

## A History of Shell's Arctic Drilling Mishaps

Shell has a long history of broken promises and mishaps throughout its attempts to drill in the Arctic Ocean, and after disastrous 2012 and 2015 Arctic exploratory drilling campaigns, Shell announced it would be suspending its exploratory plans “for the foreseeable future.” Shell’s long list of mistakes in 2012 and 2015 proves that oil and gas companies are not prepared to handle the unique difficulties presented by the Arctic. , President Obama will finalize the 2017-2022 Outer Continental Shelf (OCS) oil and gas leasing program (five-year plan) by the end of his term, and Shell’s failures demonstrate why no new drilling should be allowed in America’s Arctic.



*Shell's Kulluk drilling rig grounded near Kodiak, AK. Photo Credit: U.S. Coast Guard*

The Arctic Ocean’s pristine ecosystems are home to iconic wildlife species including whales, polar bears, walrus, seals and hundreds of species of birds. The Inupiat people who live in the region utilize these waters and the wildlife they support to maintain their subsistence lifestyle. Shell has shown us that oil companies simply cannot be trusted to drill safely in the Arctic Ocean: not only is there no effective way to clean up an oil spill in Arctic conditions, but there is a total lack of infrastructure in the region to support either safe drilling or an effective cleanup effort. The bottom line is clear: the Arctic must be protected.

### A Timeline of Shell's Failed Track Record

Shell’s 2012 drilling season was one marked by mistakes and deception, and 2015 was not any different.

Beginning in 2012, Shell:

- \* [Lost control](#) of its 546-foot drillship *Noble Discoverer* in Dutch Harbor in July 2012, hundreds of miles to the south of the Arctic Ocean on its way to start the summer’s drilling.
- \* [Was cited](#) by the Coast Guard for 16 safety and environmental violations for the *Noble Discoverer*. The Coast Guard found a lack of preventive maintenance and “systematic failure” that led to the *Noble Discoverer* experiencing a loss of its propulsion system and an explosion in its exhaust system.
- \* Saw its contractor, Noble Drilling LLC, [plead guilty to eight felony offenses](#) and agree to pay \$12.2 million dollars in fines because of environmental and safety violations aboard the *Noble Discoverer* and the *Kulluk*.
- \* [Damaged its oil spill containment dome](#) during a failed sea trial which occurred off the comparatively mild coast of Washington, not in the extreme, icy conditions of the Arctic. According to Bureau of Safety and Environment Enforcement (BSEE) emails, the containment dome test was intended to take a single day. After five days of struggle to get the containment dome certified, it “breached like a whale” before sinking more than 120 feet. About 12 hours later, the crew of the Shell’s *Arctic Challenger* managed to get the dome back to the surface and a BSEE official noted that, “basically the top half is crushed like a beer can.”
- \* Saw [the Noble Discoverer catch on fire](#). After departing the Arctic, the *Noble Discoverer* had an engine fire which created a huge explosion and black smoke. The extent of the damage is still unclear.
- \* [Lost control](#), on New Year’s Eve, of its other drillship the *Kulluk* in the Gulf of Alaska after it broke free from two tow ships in rough seas. The massive oil rig eventually grounded in ecologically and culturally sensitive habitat off an island near Kodiak, Alaska, until it was able to be towed days later to a safer harbor.

- \* [Was investigated by the Coast Guard](#). On April 3, 2014, the Coast Guard released a report on the *Kulluk* grounding which highlighted issues with Shell's management, equipment failures and human errors. In fact, the Aiviq Master sent the following in an email to the Tow Master aboard the *Kulluk* regarding the crew's performance, which included this observation: "To be blunt I believe that this length of tow, at this time of year, in this location, with our current routing guarantees an ass kicking."
- \* Violated the Clean Air Act according to the Environmental Protection Agency (EPA), which on September 5, 2013, issued [fines of 1.1 million](#) to Shell for Clean Air Act violations for the *Kulluk* drill unit and *Noble Discoverer* drillship. Based on EPA's inspections and Shell's excess emission reports, EPA documented numerous air permit violations during the approximately two months the vessels operated during the 2012 drilling season. These violations came after Shell successfully lobbied EPA to lower the applicable standards; however, Shell could not comply with even these new, lower standards.
- \* [Backtracked](#) on the outrageous assumption included in its Arctic oil spill response plans that it could clean up 95 percent of a major spill in the Arctic. Recovery rates after the disastrous *Deepwater Horizon* and *Exxon Valdez* spills were closer to 10 percent. When asked specifically, Shell backtracked, asserting that it intended only to "encounter" 95 percent of spilled oil, not recover or clean it up. One Shell spokesman went so far as to say that when it comes to potential Arctic oil spill cleanup, "it would be rather ridiculous of us to make any kind of performance guarantee."
- \* [Contracted for helicopters that weren't ready for ice conditions](#). According to *Popular Mechanics*, "Shell had contracted with PHI, Inc., a helicopter services company that is ubiquitous in the Gulf of Mexico. But the company's Sikorsky S-92 helicopters had not been prepared with de-icing equipment, and the pilots I spoke with lacked experience flying on the North Slope."
- \* Failed to depart the Arctic at the end of the drilling on schedule due to technical difficulties. [Popular Mechanics reported](#) that on November 7, 2013, the company's *Kulluk* rig was still moored in the Beaufort Sea where temperatures had dropped below zero resulting in a logistical nightmare for Shell. On November 8, the ship was able to break free and head to Dutch Harbor.

Beginning in 2015, Shell:

- \* [Failed a U.S. Coast Guard Inspection](#) while the *Noble Discoverer* was docked in Honolulu, after the same oil filtration system that failed in 2012 and contributed to Shell's contractor, Noble Drilling LLC, pleading guilty to eight felonies, failed again.
- \* Was unable to demonstrate compliance with pre-treatment waste-water standards, resulting in the [denial of a waste disposal permit](#) in Seattle.
- \* Saw the *Polar Pioneer* [fail a critical U.S. Coast Guard inspection](#) meant to test its ability to perform offshore. The test quantifies "hull structure, electrical system safety, lifesaving and firefighting systems and equipment, and for verifying the unit's crew is capable of conducting satisfactory abandon ship (unit) and fire drills."
- \* [Oversaw the route for the icebreaker \*Fennica\*](#), which was damaged in fair weather conditions by [cutting through shallow waters instead of taking the time to traverse known deep water nearby](#). The result was a three-foot gash in the *Fennica's* hull, resulting in the boat heading south to Portland, OR, for repairs with Shell's capping stack on board.
- \* [Was unable to drill two wells as planned](#) because of a known U.S. Fish and Wildlife Service regulation - Shell was required to maintain a minimum spacing of 15 miles between active drill rigs during exploration activities to avoid significant effects on walrus in the region.

### **The Bottom Line:**

Shell's departure from the Arctic and the increasing impacts of climate change on the region give the Obama administration ample reason to take all Arctic drilling off the table for good.