DEPARTMENT OF THE ARMY
GALVESTON DISTRICT, CORPS OF ENGINEERS
P.O. BOX 1229
GALVESTON, TEXAS 77553-1229

REPLY TO
ATTENTION OF

PUBLIC ANNOUNCEMENT

CESWG-PE-RB 8 January 2003

SUBJECT: Permit No. 16026(04); Extension of Time

To Whom It May Concern: The U.S. Army Corps of Engineers, Galveston District, has amended a Department of the Army Regional General Permit (GP), as described below:

SPONSOR:

U.S. Army Corps of Engineers
P.O. Box 1229
Galveston, Texas 77553-1229

WATERWAY AND LOCATION: Waters of the United States within the Galveston District, excluding the State of Louisiana.

SCOPE OF WORK: The GP authorizes the general public to erect and maintain structures and appurtenances to be used in connection with the production of oil, gas, and mineral production. This includes the activities for the installation of pipelines associated with the drilling structures, including trenching, disking, and jetting methods. The GP is used in State Tracts offshore from Kennedy County, Texas.

BACKGROUND: A public notice was issued on 17 October 2002 proposing an extension of time for GP 16026(03).

The purpose of this GP is to expedite the authorizations of such operations subject to the limitations and conditions described in the attached copy of the permit. Applicants seeking authorization under this GP must submit plans on 8½- by 11-inch paper to the Corps of Engineers, showing the type and location of the proposed action.

If there are any questions relative to the Public Announcement, please contact Mr. John Machol at the above address or by telephone at 409-766-3944.

DISTRICT ENGINEER
GALVESTON DISTRICT
CORPS OF ENGINEERS

DEPARTMENT OF THE ARMY PERMIT

Permittee **GENERAL PUBLIC**

Permit No. **16026(04)**

Issuing Office Galveston District

NOTE: The term "you" and its derivatives, as used in this permit, means the permittee or any future transferee. The term "this office" refers to the appropriate district or division office of the Corps of Engineers having jurisdiction over the permitted activity or the appropriate official of that office acting under the authority of the commanding officer.

You are authorized to perform work in accordance with the terms and conditions specified below.

Project Description: This General Permit authorizes an applicant to erect and maintain structures and appurtenances thereto, to be used in connection with the drilling of wells for the production of oil, gas, or other minerals, and for producing and transporting oil, gas or other minerals. This includes the installation of pipelines associated with the drilling structures, including trenching, disking and jetting methods.

Project Location: The GP is used in State Tracts offshore from Kennedy, County, central to a point approximately 30 miles northeast of Port Mansfield, Texas.

Permit Conditions:

General Conditions:

1. The time limit for completing the work authorized ends on 31 December 2008. If you find that you need more time to complete the authorized activity, submit your request for a time extension to this office for consideration at least one month before the above date is reached.

2. You 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 youmay make a good faith transfer to a third party in compliance with General Condition 4 below. Should you wish to cease to maintain the authorized activity or should you desire to abandon it without a good faith transfer, you must obtain a modification ofthis permit from this office, which may require restoration of the area.

3. If you discover any previously unknown historic or archeological remains while accomplishing the activity authorized by this permit, you must immediately 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.

4. If you sell the property associated with this permit, you must obtain the signature of the new owner in the space provided and forward a copy of the permit to this office to validate the transfer of this authorization.

5. If a conditioned water quality certification has been issued for your project, you must comply with the conditions specified in the certification as special conditions to this permit. For your convenience, a copy of the certification is attached if it contains such conditions.

6. You must allow representatives from this office to inspect the authorized activity at any time deemed necessary to ensure that it is being or has been accomplished in accordance with the terms and conditions of your permit.

Special Conditions: See attached sheets 2a through 2f with Special Conditions.

Further Information:

1. 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).

( ) 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.

Special Conditions:

a. That the plans and location of a specified site for proposed structures or work shall be submitted to the Texas General Land Office (GLO) for approval prior to the commencement of any work. The specific site authorization becomes effective on the date of issuance by the GLO.

b. That if the work authorized by a specific site approval is not started within 1 year, or if it is not completed within 2 years from it's approval date, the authorization, if not previously revoked or specifically extended, shall automatically expire.

c. That the permittee shall notify the Corps of Engineers (Corps) and the GLO, in writing, of the date that work authorized herein commences and provide a surveyed well location (x and y Lambert coordinates) not later than 7 days from the completion date.

d. That the permittee shall notify the Corps of Engineers and the GLO, in writing, of the date that work authorized herein was complete within 7 days from the completion date.

e. That when a well is plugged or abandoned, the casing shall be cut off at a minimum of 15 feet below the mudline, that area cleared of all structures, and written notification given to the Corps and GLO.

f. To avoid potential damage to natural grouper and snapper banks, all mineral extraction and transportation activities (including pipelines), shall avoid hard bottom sites by a distance equal to seven times the depth to the bottom of the site at mean low tide.

g. That GLO will review all proposed activities for cultural resources requirements, and, when appropriate, coordinate these activities with the Texas Historical Commission and the permittee.

h. That this permit does not authorize the dumping of dredged material into ocean waters. 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 backfill and bedding, trenching, disking, and jetting methods.

i. That the permittee, upon approval of a specific site by the GLO, accepts and agrees to comply with the terms and conditions of this permit.

j. That the permittee shall promptly comply with any future regulations or instructions affecting the work, hereby authorized, if and when issued in accordance with law, by any department of the Federal Government, for the aid or protection of aerial navigation.

k. That the permittee shall apply to the Commander (oan), Eighth Coast Guard District, for obstruction lights and fog signals, in accordance with 33 C.F.R. 67.

l. When the structures, or other work authorized by this permit, are determined by the District Engineer to have become obstructive to navigation, or when the structures or other work have ceased to be used for the purpose for which they were constructed, the permittee shall remove such structures or other work, clear the area of all obstructions, and provide written verification thereof, to the District Engineer.

m. To avoid potential damage to Texas Parks and Wildlife Department artificial reef sites, all mineral extraction and transportation activities (including pipelines), shall avoid the permitted area of these reef sites by a distance equal to seven times the depth to the bottom of the site at mean low tide.

n. That all Federal project channels are clearly depicted on the applicant's proposal.

o. That 20 days prior to the removal of structures with explosives, the permittee shall submit plans for removal to the District Engineer for review. If the propose method of removal presents probable significant adverse impact to endangered species, a formal Section 7 consultation shall be performed. This shall be done on a case-by-case basis.

p. That structures (wells) shall be a minimum of 1 mile from other structures in offshore disposal areas.

q. 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.

Procedures for Obtaining Authorization: Request for authorization must be sent to:
General Land Office, Energy Resources Division, 1700 N. Congress Avenue, Austin, TX 78701

The applicant will furnish a description of the work along with plans and a written request to perform the work, with a note indicating the General Permit number, and a daytime telephone number. The description and drawing of the work should include:

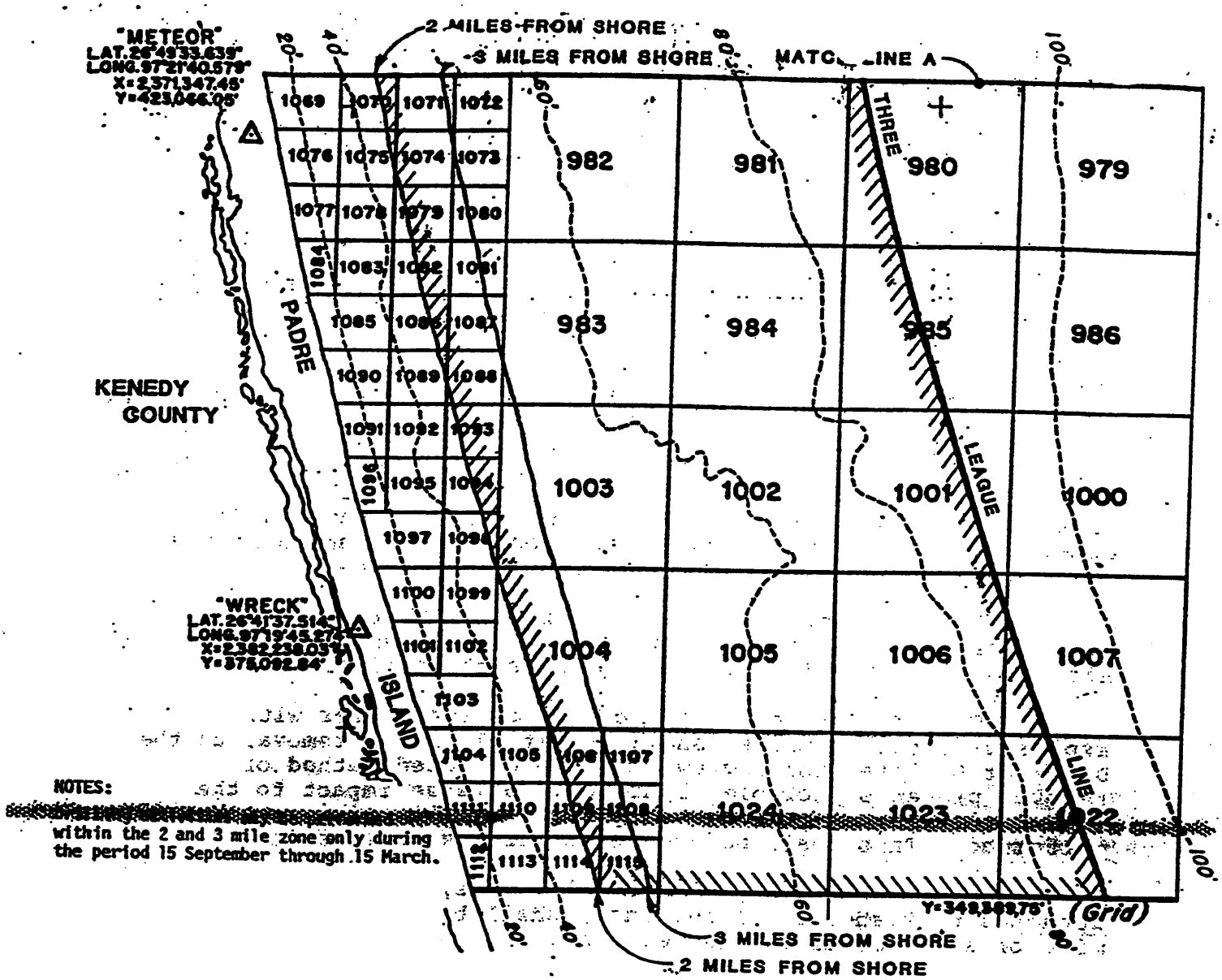
a) Location, plan and typical profile view of each platform.

b) All drawings are to be on 81/2-by 11-inch paper, of reproducible quality, and submitted in the fewest number of sheets necessary to adequately show the proposed activity.

c) If the General Land Office determines that the proposed work meets the provisions of the General Permit, or that extraordinary conditions exist that would warrant the processing of an individual permit, the General Land Office will notify the applicant by letter.

d) If the General Land Office determines that the proposed work does not meet the provisions of the General Permit, or that extraordinary conditions exist, the General Land Office will notify the applicant that an individual permit will be necessary.

16026(03)



NOTES:
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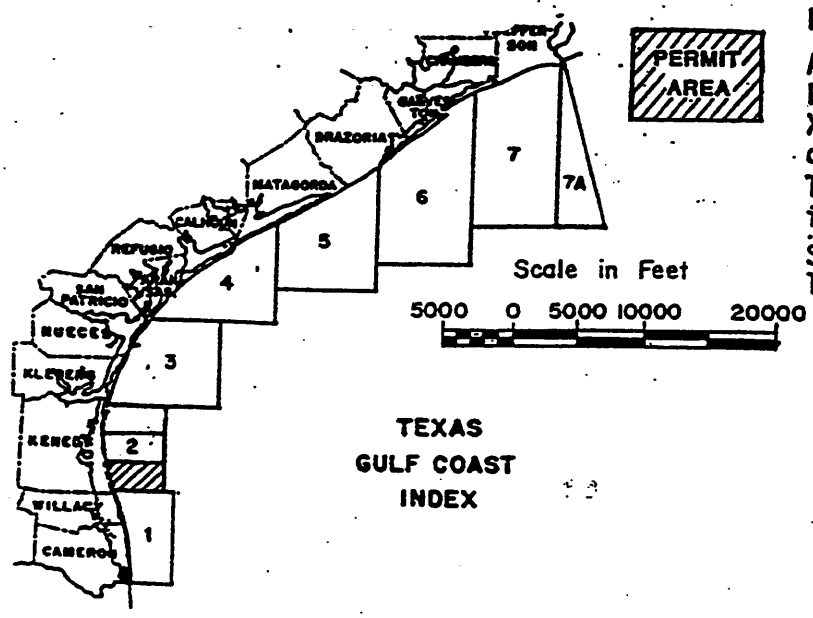
within the 2 and 3 mile zone only during the period 15 September through 15 March.



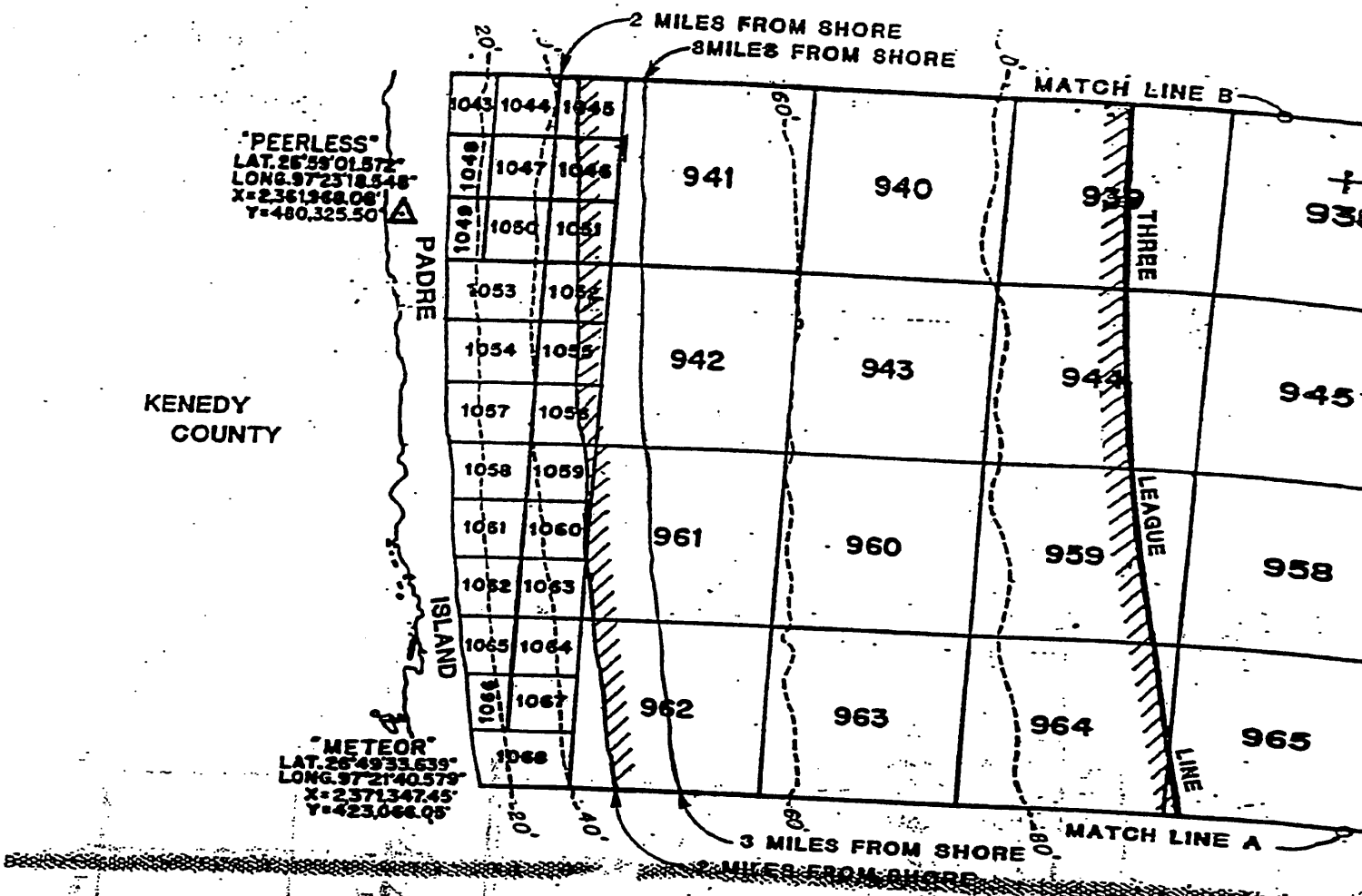
TEXAS GULF COAST INDEX

NOTES:

All blocks are based on the Texas (Lambert) Plane Coordinate System South Zone, with X origin = 2,000,000' at 98°30' and Y origin = 0.00' at 25°40'.
The light broken lines indicate the approximate depth of water in feet.
Shore line taken from U.S.C.&G.S. Charts 1286 and 1287.

MAP NO. 2
GENERAL PERMIT 16026 (03)
OIL FIELD DEVELOPMENT ACTIVITIES
NORTH PADRE ISLAND AREA

General Permit 16026(04)
Special Conditions 2c



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The light broken lines indicate the appr
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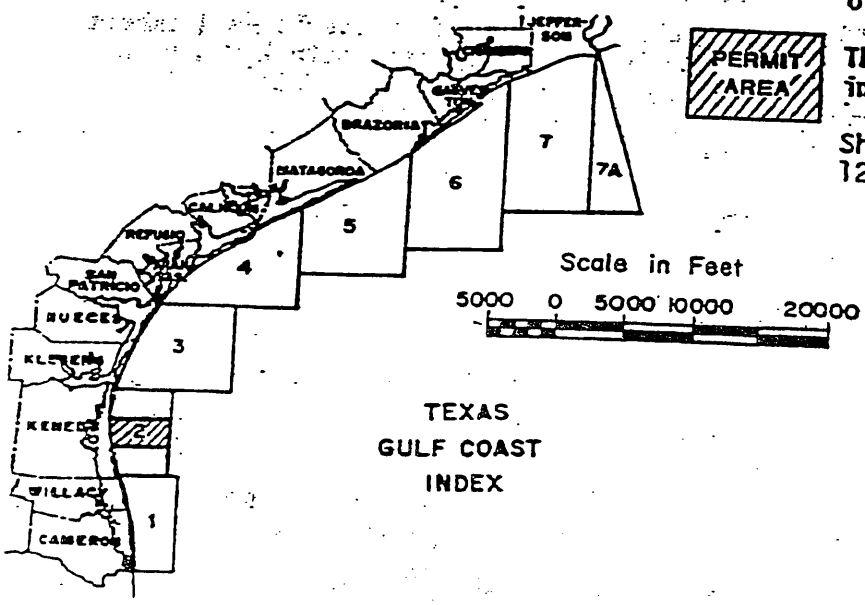
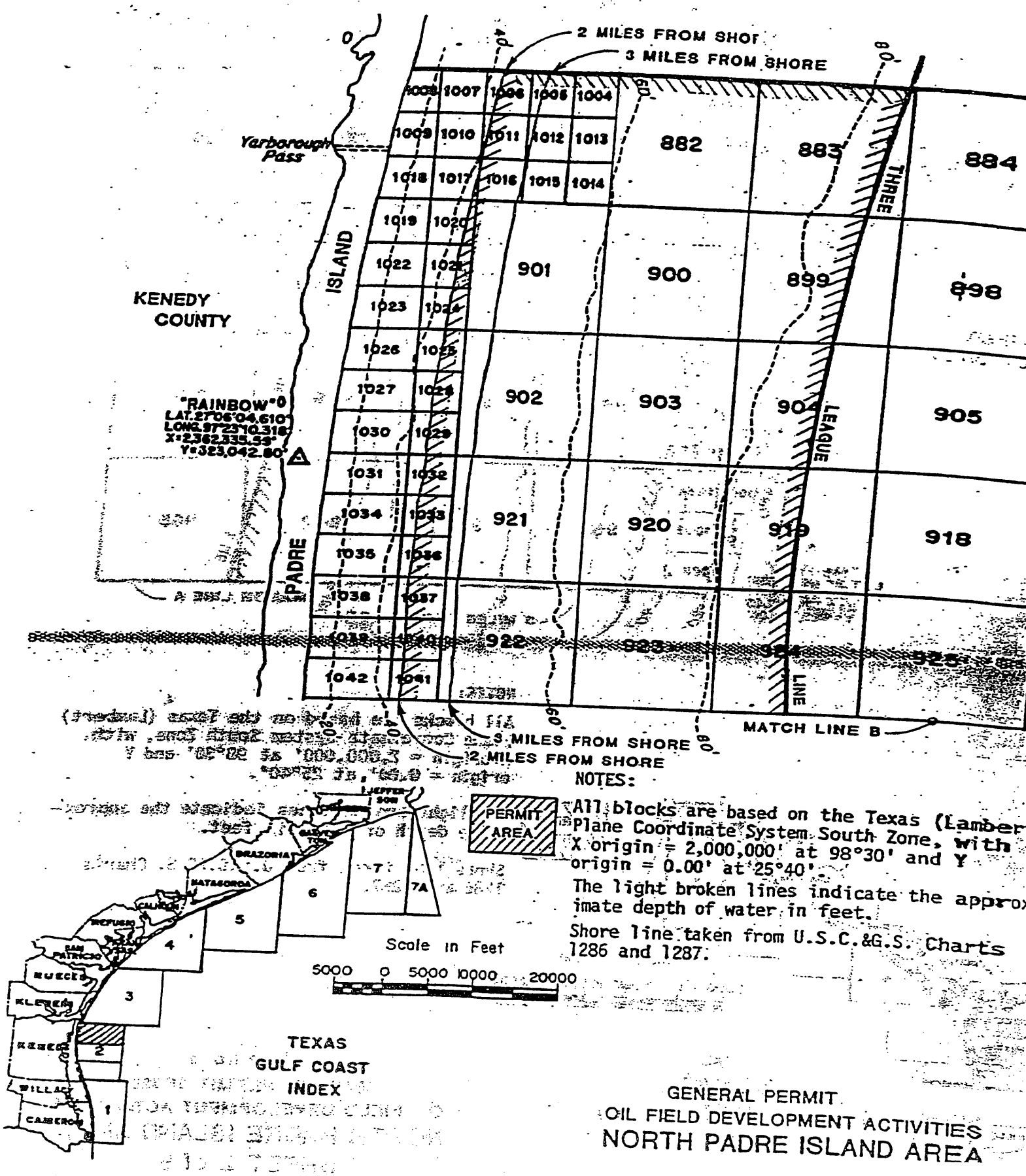
NOTE: Shore line taken from U.S.C.&G.S. Charts
1286 and 1287.



TEXAS
GULF COAST
INDEX

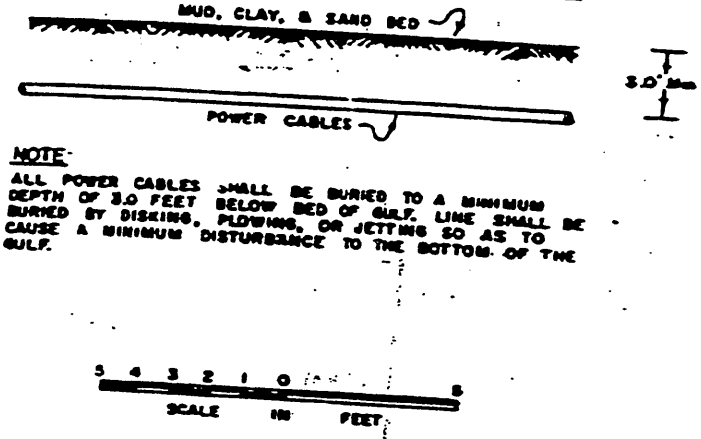
MAP NO. 2
GENERAL PERMIT
OIL FIELD DEVELOPMENT ACTIVITIES
NORTH PADRE ISLAND AREA



GENERAL PERMIT
OIL FIELD DEVELOPMENT ACTIVITIES
NORTH PADRE ISLAND AREA

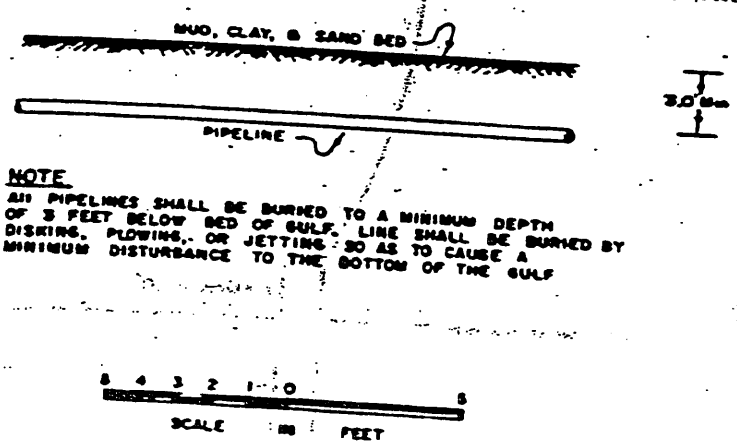
General Permit 16026(04)
Special Conditions 2e

TYPICAL POWER CABLE & COMMUNICATION CABLE



NOTE:
ALL POWER CABLES SHALL BE BURIED TO A MINIMUM DEPTH OF 3.0 FEET BELOW BED OF GULF. LINE SHALL BE BURIED BY DISKING, PLOWING, OR JETTING SO AS TO CAUSE A MINIMUM DISTURBANCE TO THE BOTTOM OF THE GULF.

TYPICAL PIPE LINE

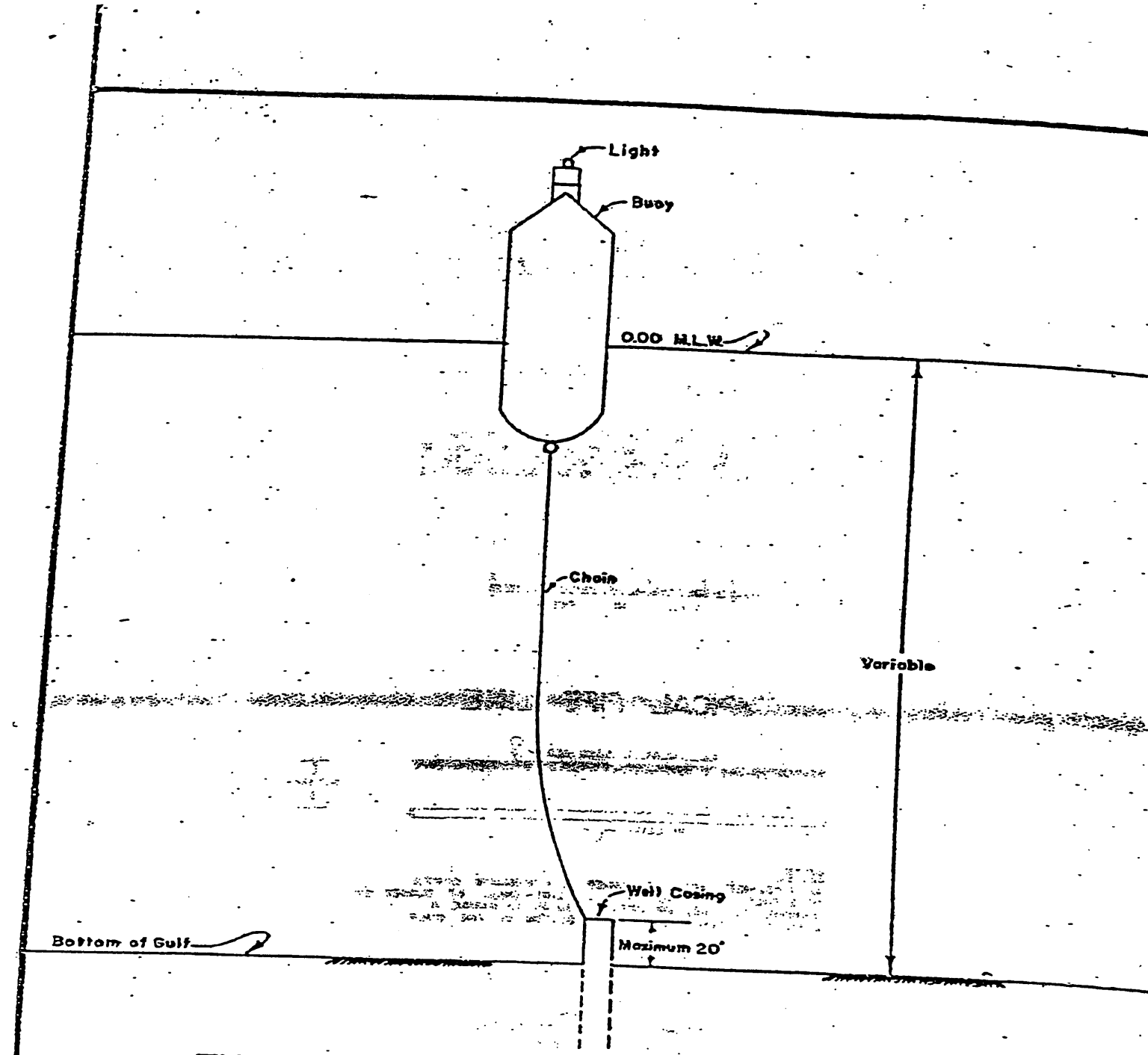


NOTE:
ALL PIPELINES SHALL BE BURIED TO A MINIMUM DEPTH OF 3 FEET BELOW BED OF GULF. LINE SHALL BE BURIED BY DISKING, PLOWING, OR JETTING SO AS TO CAUSE A MINIMUM DISTURBANCE TO THE BOTTOM OF THE GULF

TYPICAL
PIPE LINES & POWER CABLES

GENERAL PERMIT
OIL FIELD DEVELOPMENT ACTIVITIES
NORTH PADRE ISLAND AREA

General Permit 16026(04)
Special Conditions 2f



TYPICAL SPECIAL PURPOSE BUOY

NOTE: Under 85' Of Water Buoy Is To Be Painted Red And Black Banded. Must Have Light And Fog Horn.

From 85' To 200' Of Water Buoy Is To Be Painted Orange And White. No Light Necessary

Over 200' Of Water No Buoy Necessary

GENERAL PERMIT
OIL FIELD DEVELOPMENT/ACTIVITIES
NORTH PADRE ISLAND AREA

General Permit 16026(04)
Special Conditions 2g

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 contained in 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.

6. Extensions. General condition 1 establishes a time limit for the completion of the activity authorized by this permit. Unless there are circumstances requiring either a prompt completion of the authorized activity or a reevaluation of the public interest decision, the Corps will normally give favorable consideration to a request for an extension of this time limit.

Your signature below, as permittee, indicates that you accept and agree to comply with the terms and conditions of this permit.

_____ _____

(PERMITTEE) *(DATE)*
GENERAL PUBLIC

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

Fred Anthamatten 1/8/03

(DISTRICT ENGINEER) *(DATE)*
FRED ANTHAMATTEN, CHIEF
POLICY ANALYSIS SECTION
FOR COLONEL LEONARD D. WATERWORTH

When the structures or work authorized by this permit are still in existence at the time the property is transferred, the terms and conditions of this permit will continue to be binding on the new owner(s) of the property. To validate the transfer of this permit and the associated liabilities associated with compliance with its terms and conditions, have the transferee sign and date below.

_____ _____

(TRANSFEREE) *(DATE)*