

DEPARTMENT OF NATURAL RESOURCES COASTAL MANAGEMENT DIVISION

P. O. BOX 44487 BATON ROUGE, LOUISIANA 70804-4487 (504) 342-7591

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COASTAL USE PERMIT/CONSISTENCY DETERMINATION

C.U.P. No. COASTAL USE PERMIT - GENERAL PERMIT 5 (REVISED) (CUP-GP 5 Revised)

C.O.E. No.

NAME AND ADDRESS:

LOUISIANA DEPARTMENT OF NATURAL RESOURCES

COASTAL MANAGEMENT DIVISION

P.O. Box 44487, Baton Rouge, LA 70804-4487

LOCATION: THE LOUISIANA COASTAL ZONE:

In the parishes of 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. PROJECT DESCRIPTION:

This general permit provides for the construction and maintenance of a ring levee and board road for the purpose of oil and gas exploration or production.

In accordance with the rules and regulations of the Louisiana Coastal Resources Program and Louisiana R.S. 49, Sections 213.1 to 213.21, the State and Local Coastal Resources Management Act of 1978, as amended, the permittee agrees to:

- 1. Carry out or perform the use in accordance with the plans and specifications approved by Department of Natural Resources.
- 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 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 applicant will notify the Coastal Management Division of the date on which initiation of the permitted activity described under the "Coastal Use Description" began. The applicant shall notify the Coastal Management Division by mailing the enclosed green initiation card on the date of initiation of the coastal use.
- 10. Unless specified elsewhere in this permit, this permit authorizes the initiation of the coastal use described under "Coastal Use Description" for two years from the date of the signature of the Secretary or his designee. If the coastal use is not initiated within this two year period, then this permit will expire and the applicant will be required to submit a new application. Initiation of the coastal use, for purposes of this permit, means the actual physical beginning of the use 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.
- 11. This Coastal Use Permit authorizes periodic maintenance, but such maintenance activities must be conducted pursuant to the specifications and conditions of this permit.
- 12. The following special conditions must also be met in order for the use to meet the guidelines of the Coastal Resources Program:

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COASTAL MANAGEMENT DIVISION GENERAL PERMIT FOR OIL AND GAS ACTIVITIES IN THE LOUISIANA COASTAL ZONE

DESCRIPTION OF WORK

THIS GENERAL PERMIT PROVIDES FOR THE CONSTRUCTION AND MAINTENANCE OF A RING LEVEE AND BOARD ROAD FOR THE PURPOSE OF OIL OR GAS EXPLORATION OR PRODUCTION.

I. General Conditions

- A. The Secretary of the Department of Natural Resources has determined that full individual permit processing by the Coastal Management Division (CMD) is in the public interest in order to determine whether proposed activities qualify for authorization under this General Permit. This individual permit processing will consist of review by the staff of CMD of each authorization request. Therefore, pursuant to the Rules and Procedures for Coastal Use Permits, L.A.C. Title 43, Part I, Chapter 7, Section 723.C.3.a., an application fee will be assessed for activities proposed for authorization under this General Permit and, if appropriate, a processing fee will be assessed for activities approved under this General Permit.
- B. A standard Coastal Use Permit (CUP) Application Form (ENG FORM 4345) shall be completed and submitted to CMD along with drawings depicting the location and character of work proposed for approval under this General Permit. The applicant shall submit eight (8) application sets (form and plats) to CMD. The application shall be accompanied by the \$20.00 application fee or the application fee in effect at the time of application submittal. If the proposed work is determined not to meet the criteria of this General Permit, the applicant shall be advised by letter within five (5) calendar days of receipt of the complete application that the application shall be processed as an individual CUP. If the proposed work is determined to meet the criteria of this General Permit, the applicant shall be advised by letter within five (5) calendar days of receipt of the complete application that the application shall be considered for approval under this General Permit.
- C. Should it be deemed necessary in the public interest, the Secretary shall deny authorization to perform work under this General Permit and require the applicant to obtain an individual CUP for the proposed activity.



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- Subsequent to Geologic Review Procedure meetings which may be required in accordance with Operating Condition A. of this General Permit, applications for proposed work which meet the criteria of this General Permit shall be sent, with notification stating that the proposed work is being considered for approval under the authority of this General Permit, to the following State agencies for review and comment: the Louisiana Department of Environmental Quality, Office of Water Resources (DEQ); the Louisiana Department of Wildlife and Fisheries. Environmental Branch (DWF); Louisiana Department of Culture, Recreation and Tourism; the Louisiana Department of Transportation and Development; the Louisiana Division of Administration, State Land Office; and the Louisiana Department of Health and Those State agencies shall have five (5) calendar days from the date of that notification to comment. State agency concurrences may be Statements of nonconcurrence may be provided provided to CMD by telephone. initially by telephone, but shall be followed by written objection, within fifteen (15) days of that notification, with an information copy sent to the applicant, and shall include the reasons for the State agency's noncurrence. Lack of comment by these State agencies within the 5-day period shall be considered as no objection or no position. After receipt of comments from the State agencies, or after fifteen (15) days from the date of the abovereferenced letter to the applicant, a decision will be made to issue approval under the authority of this General Permit, to issue approval with modifications or additional Operating Conditions, or to deny approval for the proposed work. If a decision is made to issue approval under the authority of this General Permit, or to issue approval with modifications or additional Operating Conditions, that approval shall be granted to the applicant in writing within ten (10) calendar days of the end of the agency comment period.
- E. The applicant and CMD 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 CMD, a compensatory mitigation plan, and the applicant shall implement that plan. That plan shall fulfill the requirements of R.S. 49:214.41 and those rules and regulations adopted thereunder. The compensatory mitigation plan shall be developed prior to the issuance of approval under this General Permit, and the requirement to implement that plan by the permittee shall become a condition of approval for work under this General Permit. 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.



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- F. Approval for work under the authority of this General Permit shall expire if the work is not initiated within two (2) years from the date of issuance of the written approval, provided that the two-year term to initiate work is not extended in accordance with the Rules and Procedures for Coastal Use Permits, L.A.C. Title 43, Part I, Chapter 7, Section 723.D., or the rules and procedures in effect at the time of application submittal. Initiation of work shall not include preparatory activities, such as movement of equipment onto the site, expenditure of funds, execution of contractual agreements relating to the work, or performing activities which, by themselves do not require a CUP. In addition, the permittee shall, in good faith and with due diligence, reasonably progress toward completion of the project once the work has been initiated. If the work approved under the authority of this General Permit is not completed within five (5) years from the date of issuance of the written approval, the approval shall expire, and a new CUP application shall be required for further work.
- G. The permittee shall notify CMD of commencement of work which is authorized under this General Permit. The applicant shall notify CMD by mailing the green initiation card, provided with the written approval, within three (3) days of the date of initiation of the authorized work.
- H. The term of this General Permit shall be five (5) years from the date of issuance, except as provided for in the Rules and Procedures for Coastal Use Permits, L.A.C. Title 43, Part I, Chapter 7, Section 723.E.3.b.
- I. Approval of work under this General Permit shall not relieve the applicant of the responsibility of obtaining other lawfully required local, state and federal permits, (e.g., DEQ, U.S. Army Corps of Engineers, etc.) before commencing work.
- J. The permittee shall allow CMD representatives to make periodic, unannounced work site inspections to ensure that the activity is being performed in accordance with the conditions of this General Permit.
- K. Work carried out under this General Permit shall conform to all appropriate state and federal safety regulations.
- L. Approval for specific work authorization under this General Permit shall not be transferred to another party without written approval from CMD.
- M. Work carried out under the authority of this General Permit shall be performed in full compliance with the rules and regulations of the Department of Natural Resources which exist at the time of approval for that work.



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II. Definitions

As used in this General Permit, the following terms shall have the meaning ascribed to them below:

- A. "Directional Drilling Radius" means the maximum horizontal distance from a proposed bottomhole location from which it is feasible to directionally drill a given well. It is determined by the following formula: [(Proposed Total Well Depth in feet surface casing distance in feet 1425) X 0.57735027] + 375.
- B. "Geologic Review Procedure" means a process by which alternative methods for oil and gas exploration are evaluated on their environmental, technical, and economic merits on an individual basis; alternative methods of oil and gas production and transmission which are specifically associated with the proposed exploration activity shall also be evaluated in this process. These alternative methods are presented and evaluated at a meeting by a group of representatives of the involved parties. A Geologic Review group is composed, at minimum, of representatives of the applicant, a petroleum geologist and a petroleum engineer representing CMD and/or the New Orleans District Corps of Engineers, and a representative of the CMD Permit Section, and may include, but is not limited to, representatives of DWF, DEQ, U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, the U.S. National Marine Fisheries Service, and U.S. Environmental Protection Agency.
- C. "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 that under normal circumstances does support, a prevalence of vegetation typically adapted for life in saturated soil conditions, but specifically excluding fastlands and lands more than five feet above mean sea level which occur within the designated coastal zone of the state. Wetlands generally include swamps, marshes, bogs, and similar areas.



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III. Operating Conditions

- A. No work shall be authorized under this General Permit without review of the proposed work via the Geologic Review Procedure:
 - 1) when such work shall impact vegetated wetlands; or,
 - 2) when requested by DWF for projects proposed to occur within:
 - (a) one-quarter mile of an oyster seed ground, oyster seed reservation, public oyster harvesting area, or other shell reef area;
 - (b) the boundaries on a DWF owned or managed wildlife refuge or wildlife management area; or
 - (c) an area designated as a natural and scenic river in accordance with the provisions of $R.S.\ 56:1840$ et seq.
- B. This General Permit authorizes the construction of ring levees up to 300 feet by 300 feet, or ring levees that will directly impact areas up to 90,000 square feet. This General Permit also authorizes construction of ring levees up to 400 feet by 400 feet, or ring levees which will directly impact areas up to 160,000 square feet, if determined through the Geologic Review Procedure to be a requirement of drilling the well. Fill material for the construction of the ring levee shall be excavated from within the ring levee or hauled in from an upland site. This General Permit also authorizes the placement of up to 400 square feet of boards outside of the ring levee to construct a derrick jack stand when determined to be necessary through the Geologic Review Procedure. In forested areas, the clearing of trees associated with site preparation shall not exceed that necessary to construct the board road and/or ring levee.
- C. This General Permit also authorizes dredging and filling for the construction, maintenance, and removal of up to 1,100 feet of board road in conjunction with a specific ring levee approved under this General Permit, provided that the board road will connect that approved ring levee location to an existing access point. Board road routes shall be located in non-wetland areas and existing disturbed corridors (e.g., pipeline, power lines, spoil banks) to the maximum extent practicable, as determined through the Geologic Review Procedure. Applicants requesting approval for the construction of a board road under the authority of this General Permit shall submit drawings with the CUP applications which show all existing roads, waterways, well locations, pipelines, canals, etc., within one and one-half miles of the proposed well site.



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- D. Board roads constructed under the authority of this General Permit shall meet all of the following specifications, in addition to the conditions specified in Operating Condition C., unless it is determined through the Geologic Review Procedure that such conditions would cause significant adverse environmental impacts:
 - (1) Height of the road shall not exceed five feet Mean Sea Level, or three feet above adjacent ground level, whichever is less;
 - (2) Maximum width of the base of the board road (i.e., toe-of-slope to toe-of-slope) shall not exceed 40 feet;
 - (3) Maximum width of borrow pits shall not be greater than 30 feet at the surface, and maximum distance between the inside bank of the borrow pit and the toe of the road shall not be more than 20 feet;
 - Borrow pits for roads dredged under the authority of this General Permit shall be discontinuous and shall have a maximum length of three hundred feet. The pits dredged under the authority of this General Permit shall be staggered on opposite sides of roads wherever feasible If the pits dredged under the authority of this General practical. Permit are not staggered on opposite sides of the road, gaps (i.e., undredged areas) at least 50 feet in length shall be left between the 300-foot long segments of borrow pits. In no case shall borrow pits dredged under the authority of this General Permit connect to existing borrow pits. Gaps at least 50 feet in length shall be left between newly dredged borrow pits and existing borrow pits. Culverts or bridge openings shall not be installed through road fill to connect staggered segments of the pits. Culverts and/or ditches shall not be installed to connect sections of discontinuous borrow pits along one side of the road; and,
 - (5) Culverts shall be installed through the road fill at least every 250 feet and at the crossing of any creeks, streams, sloughs and other water bodies. Culverts shall provide a minimum of 452 square inches of cross-sectional flow area, but must be of sufficient size to convey normal flows. Culverts shall be installed at elevations to approximate pre-project flow conditions and shall not be installed to promote the drainage of wetlands or to impede wetland flooding. Bridges with clear openings at least 6 feet wide may be substituted for culverts. Culvert openings and bridges shall be periodically maintained and cleaned of debris to allow for free flow of water.



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- E. Should a proposed ring levee and/or board road require the use of an existing permitted ring levee or board road for access and if the existing ring levee or board road is required to be restored upon abandonment, the application for the proposed work shall include a signed agreement between the permittee of the existing ring levee or board road and the applicant for the proposed ring levee and/or board road. That agreement shall describe a plan for restoration of all adjoining board roads and ring levees upon abandonment of each respective well site(s), and shall also describe each party's responsibilities to ensure that the entire adjoining board road(s) and all associated ring levee(s) are restored in accordance with Operating Conditions F. and G. This condition shall apply even if different companies or individuals are involved, unless it is determined by the Secretary that leaving the ring levee and/or board road in place would enhance the overall habitat value of the immediate area.
- F. Within one hundred and twenty (120) days of plugging the well, the drill site and/or board road must be restored in accordance with Operating Condition G., unless modification of the restoration requirement is requested by the permittee and approved by the Secretary in consultation with the owner of the land on which the permitted activity has occurred. Modification of or exceptions to the restoration requirement shall not be considered by the Secretary unless the permittee first provides a letter(s) of no objection to modification of the restoration requirement from:
 - (1) DWF for areas (a) within one-quarter mile of an oyster lease, oyster seed ground, oyster seed reservation or public oyster harvesting area; (b) within the boundaries of an DWF owned or managed wildlife refuge or wildlife management area; or, (c) within an area designated as a natural and scenic river in accordance with the provisions of R.S. 56:1840 et seq., and,
 - (2) the Louisiana Department of Culture, Recreation and Tourism within (a) any State Park, State Recreational Area or State Commemorative Area; or, (b) any known historic or archaeological site or within the boundaries of an historic district.



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G. Restoration of abandoned drill sites and/or board roads shall, at a minimum, include:

(1) Removal and disposal of the contents of NOW pits shall be removed from the site and disposed of in a lawful manner or shall be treated and disposed of on site in accordance with the Department of Natural Resources' Office of Conservation Statewide Order 29-B. If waste material is to be disposed of on site, post closure material must not exceed the following EP-toxicity limits:

Arsenic	5.0 mg/l	Mercury	0.2 mg/l
Barium	100.0 mg/l	Selenium	1.0 mg/l
Cadmium	1.0 mg/l	Silver	5.0 mg/l
Chromium	5.0 mg/l	Zinc	50.0 mg/l
Lead	5.0 mg/l		

- (2) Removal of all boards from the site, and disposal of unusable boards at an approved landfill site;
- (3) Disposal of all other debris, trash, and garbage in an approved landfill site;
- (4) Return of excavated fill material to borrow areas;
- (5) Disposal of hauled-in fill material in borrow areas or a non-wetland site; and
- (6) Re-grading of the site to pre-project elevations to the maximum extent practicable.
- H. If the well is a producer, the drill site shall be reduced within ninety (90) days to the minimum size required for well service and production activities. Both the drill site and board road may be permatized using CMD approved materials if needed. Upon plugging the well, the permittee shall comply with the requirements of Operating Condition G.
- I. 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 DWF:
 - (1) Within one-quarter mile of an oyster lease, oyster seed ground, oyster seed reservation or public oyster harvesting area; or



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- (2) Within the boundaries of a DWF owned or managed wildlife refuge or wildlife management area; or
- (3) Within an area designated as a natural and scenic river in accordance with the provisions of R.S. 56:1840 et seq.
- J. 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 Louisiana Department of Culture, Recreation and Tourism:
 - (1) Any State Park, State Recreational Area or State Commemorative Area; or
 - (2) Any known historic or archaeological site or within the boundaries of an historic district.
- K. If archaeological remains are encountered during activities authorized under this General Permit, work shall cease and the applicant shall immediately notify the Division of Archaeology, Louisiana Department of Culture, Recreation, and Tourism (P.O. Box 44247, Baton Rouge, LA 70804) and CMD (P.O. Box 44487, Baton Rouge, LA 70804-4487; 504/342-7591). Work may not resume until written approval is obtained from CMD.
- L. That applicant 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 receive the equivalent of secondary treatment (30 mg/l BOD₅; 30 mg/l TSS) with disinfection prior to discharge into any of the streams or adjacent waters of the area 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. 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 the Department of Health and Hospitals for purpose of review and approval prior to any utilization of such provisions.
- M. The applicant shall notify the landowner(s), upon whose property the proposed work shall occur, of the fact that the application will be submitted and also of the results of CMD's review. Copies of notification letters sent to the landowner(s) shall be provided to CMD with the CUP application.



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This General Permit Authorization Does NOT Apply in the Following Areas:

A. Within one mile of a known bald eagle nesting site.

B. Within one-half mile of a known rookery area.

C. Within the critical habitat of any endangered species.

D. On barrier islands, barrier features or cheniers.

E. Within 100 feet of an area determined to be an unique ecological feature by the Secretary of the Department of Natural Resources.

F. Within 1,000 feet of an established navigation channel or fairway.

G. Within 1,000 feet of a levee or other flood control facility constructed, owned, operated, or maintained by federal, state or local governments, or with federal, state, or local funds, without written consent of each appropriate agency or governing body. Authorization requests not accompanied by such written permission shall be processed as request for an individual CUP.

H. Within Special Significance Areas designated pursuant to R.S. 49:214.41(F) and those rules and regulations adopted thereunder, where applicable.

I. Within the boundaries of any national park or monument, national wildlife refuge or established buffer zone at a national park site.

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

I affix my signature and issue this permit this

2nd_day of

_day of February

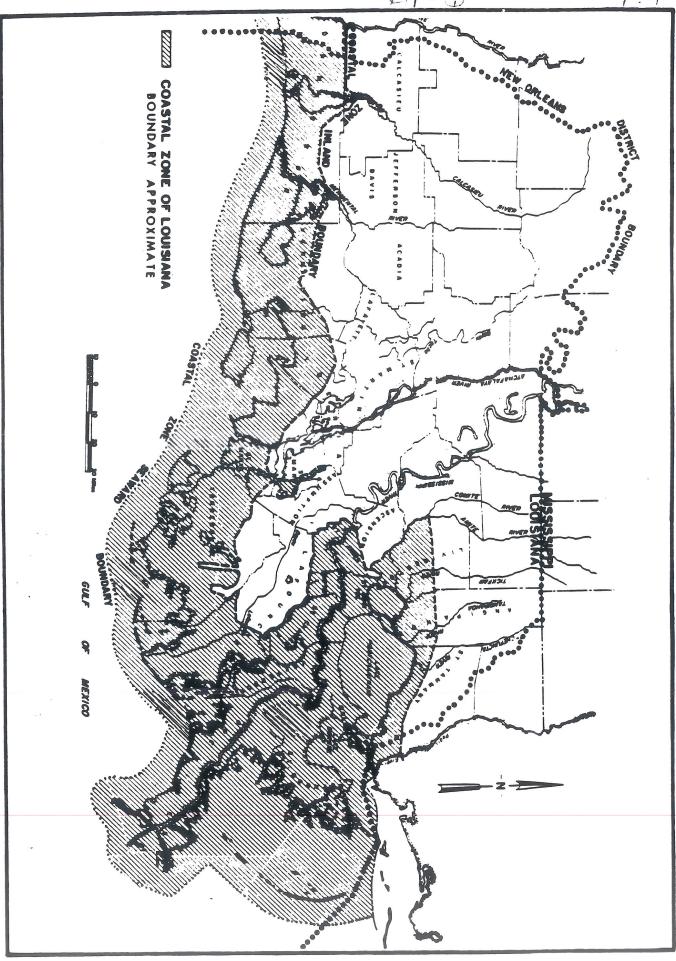
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DEPARTMENT OF NATURAL RESOURCES

TERRY W. HOWEY, DIRECTOR Coastal Management Division

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





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