



March 3, 2010

VIA: Email to <http://www.regulations.gov>

Ms. Kaja Brix  
Assistant Regional Administrator  
Protected Resources Division, Alaska Region  
National Marine Fisheries Service  
ATTN: Ellen Sebastian  
P.O. Box 21668  
Juneau, AK 99802-1668

**Re: Comments on December 2, 2009 Proposed Rule Designating Critical Habitat for the Cook Inlet Beluga Whale (74 Fed. Reg. 63,080)**

Dear Ms. Brix:

CGGVeritas Land (US), Inc. would like to take this opportunity to submit comments on the National Marine Fisheries Service's ("NMFS's") proposal to designate critical habitat for the Cook Inlet beluga whale (*Delphinapterus leucas*) in the United States (the "Proposed Rule") pursuant to Section 4 of the Endangered Species Act ("ESA"), 16 U.S.C. § 1533. *See* 74 Fed. Reg. 63,080 (Dec. 2, 2009).<sup>1</sup>

CGGVeritas Land (US), Inc. is of the opinion that the designating of beluga whale critical habitat in the Cook Inlet waters would have significant impacts to a multitude of economic activities that now or will occur in the future, specifically to our business activities of seismic acquisition in the oil and gas industry, in and around the Cook Inlet.

CGGVeritas Land (US), Inc. has provided the following comments and concerns with this proposed rule herein represented below.

CGGVeritas Land (US), Inc. accepts the responsibility to operate its businesses in such a way as to eliminate or minimize the impact of its activities on the environment. This responsibility extends beyond conformance to local or program specific laws and regulations and includes striving to achieve best practices in environmental protection performance. This commitment is reflected in our Environmental Policy.

CGGVeritas Land (US), Inc. has operated several programs within the Cook Inlet region land and waters during the past ten years. Even if the majority of the sound frequencies emitted by the seismic array are below the frequency range typically used by belugas, we have implemented extensive mitigation and regulatory measures to minimize or eliminate potential impacts to beluga whales (risk based approach). These such measures as recommended by NMFS include: marine energy source ramp up procedure; sound source verification (SSV); Safety zone around the energy source; onshore and offshore trained visual observers (MMO). These measures have become standard operating procedures for CGGVeritas Land (US), Inc. in Alaska Cook Inlet waters during the past few years. Consequently, our operations have

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<sup>1</sup> By notice on January 12, 2010, the Service extended the comment period on the Proposed Rule to March 3, 2010. 75 Fed. Reg. 1582 (Jan. 12, 2010).



had negligible impacts to the beluga whales (indiscernible at population or individual level); we feel that the designation of critical habitat is not necessary at this time.

CGGVeritas Land (US), Inc. is of further concern that this proposed rule would tend to cause our industry clients to avoid investing in projects within critical habitat areas, fearing substantial delays, higher costs, regulatory uncertainty, and litigation. Industry in other areas of the state already sees the effects of legal costs that businesses and local communities must incur from lawsuits challenging agency permits for activities inside or near critical habitats.

We feel strongly that the economic impact would be considerably more than the estimated high end associated financial impact of \$571,000 as suggested in the federal register and must be considered before critical habitat areas if at all are finalized. Regrettably, one single project alone can easily incur millions of dollars in litigation expenses. The impact of this decision could be far reaching to impact not only our industry but to multiple areas of Alaska's economy, both locally and rurally.

Thank you for the opportunity to provide comments, if you require additional information, please call me at 907-276-6037 or email [scott.nish@cggveritas.com](mailto:scott.nish@cggveritas.com).

Regards,

A handwritten signature in black ink, appearing to read "Scott Nish".

Scott Nish

Operations Manager – Alaska Division