

**DEPARTMENT OF NATURAL RESOURCES
OFFICE OF COASTAL MANAGEMENT
P.O. BOX 44487
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COASTAL USE PERMIT/CONSISTENCY DETERMINATION

Coastal Use Permit – General Permit-25 (CUP-GP-25)

Name and Address: Louisiana Department of Natural Resources; Office of Coastal Management
P.O. Box 44487, Baton Rouge, LA 70804-4487

LOCATION: In the Louisiana Coastal Parishes of Ascension, Assumption, Calcasieu, Cameron, Iberia, Jefferson, Lafourche, Livingston, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne and Vermilion.

DESCRIPTION: This General Permit provides for the construction of a minimally-sized ring levee adjacent to an existing board road or ring levee.

In accordance with the rules and regulations of the Louisiana Coastal Resources Program and Louisiana R.S. 49, Sections 214.21 to 214.41, the State and Local Coastal Resources Management Act of 1978, as amended, the permittee agrees to:

1. Carry out, perform, operate and maintain the use in accordance with the permit conditions, plans and specifications approved by the Department of Natural Resources. Please be advised that a separate Coastal Use Permit (CUP) may be required for maintenance activities.
2. Comply with any permit conditions imposed by the Department of Natural Resources.
3. Adjust, alter, or remove any structure or other physical evidence of the permitted use if, in the opinion of the Department of Natural Resources, it proves to be beyond the scope of the use as approved, or is abandoned.
4. Provide, if required by the Department of Natural Resources, an acceptable surety bond in an appropriate amount to ensure adjustment, alteration, or removal should the Department of Natural Resources determine it necessary.
5. Hold and save the State of Louisiana, the local government, the department, and their officers and employees harmless from any damage to persons or property which might result from the use, including the work, activity, or structure permitted.
6. Certify that the use has been completed in an acceptable and satisfactory manner and in accordance with the plans and specifications approved by the Department of Natural Resources. The Department of Natural Resources may, when appropriate, require such certification to be given by a registered professional engineer.
7. All terms of the permit shall be subject to all applicable federal and state laws and regulations.
8. This permit, or a copy thereof, shall be available for inspection at the site of work at all times during operations.
9. The permittee shall notify the Office of Coastal Management (OCM) of the date on which initiation of the permitted activity described under the "Coastal Use Description" began. The applicant shall notify the OCM by mailing the enclosed green initiation card on the date of initiation of the coastal use.
10. The following special conditions must also be met in order for the use to meet the guidelines of the Louisiana Coastal Resources Program:

I. General Conditions

- A. The Secretary of DNR has determined that full individual permit processing by OCM is in the public interest in order to determine whether proposed activities qualify for authorization under the authority of this General Permit. This full individual permit processing will consist of review by the staff of OCM of each authorization request. Therefore, pursuant to the Rules and Procedures for Coastal Use Permits, Title 43, Subpart 723.C.3.a, of the Louisiana Code of Administrative Procedure, an application fee will be assessed for activities proposed for authorization under the authority of this General Permit. If appropriate, permit processing fees and appropriate mitigation plan processing fees also will be assessed.
- B. A standard Joint Application Form shall be completed and submitted to OCM along with drawings depicting the location and character of work proposed for approval under the authority of this General Permit. The applicant shall submit a complete application packet (forms and plats) to OCM. The application shall be accompanied by the application fee in effect at the time of application submittal. This General Permit shall not apply if the proposed work is determined not to meet the criteria. The applicant shall be advised within five (5) calendar days of receipt of the complete application that the application shall be processed as an individual CUP if the determination is made that the proposed activity is not consistent with this General Permit.
- C. Individual written approvals from OCM must be obtained prior to the commencement of any individual activity proposed under the authority of this General Permit.
- D. Should OCM deem that they may have an interest in the project, prior to issuance of authorization for an individual activity under the authority of this General Permit, the following agencies shall have a five (5) calendar day period to review the proposed activity: the Louisiana Department of Wildlife and Fisheries (LDWF); Department of Health and Hospitals (DHH); Department of Environmental Quality (DEQ); Coastal Protection and Restoration Authority (CPRA); Department of Culture Recreation, and Tourism (CRT); Department of Transportation and Development (DOTD); State Land Office (SLO); and the approved Local (Parish) Coastal Zone Management Program (LCP), if applicable. OCM may issue authorization for the proposed activity after the designated review period or after receiving notification by each of the agencies, either in writing or by telephone, that there are no objections to the proposed activity. However, the final decision for the issuance of authorization for individual activities under the authority of this General Permit, to issue approval with modifications or additional Operating Conditions, or to deny approval for the proposed work, shall be made by the Secretary of DNR, or his designee.
- E. Should it be deemed in the public interest, the Secretary shall deny authorization to perform work under the authority of this General Permit and require the applicant to obtain an individual CUP for the proposed activity.
- F. Unless otherwise specified in the General Permit or specific work approval, authorization for work under the authority of this General Permit shall expire if the work is not initiated and completed within two (2) years from the date of issuance of the original written individual approval. Initiation of the Coastal Use, for purposes of this General Permit, means the actual physical beginning of the use or activity for which the permit is required. Initiation does not include preparatory activities, such as movement of equipment onto the Coastal Use site,

expenditure of funds, contracting out of work, or performing activities which by themselves do not require a permit. In addition, the permittee must, in good faith and with due diligence, reasonably progress toward completion of the project once the Coastal Use has been initiated. All activities authorized under the authority of this General Permit must be completed within 90 days of initiation of the work, with a one-time mobilization, unless a different time schedule is specifically approved by OCM.

- G. The term to initiate and complete an individual authorization issued under the authority of this General Permit may be extended for up to an additional two (2) years beyond the initial two (2) year term. Extension requests shall be in the form of a written letter which shall refer to the original CUP application number and specifically state that a permit extension is desired. Submission of extension requests via the online application system also is acceptable. A nonrefundable extension request fee in the amount of \$80 shall be included with such a request, and the request must be received by the Permits and Mitigation Division of OCM no sooner than 180 days and no later than 60 days prior to the expiration of the individual authorization in question. Requests received later than 60 days prior to the expiration date of the permit shall be eligible for consideration for extension, however a permittee who fails to make a timely request for an extension shall not engage in any activity requiring a CUP past the original permit expiration date until an extension of the lapsed permit or a new permit is granted
- H. The Term of this General Permit shall be five (5) years from the date of issuance, except as provided for in LAC 43 Subpart 723.E.3.b.
- I. The permittee shall notify OCM of commencement of activities which are authorized under the authority of this General Permit. The permittee shall notify OCM by either providing the information in writing or entering the information through the online system, within three (3) days of the date of initiation of the authorized work.
- J. Issuance of approval under the authority of this General Permit does not relieve the applicant of obtaining other lawfully required permits (local, state, or federal) before commencing work.
- K. The permittee shall allow representatives of OCM or authorized agents to make periodic, unannounced inspections to assure the activity is being performed in accordance with the conditions of the permit.
- L. Work performed under the authority of this General Permit shall conform to all appropriate state and federal safety regulations.
- M. An authorization issued under the authority of this General Permit may not be transferred to another party without giving prior notice to, and receiving written approval from, the OCM Administrator. A transfer form can be downloaded at http://dnr.louisiana.gov/assets/OCM/permits/Transfer_FORM.pdf, or can be provided upon request.
- N. Work carried out under the authority of this General Permit shall be performed in full compliance with the rules and regulations of DNR which exist at the time of approval for that work.

- O. Permittee shall provide legal representation and indemnification to State agencies for any and all lawsuits and/or claims whether they be legal or otherwise that may be filed or made against State agencies as a result of the activities by Applicant.

II. Operating Conditions

- A. All logs, stumps and other debris encountered during dredging activities shall be removed from the site during or immediately after the permitted activity and disposed of in accordance with all applicable laws and regulations.
- B. Spoil shall not be placed in or block any tidal sloughs.
- C. This General Permit does not convey any property rights, mineral rights, or exclusive privileges, nor does it authorize injury to property.
- D. If archaeological, historical or other cultural resources are encountered during activities authorized under the authority of this General Permit, work shall cease and the applicant shall immediately notify the Division of Archaeology, CRT (P. O. Box 44247, Baton Rouge, LA 70804) and OCM (P. O. Box 44487, Baton Rouge, LA 70804-4487, (225) 342-7591). Work may not resume until written approval is obtained from CRT.
- E. The permittee shall insure that all sanitary sewage and/or related domestic wastes generated during the subject project activity and at the site, thereafter, as may become necessary shall not be discharged into any of the streams or adjacent waters of the area without authorization from DHH and/or DEQ or, in the case of total containment, shall be disposed of in approved sewerage and sewage treatment facilities, as is required by the State Sanitary Code and DEQ regulations. Such opinion as may be served by those comments offered herein shall not be construed to suffice as any more formal approval(s) which may be required of possible sanitary details (i.e. provisions) scheduled to be associated with the subject activity. Such shall generally require that appropriate plans and specifications be submitted to DHH for purpose of review and approval prior to any utilization of such provisions.
- F. The permittee shall comply with all applicable laws regarding the need to contact the Louisiana One Call System (811) or online at http://www.laonecall.com/how_to_use_us.htm to locate any buried cables and pipelines.
- G. The permittee is subject to all laws related to damages which are demonstrated to have been caused by the permitted activities.
- H. All activities involving any discharge of pollutants must be consistent with applicable water quality standards, and any necessary permits issued through the DEQ, Office of Water Resources must be obtained.
- I. Dredging and/or filling activities authorized under the authority of this General Permit shall not exceed the volume specified in the project description of the individual authorization.
- J. When adverse impacts to vegetated wetlands may result from the proposed activity, and/or when otherwise determined necessary by OCM, the applicant and OCM shall negotiate, in consultation with the owner(s) of land on which the permitted activity is proposed to occur, and

those other natural resource agencies deemed appropriate by OCM, a compensatory mitigation plan, and the applicant shall implement that plan. That plan shall fulfill the requirements of Louisiana Revised Statute 49:214.41 and those rules and regulations adopted thereunder. Unless otherwise stated the expiration of the term of this General Permit, or the revocation or expiration of approval to perform work under the authority of this General Permit, shall not absolve the permittee, its transferees, or assignees from the obligation and responsibility of implementing and maintaining the compensatory mitigation plan.

- K. If applicable, the requirement for compensatory mitigation for impacts to wetlands resulting from the referenced project may be determined after one full growing season (March 1 to November 1) following the completion of the permitted activities. This assessment shall include both primary impacts and secondary impacts which may result from the permitted activities.

If OCM determines that compensatory mitigation is required, permittee shall submit a compensatory mitigation plan for approval within 30 days of notification of the compensatory mitigation requirements by OCM. All necessary approvals shall be obtained for the compensatory mitigation plan and the plan shall be implemented as directed by OCM. The permittee should be aware that compensatory mitigation projects may be required to be maintained for as many as 20 years for marsh mitigation projects and 50 years for forested wetland mitigation projects. A processing fee will be assessed for the determination of compensatory mitigation requirements and evaluation of the proposed compensatory mitigation plan in accordance with LAC Title 43, Part I, Chapter 7, §724.D. This fee shall apply regardless of which compensatory mitigation option is selected and does not include the cost incurred to implement the required compensatory mitigation.

- L. Individual activities authorized under the authority of this General Permit and occurring on LDWF identified Public Oyster Seed Grounds or Reservations shall be conditioned as agreed upon per the Memorandum of Understanding between the LDNR and LDWF, and all subsequent amendments to said document. This document can be found at <http://dnr.louisiana.gov/index.cfm?md=pagebuilder&tmp=home&pid=96>.
- M. Individual activities authorized under the authority of this General Permit shall be carried out on a one-time basis, during a one-time mobilization, except in situations where sequential phases (e.g., use of different types of dredging techniques, or phased construction) may be specified in the work statement of the individual authorization. Additional authorizations may be necessary for maintenance activities or work beyond the scope of the authorized activities.
- N. If the project authorized under the authority of this General Permit is located on the aboriginal homelands of the Chitimacha Tribe of Louisiana and/or at any time during the course of work any traditional cultural properties are discovered, the permittee shall immediately contact the Chitimacha Tribe of Louisiana, P.O. Box 661, Charenton, LA 70523 - phone (337) 923-7215.

III. This General Permit does not apply in the following locations without prior written authorization from the appropriate agencies:

- A. Work under the authority of this General Permit shall not be approved in the following areas, unless the applicant first provides a letter of no objection from the LDWF:

1. Within the boundary of a currently productive oyster seed ground, oyster seed reservation or public oyster harvesting area; or
 2. Within the boundaries of a LDWF owned or managed Wildlife Management Area (WMA) or Wildlife Refuge (WR).
 3. Within 1,000 feet, or other distance deemed appropriate by LDWF, of a known bald eagle nest.
 4. Within 1,500 feet, or other distance deemed appropriate by LDWF, of a known bird rookery area.
 5. Within the officially designated critical habitat of a threatened or endangered species.
- B. Work under the authority of this General Permit shall not be approved in the following areas, unless the applicant first provides a letter of no objection from CRT:
1. Within a State Park, State Recreation Area or State Commemorative Area; or
 2. Within any known historic or archaeological site or within the boundaries of an historical district.
- C. Within 1,000 feet of an established navigation channel or fairway constructed, owned, operated, or maintained by federal, state or local governments, or with federal, state or local government funds, without written consent of each appropriate agency or governing body. An authorization request that is not accompanied by such written permission shall be processed as an application for an individual CUP. If, however, there is a physical barrier at the project site that isolates the Coastal Use from the navigation channel or fairway and effectively prevents any interchange between the two, this restriction does not apply.
- D. Within 1,500 feet of the Mississippi River or Atchafalaya River levees or within 300 feet of all other levees or other flood control structures which are owned, operated or maintained by the federal government, or with federal funds, without the written consent of each appropriate agency or governing body.
- E. Within 1,000 feet of levees or other flood control facilities constructed, owned, operated or maintained by state or local governments, or with state or local government funds, without the written consent of each appropriate agency or governing body.
- F. Within 1,500 feet of a barrier island, barrier island feature, chenier or other coastal feature without the approval of the appropriate resource agencies that OCM determines to have programmatic interests.

IV. This General Permit does NOT apply in the following situations:

- A. Within 1,000 feet of an area determined to be a unique ecological feature by the Secretary of DNR.

- B. Within Special Significance Areas designated pursuant to R.S. 49:214.41(F) and those rules and regulations adopted thereunder, where applicable.
- C. Within the boundaries of a national park or monument, national wildlife refuge or established buffer zone for any such national site.

V. Special Conditions

- A. Activities proposed for authorization under the authority of this General Permit must undergo the Geologic Review Procedure (GR) to consider alternate drilling sites.
- B. This General Permit authorized the construction of a 300-foot X 300-foot ring levee, or one that is irregularly shaped but impacts no more than 90,000 square feet, for the purpose of drilling an oil, gas or salt water disposal well. This General Permit also authorizes the construction of a 400-foot X 400-foot ring levee, or one that is irregularly shaped but impacts no more than 160,000 square feet, if it is determined through GR to be a requirement of drilling a well. The ring levee must be adjacent to an existing ring levee or access road.
- C. Clean fill material for the construction of the ring levee must be hauled in from an upland site. This General Permit does NOT authorize the on-site excavation of fill material.
- D. A closed loop (containerized) mud system will be used for any drilling activities performed under the authority of this General Permit.
- E. Compensatory mitigation will be required for the entire work area, unless all parties agree there is no possibility of the presence of vegetated wetlands, including submerged aquatic vegetation, in any portion of the work area associated with activities authorized under the authority of this General Permit, and shall be via payment to the DNR In-lieu Mitigation Fund. Other financial assurances determined to be acceptable by the Secretary of DNR shall be provided upon request. A statement from the landowner(s) on whose property the proposed activity is to take place, waiving their right to request on-site mitigation, must be presented at this time. At the conclusion of the GR the area of impact shall be calculated, and the amount due to DNR for mitigation shall be equal to that area of impact multiplied by the current maximum state or federal mitigation rate, whichever is larger.
- F. Should a proposed ring levee require the use of an existing permitted ring levee or access road, and if restoration on abandonment of the existing ring levee or access road is required, the applicant shall include with the application packet a signed agreement between the permittee of the existing ring levee or access road and the applicant for the proposed ring levee. This agreement shall describe a plan for restoration of all adjoining ring levees and access roads upon abandonment of each respective well site, and shall also describe each party's responsibilities to ensure that all adjoining ring levees and access roads are restored in accordance with Special Conditions V.G and V.H of this General Permit. This condition shall apply even if different entities or individuals are involved unless it is determined by the Secretary of DNR that leaving the ring levee or access road in place would enhance the overall habitat value of the immediate area.

- G. Within one hundred and twenty (120) days of plugging the well, the drilling site shall, to the maximum extent practicable, be restored to pre-project conditions in accordance with Special Condition V.H of this General Permit.
- H. Restoration of abandoned drilling sites and/or access roads shall, at a minimum, include:
 - 1. All E & P wastes shall be removed from the site and disposed of at a state-approved facility or shall be treated and disposed of on site in accordance with LAC 43:XIX.Chapter 5, LAC 43:XIX.311 and LAC 43:XIX.313 (Statewide Order 29-b)
 - 2. Removal of all hauled in fill and boards from the site and disposal of unusable boards at a state approved facility.
 - 3. Disposal of all other debris, trash, and garbage in a state approved facility.
 - 4. Re-grading of the site to pre-project elevations, to the maximum extent practicable.
 - 5. A separate coastal use permit will be required for site restoration activities.
- I. Within 90 days of the well becoming a producer, the drill site shall be reduced to the minimum size required for well service and production activities. The drill site may be permatized using OCM approved materials if needed. The area to be permatized must be reduced to the smallest area practical and requests for permatization must be included in the current application. If not included with the current application, a separate coastal use permit will be required permatization activities. Upon plugging the well, the permittee shall comply with the requirements of Special Conditions V.G and V.H of this General Permit.
- J. In forested areas, the clearing of trees associated with site preparation shall not exceed that necessary to construct the ring levee. The maximum width of disturbed area in these areas shall include a ten (10) foot work area outside of the boundaries of the ring levee.
- K. The individual authorization to commence work authorized under the authority of this General Permit shall be issued after the application for this General Permit is complete; after GR has been completed and the proposed activity is in accordance with the results of the GR and of all relevant conditions; after the mitigation fee has been paid or suitable assurances have been made; and after any and all other applicable fees have been paid.

VI. Definitions

- A. As used in this General Permit, the following terms shall have the meaning ascribed to them:
 - 1. Geologic Review Procedure (GR) means the process by which alternative methods, including alternative locations, for oil and gas exploration are evaluated on their environmental, technical, and economic merits on an individual basis; alternative methods, including alternative locations, of oil and gas production and transmission activities which are specifically associated with the proposed exploration activity shall also be evaluated in this process. These alternative methods, including alternative locations, are presented and evaluated at a meeting by a group of representatives of the involved parties. A GR group is composed, at a minimum, of representatives of the applicant, a petroleum geologist and a

petroleum engineer representing OCM and/or the New Orleans District US Army Corps of Engineers (CEMVN), and a representative of the OCM Permit Section, and may include, but is not limited to, representatives of LDWF, DEQ, COE, the U.S. Fish and Wildlife Service (USFWS), the NOAA Fisheries (NOAA), and the U.S. Environmental Protection Agency (USEPA).

2. Wetlands means an open water area or an area that is inundated or saturated by surface or ground, water at a frequency and duration sufficient to support, and under normal circumstances does support, a prevalence of vegetation typically adapted for life in saturated soil conditions, which occur within the designated coastal zone of the state. Wetlands generally include swamps, marshes, bogs, and similar areas.
3. Abandonment occurs when something is no longer used for the purpose for which it was authorized.

*****END OF CONDITIONS*****

By accepting this permit the applicant agrees to its terms and conditions.

I affix my signature and issue this permit this 5th day of February, 2014.

DEPARTMENT OF NATURAL RESOURCES



Karl L. Morgan, Administrator
Office of Coastal Management

This agreement becomes binding when signed by the Administrator of the Office of Coastal Management, Department of Natural Resources.