



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT

Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, LA 70123 2394

In Reply Refer To: GM 235D

September 14, 2018

Mr. Keith R. Couvillion
Chevron U.S.A. Inc.
1500 Louisiana
Houston, Texas 77002

Dear Mr. Couvillion,

Reference is made to the following plan:

Control	N-10024
Type	Initial Exploration Plan
Received	July 25, 2018
Lease(s)	OCS-G 35971, Block 434, Mississippi Canyon Area (MC)

You are hereby notified that the approval of the subject plan has been granted as of September 14, 2018, in accordance with 30 CFR 550.233(b)(1).

This approval includes the proposed activities for Subsea Wells A, A1, A2, D, G, H, RW9, RW10, and RW11.

Drilling permits cannot be issued for the proposed wells until concurrence with your coastal zone management consistency certification has been received by this office from the Alabama Department of Environmental Management or until concurrence with the certification has been conclusively presumed.

In accordance with 30 CFR 556.901(d), additional security may be required for your proposed activities. Prior to conducting activities in which you need to obtain approvals and/or permits described in 30 CFR 550.281(a) from the appropriate District Manager or BSEE Regional Supervisor, you must contact BOEM Risk Management Operations Group by email at boemrmog@boem.gov to determine if additional security is required and comply with any demand for this security.

In response to the request accompanying your plan for a hydrogen sulfide (H₂S) classification, the area in which the proposed drilling operations are to be conducted is hereby classified, in accordance with 30 CFR 250.490(c), as "H₂S present." Accordingly, comply with the appropriate requirements of 30 CFR 250.490.

Your plan indicates that you anticipate hydrogen sulfide (H₂S) at a concentration of approximately 21 parts per million (ppm). Should you actually encounter H₂S at a concentration greater than 500 ppm, revise your plan in accordance with 30 CFR 550.285 to include toxic modeling and an analysis of any potential environmental impacts. Contact Dr. Chester Huang, Office of Environment, at (504) 736-3248 to obtain the methodology for modeling an H₂S plume. You must receive approval of the revised plan before additional permits filed under your plan will be approved.

The projected NO_x emissions amounts in your plan were calculated using historic fuel consumption rates. Maintain monthly records of the total annual fuel consumption for the drillship Pacific Sharav with a limit of 6,811,995 gallons per year, and provide the information to the BOEM Regional

Supervisor, Office of Leasing and Plans, Plans Section (GM 235D) annually by February 1st of each year, beginning in the year 2019. If no activities were conducted during a calendar year, provide a statement to that effect in lieu of the required records. If at any time during your activities these records indicate that your NO_x annual emissions may exceed the annual limit approved in your plan or the total annual fuel consumption limit, you must immediately prepare a revised plan pursuant to 30 CFR 550.283 to include the recalculated emissions amounts. You will not proceed with the actions that could cause the potential annual increase in emissions until the revised plan has been submitted to and approved by BOEM.

Our review indicates that your proposed activities are in the vicinity of the unidentified side-scan sonar target listed in the Enclosure, a feature that may represent a significant archaeological resource. In accordance with 30 CFR 550.194, you must either (1) conduct an underwater archaeological investigation (diver and/or ROV investigations) prior to commencing activities to determine whether this feature represents an archaeological resource, or (2) ensure that all seafloor disturbing actions resulting from the proposed activities avoid the unidentified feature by a distance greater than that listed in the Enclosure. If you conduct an underwater archaeological investigation, contact either Dr. Jack Irion at (504) 736-1742 or Dr. Christopher Horrell at (504) 736-2796 at least two weeks prior to performing operations to obtain the investigation methodology. If you choose to avoid the feature, submit an as-built map at a scale of 1-inch = 1,000-feet with DGPS accuracy, showing the location of all seafloor disturbances (e.g., the rig or platform, anchors, anchor chains, wire ropes, cables, etc.) relative to the feature to the BOEM Regional Supervisor, Office of Leasing and Plans, Plans Section (GM 235D), at the same time you submit your End of Operations Report (Form BSEE-0125) to the appropriate BSEE GOMR District Office.

Exercise caution while drilling due to indications of shallow gas and possible water flow.

You must comply with the following species protective measures in all activities conducted pursuant to the plan:

- BOEM Notice to Lessees and Operators (NTL) No. 2016-G01, "Vessel Strike Avoidance and Injured/Dead Protected Species Reporting" (available at <http://www.boem.gov/BOEM-NTL-No-2016-G01>);
- BOEM NTL No. 2016-G02, "Implementation of Seismic Survey Mitigation Measures and Protected Species Observer Program" (available at <http://www.boem.gov/BOEM-NTL-2016-G02>); and
- BSEE NTL No. 2015-G03, "Marine Trash and Debris Awareness and Elimination" (available at <https://www.bsee.gov/sites/bsee.gov/files/notices-to-lessees-ntl/alerts/ntl-2015-g03.pdf>)

These measures are designed to promote environmental protection, consistent environmental policy, compliance with environmental laws, and safety.

If you have any questions or comments concerning this approval, please contact Robert Arpino at (504)736-2414.

Sincerely,

**MICHELLE
PICOU**

Digitally signed by
MICHELLE PICOU
Date: 2018.09.14
16:21:50 -05'00'

for Bernadette Thomas
Acting Regional Supervisor
Office of Leasing and Plans

Enclosure