DEPARTMENT OF NATURAL RESOURCES
OFFICE OF COASTAL MANAGEMENT
P.O. BOX 44487
BATON ROUGE, LOUISIANA 70804-4487
(225)342-7591
1-800-267-4019

COASTAL USE PERMIT/CONSISTENCY DETERMINATION

CUP No.: **General Permit 25 (GP-25)**

NAME: **Louisiana Department of Natural Resources**
Office of Coastal Management
PO Box 44487
Baton Rouge, LA 70804-4487

LOCATION: In the Louisiana Coastal 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.

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 permitted agrees to:

1. Carry out, perform and operate the use in accordance with the permit conditions, plans and specifications approved by the 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 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 applicant will notify the Office of Coastal Management of the date on which initiation of the permitted activity described under the "Coastal Use Description" began. The applicant shall notify the Office of Coastal Management 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 of 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 permitted must, in good faith and with due diligence, reasonably progress toward completion of the project once the coastal use has been initiated.

11. The following special conditions must also be met in order for the use to meet the guidelines of the 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 and, if appropriate, processing fees and appropriate mitigation plan processing fees will also be assessed for activities approved under the authority of this General Permit.

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 a $100.00 application fee or 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 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 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 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.

E. Authorization for work under the authority of this General Permit shall expire if the work is not initiated and completed within one (1) year from the date of issuance of the original written 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.

F. 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. The term of individual authorizations issued under the authority of this General Permit shall be one (1) year from the date of issuance of the original individual authorization.

G. The permittee shall notify OCM of commencement of work which is 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.

H. 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.

I. 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.

J. Work carried out under the authority of this General Permit shall conform to all appropriate state and federal safety regulations.

K. 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/crm/coastmgt/cup/cup.asp, or can be provided upon request.

L. 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.

II. Operating Conditions

A. All logs and stumps unearthed during dredging shall be removed to an approved disposal site on land.

B. Spoil shall not be placed in and shall not block any tidal sloughs.

C. The activities covered under the authority of this General Permit shall not adversely affect any threatened or endangered species. Adverse impacts on fish, wildlife and the environment shall be minimized.

D. This permit does not convey any property rights, mineral rights, or exclusive privileges, nor does it authorize injury to property.

E. 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 provide the results of OCM's review. Copies of the initial notification letters sent to the landowner(s) shall be provided to OCM with the authorization request.

F. 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, Louisiana Department of Culture, Recreation, and Tourism (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 OCM.

G. The 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) 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.

H. The permittee shall comply with all applicable laws regarding the need to contact the Louisiana One Call System ([800] 272-3020) to locate any buried cables and pipelines.

I. All activities, involving any discharge of pollutants, must be consistent with applicable water quality standards and any necessary permits issued through the Department of Environmental Quality/Office of Water Resources must be obtained.

J. Dredging and/or filling activities authorized under the authority of this General Permit shall not exceed the volume specified in the work statement of the individual authorization.

K. 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) 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.

L. 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 Kimberly S. Walden (Cultural Director) or Melanie Aymond (Research Coordinator) at (337) 923-9923 or (337) 923-4395. Office hours are Monday through Thursday from 7:30 AM - 5:00 PM. and on Friday between 7:30 AM and 11:30 PM. If traditional cultural properties are discovered on the weekend or after business hours, the notification shall be made the next business morning.

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 Louisiana Department of Culture, Recreation, and Tourism.

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.

B. Within the boundaries of a Louisiana Department of Wildlife and Fisheries (LDWF) owned or managed wildlife refuge or wildlife management area.

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

A. Within one-quarter mile of the boundary of or within an oyster lease, a currently productive oyster seed ground, oyster seed reservation or public oyster harvesting area.

B. Within 500 feet of a natural or scenic river in accordance with R. S. 56:1480.

C. Within 1,000 feet, or other distance deemed appropriate by LDWF, of a known bald eagle nest.

D. Within 1,500 feet or other distance deemed appropriate by LDWF, of a known bird rookery area.

E. Within the officially designated critical habitat of a threatened or endangered species.

F. Within 1,500 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 prior 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.

G. Within 1,500 feet of the Mississippi River and Atchafalaya River levees, or within 300 feet of all other levees or other flood control facilities constructed, owned, operated or maintained by the federal government, or with federal funds, without the prior written consent of each appropriate agency or governing body

H. Within 1,500 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.

I. 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.

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

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

L. 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 to consider alternate drilling sites.

B. This General Permit authorized the construction of a 300' x 300' 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' x 400' ring levee, or one that is irregularly shaped but impacts no more that 160,000 square feet, if it is determined through the Geologic Review Procedure 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 LA Department of Natural Resources (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 Geologic Review Procedure 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 G and 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 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 an appropriate state approved facility.

4. Regrading of the site, to the maximum extent practicable, to pre-project elevations.

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 Condition 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 the Geologic Review Procedure has been completed and the proposed activity is in accordance with the results of the Geologic Review Procedure 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. The applicant will be notified of this both electronically and in writing and can commence operations at the time of notification.

VI. Definitions

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

1. "Geologic Review Procedure" 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 geologic review group is composed, at a minimum, of representatives of the applicant, a petroleum geologist and a petroleum engineer representing the Coastal Management Division and/or the New Orleans District Corps of Engineers, and a representative of the Coastal Management Division Permit Section, and may include, but is not limited to, representatives of the Louisiana Department of Wildlife and Fisheries, the Louisiana Department of Environmental Quality, the U.S. Army Corps of Engineers, the U.S. Fish and Wildlife Service, the U.S. National Marine Fisheries Service, and the U.S. Environmental Protection Agency.

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 9th day of October, 2009.

DEPARTMENT OF NATURAL RESOURCES

Karl L Mog

Karl Morgan, Acting Administrator
Office of Coastal Management

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