DEPARTMENT OF THE ARMY PERMIT

Permittee General Public

General Permit Number **SWG-2006-00517**

Issuing Office U.S. Army Corps of Engineers, Galveston District (Corps)

Project Description: This General Permit authorizes applicants to install, operate, and maintain structures and equipment necessary for oil and gas drilling, production, and transportation activities, provided the attached General Permit Conditions are met. Such activities include installation of typical marine barges and keyways, shell and gravel pads, production structures with attendant facilities, and pipelines.

Project Location: This General Permit is authorized for all of the bays and estuaries in the Galveston District along the Texas coast.

Regional and General Programmatic General Permit Conditions

1. The time limit for completing the work authorized herein ends on **December 31, 2017 or** if the Department of the Army authorization is within two years of the expiration of this General Permit, **within 2 years of the Department of the Army approval.**

2. The time limit for completing the work authorized ends on December 31, 2017. If the Department of the Army authorization is within two years of the expiration of the General Permit, the time limit for completing the work authorized is within 2 years of the Department of the Army approval.

3. All applicants shall notify the Corps prior to initiation of work in waters of the United States, including wetlands. The notification shall include:
    a. A completed and signed DA application (Form ENG 4345).
    b. A copy of all DA authorizations previously issued for the work area.\
    c. A proposed schedule for rig placement and estimated time for rig removal or construction of permanent structures.
    d. A vicinity map, plan view, typical cross section, and a description of the proposed method of construction. Drawings shall include:

        i. A vicinity map with the precise location of the project so that its geographic coordinates can be determined. Vicinity maps shall identify and list all of the State Tracts affected by the proposed activity.

        ii. A plan view of the drilling structure and any future permanent structures, and their location in relation to nearby navigation channels, pipelines, or other marine structures. The applicant shall provide project plans that include location, plan and typical profile view of each platform, proposed pipelines, and access channels, showing water depth relative to mean-low-low-water (MLLW). The applicant will provide location information in NAD 83 UTM overlaid on the National Oceanic and Atmospheric Administration (NOAA) navigation charts and show any designated Texas Parks and Wildlife (TPWD) oyster lease or reef information using geographic spatial projection coordinates presented in Environmental Research Institute (ESRI) Arc/Info coverage export file and/or Arc View shape file formats available through the Government Land Office (GLO) website (http://www.glo.state.tx.us/gisdatalgisdata.html).

iii. A cross section drawing showing dimensions of any proposed shell or gravel pad, draft of the rig once placed onsite, depth of water at MLLW datum and Mean High Tide (MHT), maximum height of derrick and/or other permanent structures. Show the amount of discharge material in cubic yards, if any. If there is fill proposed, delineate bottom surface area covered in acres, and describe the material to be discharged (shell, gravel, rock). Permanent structures, including the shell pads, will not exceed 12,000 square feet in size. Material to be used for shell or rock pads must be clean and nonpolluting.

iv. Vicinity map, plan view, and cross section of the all proposed pipeline routes. The discharge of fill materials into waters of the United States in conjunction with the installation of pipelines, associated with the drilling structures, is authorized for pipelines installed by plowing, disking, jetting and horizontal directional drilling methods. The applicant must specify the method of pipeline installation proposed. Pipelines placed in the bays shall be placed at a minimum of 3 feet below the bay bottom. Pipelines placed in Federal project placement areas shall be placed at a minimum of 3 feet below the bay bottom. Pipelines crossing deep-draft project channels shall be placed at a minimum of 20 feet below the authorized project depth. However, in cases where the natural bottom of the waterway is already more than 20 feet below the authorized project depth, the pipeline will be placed at a minimum of 5 feet below the natural bay bottom. For operation and maintenance purposes, a channel with an authorized project depth greater than 25 feet below Mean Low Tide (MLT) shall be considered a deep-draft channel. The location map must show the proposed worksite; including the GLO lease number(s), coordinates, and a brief description of the proposed worksite in its present condition. The proposed project plans must include all Federal project channels, the project dimensions, the method of construction or stabilization, and amounts and types of fill material in cubic yards.

v. The distance from structure or fill to the top edge cut of any navigational channel within 300 feet of the project.

vi. Mapped location of any special aquatic resources (i.e. oyster reefs, sea grass, marsh or mangrove habitat) located within 100 feet of any portion of the proposed project. The size of each special aquatic resource and its distance from the centerline of the access route must be depicted on this map

e. The applicant must supply specification sheets indicating the maximum and minimum clearance of: the drilling platform while underway; the drilling platform while ballasted down (resting on the bottom); all vessels involved in rig placement and removal; and all support vessels that will access the drilling rig during operations and maintenance procedures. These are required to demonstrate that no prop washing will be conducted for access to the site.

f. All vessels and drilling equipment involved in the oilfield development operation must maintain a minimum of 2 feet of clearance, at MLLW, between the lowest point on the vessel and the bay bottom along the access channel while underway and/or at the work sites. If the minimum 2-foot clearance cannot be achieved, the applicant is required to contact the Corps for further evaluation of the permit action. The applicant must supply specification sheets for each vessel described above.

g. Soundings must be provided of existing depths (referenced in MLLW) along the proposed access route and around the project site. Depth measurements must be provided along transects oriented perpendicular to, and spaced 100 feet apart, along the entire length of the proposed centerline of the access route. Depth Soundings must be spaced at a minimum of 20 foot intervals along the transect lines. Transect lines must extend out a minimum of 500 feet in each direction from the centerline of the proposed access route.

h. All oyster reefs and seagrass beds must be mapped within the above described 1000 foot wide access corridor. .

4. The permittee shall notify the Corps, in writing, of the date that the work authorized herein commences, and provide an as-built survey of the well location in North American Datum (NAD) 83 Universal Transverse Mercator (UTM) coordinates not later than 7 days from the placement date.

5. The permittee must maintain the activity authorized by this permit in good condition and in conformance with the terms and conditions of this permit. You are not relieved of this requirement if you abandon the permitted activity, although you may make a good faith transfer to a third party in compliance with General Permit Condition 6 below. Should you wish to cease to maintain the authorized activity or should you desire to abandon without a good faith transfer, you must obtain a modification of this permit from this office, which may require restoration of the area.

6. When structures, work or fill authorized by this permit are still in existence at the time they are transferred to new ownership, the permittee must obtain and submit to the Corps a signed statement from the new owner(s) stating that they agree that the terms and conditions of this permit will continue to be binding on the new owner(s).

7. No structure or fill that may affect historic properties listed or eligible for listing in the National Register of Historic Places is authorized until the Corps and applicant has complied with the provisions of Section 106 of the National Historic Preservation Act.

   a. The Corps will review all proposed activities for cultural resources requirements, and, when appropriate, coordinate these activities with the Texas Historical Commission (THC). If the State Tracts proposed for work under a proposed activity are included in the THC's list of Sensitive State Tracts, a marine archeological survey shall be required. If potential historic properties are located, they shall be avoided by a sufficient margin as designated by the Corps and the THC. If avoidance of the potential historic properties is not feasible, further archeological investigations shall be required. If cultural resources are discovered during construction, all work must cease, and the appropriate Corps of Engineers District Engineer and the THC shall be notified.

   b. If any previously unknown historic or archeological remains while accomplishing the activity authorized by this permit, you must immediately cease and desist and notify this office of what you have found. We will initiate the Federal and state coordination required to determine if the remains warrant a recovery effort or if the site is eligible for listing in the National Register of Historic Places.

8. No structure or fill will be authorized that is likely to jeopardize the continued existence of a threatened or endangered species or which is likely to destroy or adversely modify critical habitat of such species as identified under the federal Endangered Species Act.

   a. All wells, associated structures, construction equipment and pipelines must maintain a distance of 1,000 feet from Piping Plover (*Charadrius melodus*) habitat.

b. All wells, associated structures, construction equipment and pipelines in Aransas, Copano, St. Charles, Mesquite, San Antonio, Espiritu Santo & Matagorda Bays or an secondary or tertiary bay of these systems; coordination with the U.S. Fish and Wildlife Service must be completed prior to application to consider potential impacts to the federally listed, endangered whooping cranes (*Grus americana*). All activities, including maintenance, are prohibited from October 15 to April 15 to protect whooping cranes which winter in the Aransas National Wildlife Refuge area. All permanent structures in whooping crane habitat areas must be no greater than 15 feet in height.

9. No impact to seagrasses, oyster reefs, or other special aquatic sites, such as wetlands or mudflats, is authorized by this General Permit. Discharges shall not restrict or impede the movement of aquatic species indigenous to these waters.

10. Wells, associated structures, construction equipment and pipelines must maintain a distance of 500 feet from surveyed seagrass beds, or oyster reefs, and cannot be closer than 1000 feet from colonial waterbird (CWB) nesting islands. The applicant must supply appropriate oyster surveys, seagrass surveys, bathymetric surveys, proton magnetometer, side-scan sonar, and any other appropriate bathymetry of the well location, the proposed pipeline corridor, and the proposed access route from the nearest main channel to drill site (surveys). These surveys must include the well site and access channels, oyster reefs, seagrass beds, existing pipelines, metallic anomalies, and potential navigation hazards. Permittees must supply the same post- construction surveys and written notice given to the Chief of Compliance, Galveston District Regulatory Branch, or the Corpus Christi Field Office, within 30 calendar days of completion of construction to ensure that the resources have not been adversely impacted

11. Prop/wheel washing is not authorized by this general permit.

12. If the determination is made that the adverse effects of the proposed work are more than minimal, then the applicant will be notified that either: (1) That the project does not qualify for authorization under the GP and instruct the applicant on the procedures to seek authorization under an individual permit; (2) that the project is authorized under the GP subject to the applicant's submission of an approved mitigation plan that would reduce the adverse effects on the aquatic environment to the minimal level; or (3) that the project is authorized under the GP with specific modifications or conditions.

13. The Applicant must allow representatives from the appropriate Corps office, Coast Guard, Texas General Land Office, and Texas Railroad Commission to inspect the authorized activity to ensure that it is, or has been, accomplished in accordance with the terms and conditions of the permit.

14. No structures or pipelines will be allowed to obstruct any navigation channels.

15. No dredging or prop-washing will be allowed for access, installation, or maintenance of the drill site or the pipeline corridor. No wells will be placed within 1,500 feet of a federal navigation channel.

16. No over water oil or gas storage platforms will be allowed under this General Permit.

17. There shall be no discharge of produced waters, drilling muds, drill cuttings, or any other fluids associated with the drilling process into waters of the United States.

18. The permittee understands and agrees that, if future operations by the United States require the

removal, relocation, or other alteration, of the structure or work herein authorized, or if, in the opinion of the Secretary of the Army or his authorized representative, said structure or work shall cause unreasonable obstruction to the free navigation of the navigable waters, the permittee will be required, upon due notice from the Corps of Engineers, to remove, relocate, or alter the structural work or obstructions caused thereby, without expense to the United States. No claim shall be made against the United States on account of any such removal or alteration.

19. When structures or work authorized by this permit are determined by the District Engineer to have become abandoned, or obstructive to navigation, or cease to be used for the purpose for which they were permitted, such structures or other work must be removed and the area cleared of all obstructions. When a well is plugged and abandoned, the casing shall be cut off a minimum of 15 feet below the mudline, the area cleared of all structures, and written notice given to the Chief of Compliance, Galveston District Regulatory Branch, or the Corpus Christi Field Office, within 30 calendar days of completion.

20. Aids to navigation will be permitted and placed in accordance with United States Coast Guard Regulation 33 C.F.R. 66.

21. This General Permit does not obviate the need to obtain other Federal, State or local authorizations required by law. This permit does not grant any property rights or exclusive privileges. This permit does not authorize any injury to the property or rights of others.

Further Information:

I. Congressional Authorities: You have been authorized to undertake the activity described above pursuant to:
(X) Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403).
(X) Section 404 of the Clean Water Act (33 U.S.C. 1344).
( ) Section 103 of the Marine Protection, Research and Sanctuaries Act of 1972 (33 U.S.C. 1413).

2. Limits of this authorization.

a. This permit does not obviate the need to obtain other Federal, state, or local authorizations required by law.
b. This permit does not grant any property rights or exclusive privileges.
c. This permit does not authorize any injury to the property or rights of others.
d. This permit does not authorize interference with any existing or proposed Federal project.

3. Limits of Federal Liability. In issuing this permit, the Federal Government does not assume any liability for the following:

a. Damages to the permitted project or uses thereof as a result of other permitted or unpermitted activities or from natural causes.
b. Damages to the permitted project or uses thereof as a result of current or future activities undertaken by or on behalf of the United States in the public interest.
c. Damages to persons, property, or to other permitted or unpermitted activities or structures caused by the activity authorized by this permit.
d. Design or construction deficiencies associated with the permitted work.
e. Damage claims associated with any future modification, suspension, or revocation of this permit.

4. Reliance on Applicant's Data: The determination of this office that issuance of this permit is not contrary to the public interest was made in reliance on the information you provided.

5. Reevaluation of Permit Decision. This office may reevaluate its decision on this permit at any time the circumstances warrant. Circumstances that could require a reevaluation include, but are not limited to, the following:

a. You fail to comply with the terms and conditions of this permit.

b. The information provided by you in support of your permit application proves to have been false, incomplete, or inaccurate (See 4 above).

c. Significant new information surfaces which this office did not consider in reaching the original public interest decision.

Such a reevaluation may result in a determination that it is appropriate to use the suspension, modification, and revocation procedures contain 33 CFR 325.7 or enforcement procedures such as those contained in 33 CFR 326.4 and 326.5. The referenced enforcement procedures provide for the issuance of an administrative order requiring you to comply with the terms and conditions of your permit and for the initiation of legal action where appropriate. You will be required to pay for any corrective measures ordered by this office, and if you fail to comply with such directive, this office may in certain situations (such as those specified in 33 CFR 209.170) accomplish the corrective measures by contract or otherwise and bill you for the cost.

This permit becomes effective when the Federal official, designated to act for the Secretary of the Army, has signed below.

(DISTRICT ENGINEER)

12/18/12

(DATE)

CASEY CUTLER, CHIEF
POLICY ANALYSIS SECTION
FOR COLONEL CHRISTOPHER W. SALLESE