe to continue operations offshore in the Arctic?
- 6. What steps does Shell plan to take to ensure that there are sufficient safety measures in place to help prevent similar incidents in the future? When will those measures be implemented?

I thank you for your attention to this matter. Please contact Morgan Gray on the Democratic Staff of the Natural Resources Committee at (202) 225-6065 if you have any questions regarding this request.

Sincerely,

Edward J. Markey Ranking Democratic Mem

Committee on Natural Resources

³ CBS News, January 2, 2013. Available at: http://www.cbsnews.com/8301-201_162-57561539/officials-say-no-sign-drilling-ship-kulluk-grounded-off-alaska-island-leaking-fluids/