DEPARTMENT OF THE ARMY PERMIT

Permittee: Alta Mesa Services, L.P.

Permit No. MVN-2011-2865-CL

Issuing Office: New Orleans 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: Install and maintain fill for a well pad to drill the Natalbany B #8 well, in accordance with drawings attached in three sheets dated March 26, 2013.

Project Location: In the White Castle Oil and Gas Field, in Iberville Parish, Louisiana.

Permit Conditions:

General Conditions:

1. The time limit for completing the work authorized ends on **July 31, 2018**. 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 1 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 you may 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 of this 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: Pages 4-5.

Further Information:

1. Congressional Authorities: You have been authorized to undertake the activity described above pursuant to:

( ) 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 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.

X _____ X 7/22/13
(PERMITTEE) (DATE)

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

_____ July 22, 2013
(DATE)

John M. Herman, Chief Central Evaluation Section
for Richard L. Hansen, District Commander

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)

SPECIAL CONDITIONS: MVN-2011-2865-CL

7. If the proposed project requires any additional work not expressly permitted herein, the permittee must apply for an amendment to this authorization, prior to commencement of such work.

8. Many local governing bodies have instituted laws and/or ordinances in order to regulate dredge and/or fill activities in floodplains to assure maintenance of floodwater storage capacity and avoid disruption of drainage patterns that may affect surrounding properties. Your project involves dredging and/or placement of fill, therefore, you must contact the local municipal and/or parish governing body regarding potential impacts to floodplains and compliance of your proposed activities with local floodplain ordinances, regulations or permits.

9. The permittee shall employ siltation controls around all construction sites that require earthwork (clearing, grading, dredging and/or deposition of fill material) such that eroded material is prevented from entering adjacent wetlands and/or waterways.

10. The Chitimacha Tribe of Louisiana has stated that the project area is part of the aboriginal Chitimacha homelands. If during the course of work at the site, prehistoric and/or historic aboriginal cultural materials are discovered, the permittee will contact the Chitimacha Tribe of Louisiana at P.O. Box 661, Charenton, LA 70523, and the US Army Corps of Engineers, New Orleans District (CEMVN) Regulatory Branch. CEMVN Regulatory Branch will initiate the required federal, state, and Tribal coordination to determine the significance of the cultural materials and the need, if applicable, for additional cultural resource investigations.

11. Road fills and/or drilling pads in wetlands constructed with native material shall be degraded when the locations which they were installed to serve are abandoned. The material shall be deposited to the extent practicable into the borrow areas from which it was excavated and the area leveled and restored to as near pre-project conditions as practicable. If the road fills and/or drilling pads in wetlands were constructed with hauled-in material, that material shall be removed from the site and hauled to a non-wetland area, with the project site being leveled and restored to as near pre-project conditions as practicable. Restoration must be accomplished within 90 days of abandonment unless the District Engineer has granted additional time in writing because of weather conditions or clearly unusual circumstances. Requests for additional time must be made by the permittee or agent in writing at least 20 days prior to expiration of the 90 day period allowed for restoration.

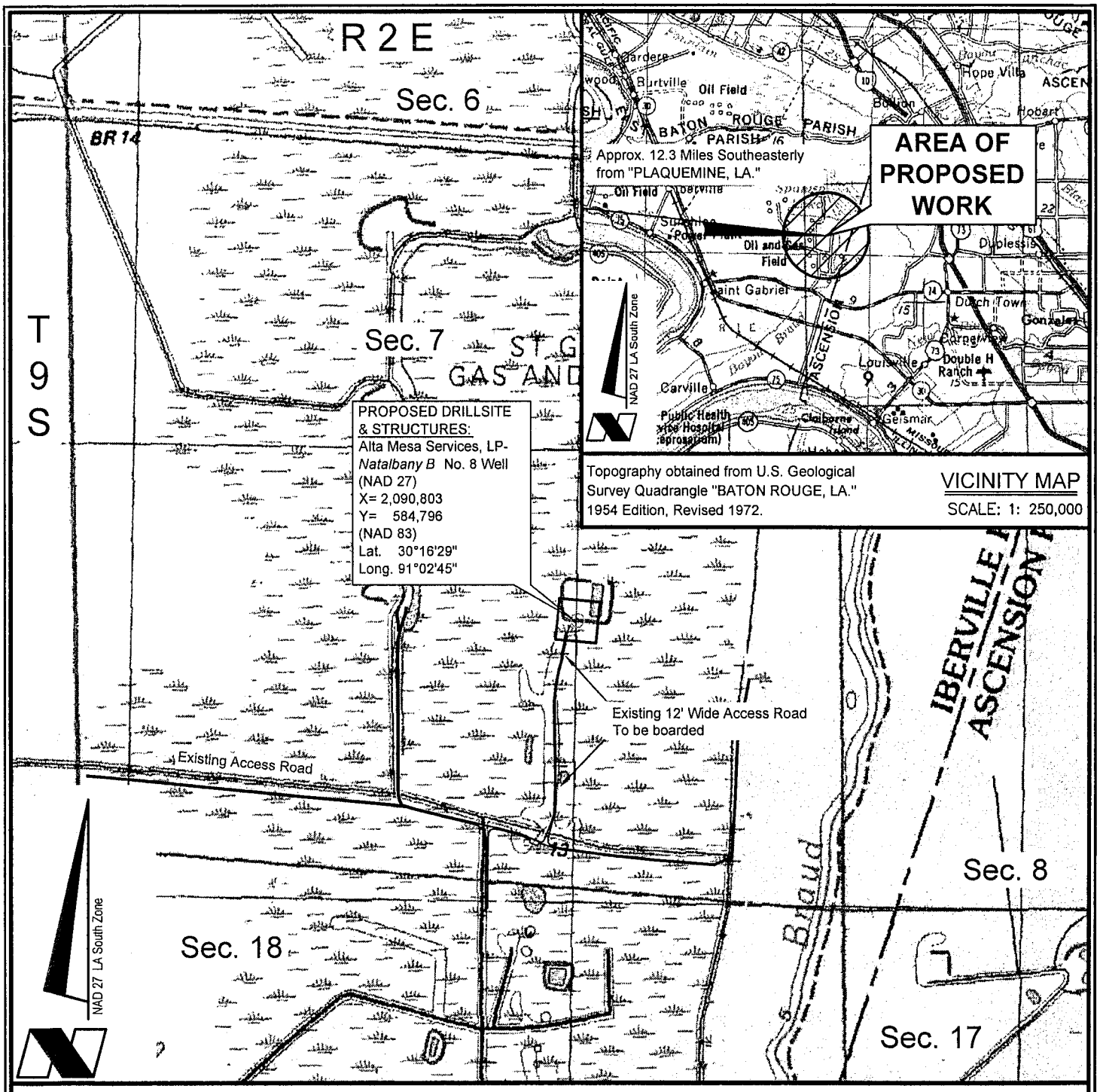
12. In the event that the well is a producer, the well pad shall be reduced to the minimum size necessary for production and the remaining area of the drill site and ring levee shall be restored to as near pre-project conditions as practicable within 90 days of completion of the well.

13. Ring levees shall be degraded by restoring the material with which they were built into the areas from which it was removed, and disturbed areas leveled and restored to as near pre-project conditions as practicable within 30 days after pits have been cleaned.

14. The discharge and/or disposal of drilling muds, cuttings associated with drilling fluids, and produced waters from drilling or production operations must be in compliance with federal and state regulations.

15. Boards and other extraneous construction material shall be removed from the site prior to commencement of degrading operations.

16. Issuance of this permit confirms that the US Army Corps of Engineers, New Orleans District, Regulatory Branch (CEMVN) has been provided with written notification from Resource Environmental Solutions that the permitttee has contracted for 3.3 acres of bottomland hardwood habitat at Bayou Manchac-Oakley MB. Resource Environmental Solutions has assumed responsibility for completing the mitigation in accordance with the Bayou Manchac-Oakley MB Mitigation Banking Instrument and has recorded the allocation of the mitigation required by this permit in the Regulatory In-lieu Fee & Bank Information Tracking System (RIBITS).



NOTE:
THE CONTENTS OF THESE PLANS ARE INTENDED EXCLUSIVELY FOR THE PURPOSE OF OBTAINING ENVIRONMENTAL COMPLIANCE PERMITS

VICINITY MAP

1000 0 500 1000
Scale: 1" = 1000'

ALTA MESA SERVICES, LP

PROPOSED DRILLSITE & STRUCTURES
For Drilling Natalbany B No. 8 Well
Section 7, T9S-R2E
Iberville Parish, Louisiana

C.H. FENSTERMAKER & ASSOCIATES, INC.
Lafayette New Orleans Houston
135 Regency Sq. Lafayette, LA 70508
Ph. 337-237-2200 Fax. 337-232-3299
www.fenstermaker.com

DRAWN BY: PCS	REVISED: 10/08/12 DCW 03/26/13 KJD	DATE: 12/12/11
PROJ. MGR.: DCW		SHEET 1 OF 3 SHEETS
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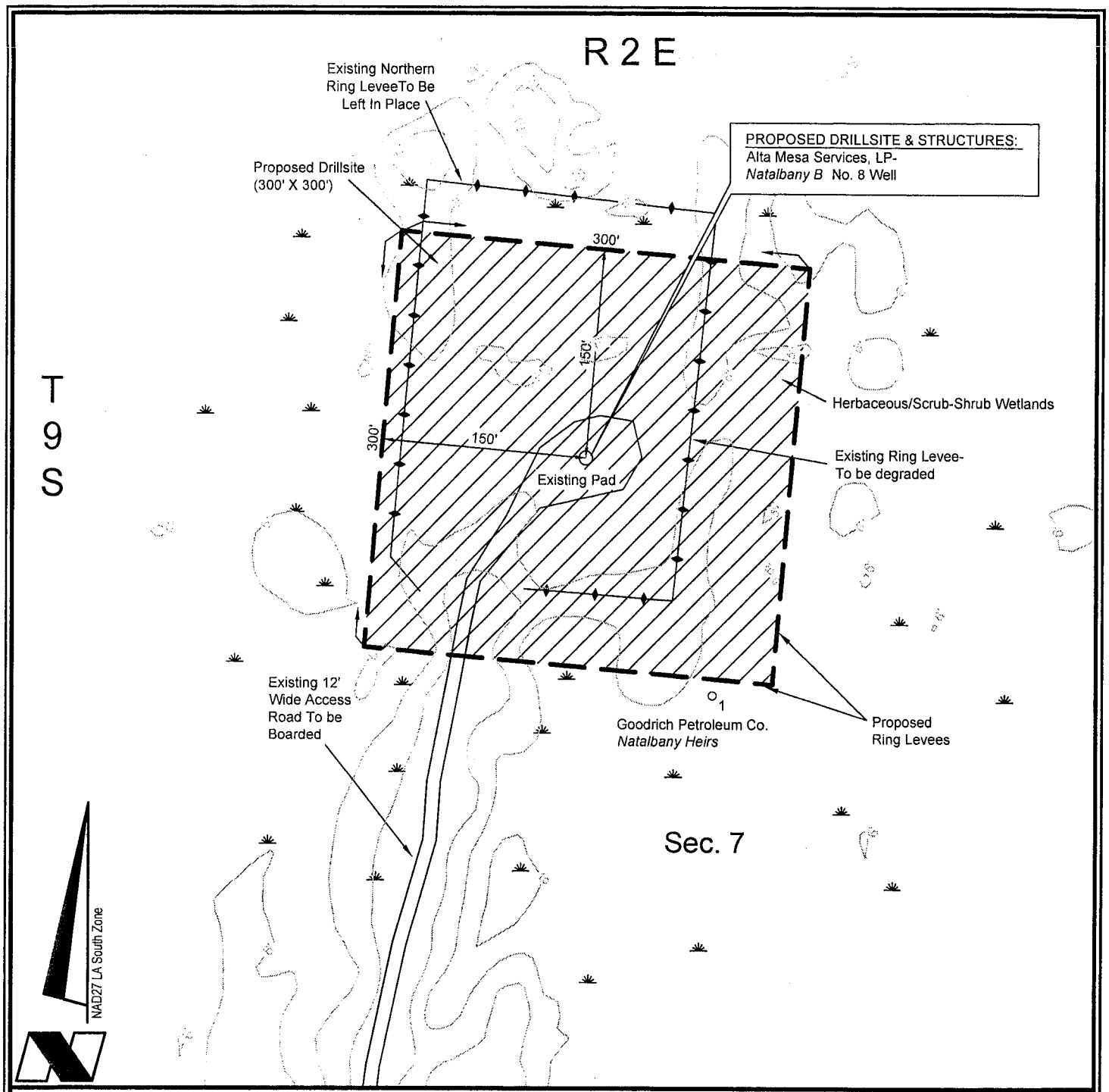
3/26/13



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PLAN VIEW

100 0 50 100
Scale: 1" = 100'

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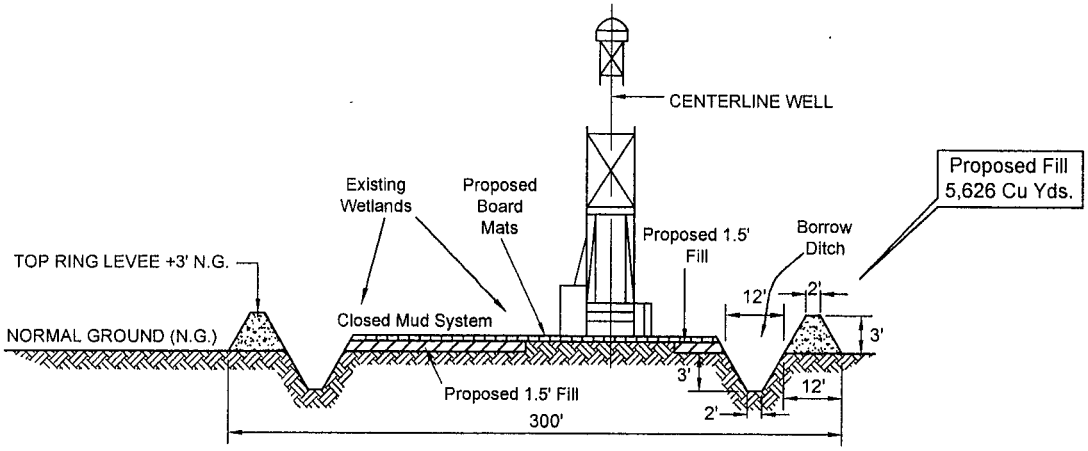
FILENAME: T:\2009\2096022.01C\DWG\ALTA_MESA_PROP_DRILLSITE_COE.dwg		

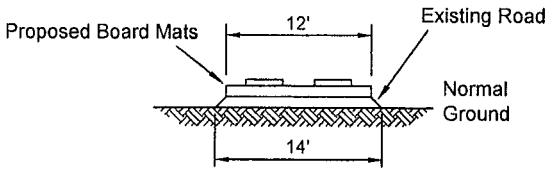
3/26/13

FILL REQUIRED FOR DRILLSITE & RING LEVEES ..... 5,626 CU. YDS.



TYPICAL CROSS-SECTION OF DRILLSITE

No Scale



TYPICAL BOARD ROAD

No Scale

NOTES:

1. Material for drillsite levees will be hauled in from offsite upland location.
2. The drillsite and ring levees will be degraded within 90 days following abandonment. The material will be deposited to the extent practicable into the borrow areas from which the material was excavated and the area leveled and restored to as near preproject conditions as practicable.
3. In the event the well is productive, boards may be replaced with gravel or other suitable permitizing material and the area restored except for the minimum area required for production.
4. Closed Mud System will be used.
5. Existing Elevation is ±10'; Proposed Elevation is ±12.5'

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ALTA MESA SERVICES, LP

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3/26/13

CEMVN-OD-SC
Application MVN-2011-02865-CL

MEMORANDUM FOR RECORD

SUBJECT: Department of the Army Environmental Assessment and Statement of Finding for Above-Numbered Permit Application

This document constitutes the Environmental Assessment, 404(b)(1) Guidelines Evaluation, Public Interest Review, and Statement of Findings.

1. **Application as described in the public notice.**

APPLICANT: Alta Mesa Services, L.P.

WATERWAY & LOCATION: in the White Castle Oil and Gas Field, in Iberville Parish, Louisiana.

LATITUDE & LONGITUDE: **Latitude North:** 30° 16' 28.88"
Longitude West: 91° 02' 44.82"

PROJECT PURPOSE

Basic: Oil production

Overall: Installation and maintenance of fill for a well pad to drill the Natalbany B #8 well

Water Dependency Determination: The proposed project is not a water-dependent activity.

PROPOSED WORK: The applicant has requested authorization to clear, grade and fill an area measuring 300 feet by 300 feet, for the installation and maintenance of a well pad to drill the Natalbany B No. 8 well. The site has been previously impacted by the installation of a road and well pad in the 1960's. A portion of the fill material for this well pad was left in place, however, the area was left untouched and a majority of the area has reverted back to a functioning wetland. Remnants of the existing ring levees will be excavated and placed on site as fill for the pad area. The applicant proposes to place approximately 5,626 cubic yards of hauled-in fill material and to excavate a 12-foot wide ring levee around the perimeter of the proposed well pad. Minor fills may be added to the existing road to level the surface, but the width of the existing 12-foot wide road will not be expanded. Project implementation will result in impacts to 2.1 acres of jurisdictional wetlands.

Avoidance and Minimization Information: The applicant stated that the proposed re-entry of the well could not be minimized due to the depth of the well being drilled and safety requirements that must be followed in order to operate heavy drill equipment thus resulting in the proposed well pad size. The applicant has reduced potential impacts by drilling the

target location from a previously impacted well pad with an existing access road.

Compensatory Mitigation: As compensatory mitigation, the applicant has purchased 3.3 acres of bottomland hardwood habitat from Bayou Manchac-Oakley Mitigation Bank, to mitigate the above proposed impacts to 2.1 acres of previously impacted wetlands.

EXISTING CONDITIONS: The site is located in the White Castle Oil and Gas Field and has been used in oil and gas exploration and production operations since the 1960's. Remnants of an old well pad and ring levees exist at the site, however, saplings have begun to re-colonize the area including the ring levees. Hydrology at the site has been slightly impacted by the presence of ring levees, however, due to the low lying topography, the area floods on a regular basis allowing for the continued growth of native wetland species.

2. **Authority.**

☐ **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).**

3. **Scope of Analysis.**

a. NEPA.

(1) Factors.

(i) Whether or not the regulated activity comprises "merely a link" in a corridor type project. The proposed project is not a corridor type project.

(ii) Whether there are aspects of the upland facility in the immediate vicinity of the regulated activity which affect the location and configuration of the regulated activity. There are no facilities in uplands associated with this project.

(iii) The extent to which the entire project will be within the Corps jurisdiction. The entire well pad is within Corps jurisdiction as it affects forested wetlands under Sec. 404 Clean Water Act.

(iv) The extent of cumulative Federal control and responsibility. The extent of federal control and responsibility is within the boundaries of the well pad.

(2) Determined scope.

☒ **Only within the footprint of the regulated activity within the delineated water.**
☐ **Over entire property.**

b. NHPA "Permit Area".

(1) **Tests. Activities outside the waters of the United States ☒are/☐are not included because all of the following tests ☒are/☐are not satisfied: Such activity ☒would/☐would not occur but for the authorization of the work or structures within the waters of the United States; Such activity ☒is/☐is not integrally related to the work or structures to be authorized within waters of the United States (or, conversely, the work or structures to be authorized must be essential to the completeness of the overall project or program); and Such activity ☒is/☐is not directly associated (first order impact) with the work or structures to be authorized.** The permit area is defined by the boundaries of the proposed project as shown on the permit drawings.

(2) **Determined scope.** The scope of the proposed project is determined to be within the project boundary. There are no known cultural resource properties under NHPA within the project area. However, the possibility of subsurface archaeological remains always exists. If subsurface archaeological remains are discovered during construction activities, the District Commander, based on circumstances of the discovery, with equity to all parties and consideration of the public interest, may modify, suspend or revoke a permit in accordance with 33 CFR 325.7

c. ESA "Action Area".

(1) **Action area means all areas to be affected directly or indirectly by the Federal action and not merely the immediate area involved in the action.** The project area consists of the access road and the well pad. The project area is not anticipated to affect any areas outside of its boundary.

(2) **Determined scope.** The scope of the activity is determined to be within the project boundary and there are no known threatened and/or endangered species that could be affected as a result of project implementation.

d. Public notice comments. ☐ NA

(1) **The public also provided comments at ☐public hearing, ☐public meeting, and/or ☐.** N/A

(2) **Commentors and issued raised.**

National Marine Fisheries Service (NMFS). In an e-mail dated January 16, 2013, the NMFS stated that the resources affected are not ones for which the NMFS is responsible and, therefore, offer no comment regarding the issuance of this permit.

U.S. Environmental Protection Agency (EPA). In an email dated January 15, 2013, the EPA provided no objection to permit issuance, provided that the applicant satisfies the 404 (b)(1) guidelines, provided compensatory mitigation in the same watershed of

impact, and utilizes best management practices to prevent impacts to water quality.

Similar to the above comments, an alternative sites analysis has been evaluated by this office and is discussed in greater detail later in this document. Compensatory mitigation was assessed using the Modified Charleston Method (MCM) and was coordinated and approved by EPA.

In an email dated April 1, 2013, the EPA offered no objection to the proposed compensatory mitigation and the incorporation of silt fencing into the construction plans.

Louisiana Department of Wildlife and Fisheries (LDWF). In a letter dated January 9, 2013, the LDWF indicated that the applicant should implement adequate erosion/sediment control measures to prevent debris from entering adjacent wetlands. LDWF also stated that the applicant should provide adequate and appropriate mitigation for impacts to wetland functions.

In an email dated April 1, 2013, the LDWF offered no objection to the proposed compensatory mitigation and the incorporation of silt fencing into the construction plans.

Louisiana Department of Environmental Quality (LDEQ), Office of Environmental Services. In a letter dated May 28, 2013, the LDEQ issued their Water Quality Certification (WQC 130107-01).

In consideration of the above comments, Louisiana water quality standards provided for under LAC 33:IX.Chapter 11 and provisions set forth in Section 401 of the Clean Water Act have been satisfied through LDEQ's issuance of a WQC and will be made part of the issued permit.

New Orleans District Corps of Engineers, Real Estate Division. By memo dated November 8, 2011, the Real Estate Division of this District stated that no real estate instrument would be required for this application as no real estate interest under the jurisdiction of the New Orleans District is involved.

Individuals and Organized Groups. In a letter dated February 4, 2013, Spanish Lake Restoration, LLC (SLR) provided comments in response to the public notice. SLR presented concerns regarding the current lack of culverts in the existing access road and potential impacts to hydrologic conveyance by the placement of additional fill for the well pad. SLR stated that Alta Mesa should indicate the source of the proposed fill material and that no fill should be excavated from SLR property. SLR is concerned that all proposed work was not depicted on the permit drawings (for example utility corridors, flowlines, staging areas, etc.) SLR stated that Alta Mesa has left trash and debris on previously authorized well sites located on SLR property and requested that conditions are added to the authorization to prevent this from happening at the Natalbany B #8 location. SLR also requested that the permit drawings clearly show the existing and proposed site elevation so that restoration work can be successfully completed upon well

abandonment.

Site ☐was/☒was not visited by the Corps to obtain information in addition to delineating jurisdiction.

(3) Issues identified by the Corps. The corps has had several non-compliance issues with oil well pad restoration in the White Castle Oil and Gas Field and required the applicant to show more detail on the permit drawings regarding restoration of the area to natural ground elevation when the well is abandoned. Permit special conditions will also be added to the approval to ensure enforceable restoration conditions upon well abandonment by the applicant. The concerns expressed by SLR regarding the lack of culverts in the existing access road, were forwarded to the applicant and they have decided not to add culverts to the existing road. The access road was installed prior to the regulation present in section 404 of the Clean Water Act and as such, has been grandfathered into compliance with this federal regulation. The existing road has been in place since the 1960's and likely did have an impact on site hydrology, however the surrounding areas have acclimated to the current hydrology are functioning as wetlands.

(4) Issues/comments forwarded to the applicant. ☐NA/ ☒Yes. In a letter dated February 8, 2013, this office forwarded all comments to the agent, and requested response within 15 days.

(5) Applicant replied/provided views. ☐NA/ ☒Yes. By letter dated March 1, 2013, the agent provided a response to the Corps request for information and the above referenced SLR letter. The permit drawings were modified to show the natural ground elevation and proposed fill. It was confirmed that no pipelines or staging areas are proposed at this time as part of this project. The use of silt fencing around all construction areas was added to the project plans to prevent potential impacts to adjacent wetland that will not be developed as part of well pad installation.

(6) The following comments are not discussed further in this document as they are outside the Corps purview. ☒ NA/☐ Yes

4. **Alternatives Analysis.**

   a. **Basic and Overall Project Purpose (as stated by applicant and independent definition by Corps).**
   ☒Same as Project Purpose in Paragraph 1.
   ☐Revised:

   b. **Water Dependency Determination:**
   ☒Same as in Paragraph 1.
   ☐Revised:

   c. **Applicant preferred alternative site and site configuration.**

☒**Same as Project Description in Paragraph 1.**
☐**Revised:**

Criteria. The main site criteria for this well pad installation is that the well must be located in the White Castle Oil and Gas Field to successfully drill the target location.

Issue	**Measurement and/or constraint**
e.g. Wetlands	*Acres of direct impact*
Direct impacts to forested wetlands	2.1 acres
Secondary and cumulative impacts to surrounding area wetlands	Secondary and cumulative impacts are expected to be minimal as this is an actively drilled oil field.

d. Off-site locations and configuration(s) for each. (e.g. alternatives located on property not currently owned by the applicant are not practicable under the Section 404(b)(1) Guidelines as this project is the construction or expansion of a single family home and attendant features, such as a driveway, garage, storage shed, or septic field; or the construction or expansion of a barn or other farm building; or the expansion of a small business facility; and involves discharges of dredged or fill material less than two acres into jurisdictional wetlands.)

Off-site locations and configurations

Description	**Comparison to criteria**
Alternative sites within the White Castle Oil and Gas Field were considered	All alternative sites would have required more impact to wetlands than the preferred alternative. The existing access road and the previous use of the well pad as an old well that was drilled resulted in less impacts to jurisdictional wetlands.

(☒ NA) Site selected for further analysis and why.

e. On-site configurations.

Description	**Comparison to criteria**
The proposed project will involve the expansion and re-entry of the well	The proposed pad dimensions are the minimum size necessary to safely drill the well.

f. Other alternatives not requiring a permit, including No Action.

Description	**Comparison to criteria**
No Action	There were no other alternatives available. The "No Action" alternative would avoid short and/or potential long-term impacts to the local environment as a result of project implementation. However, the public and private need for drilling of the well would not be realized.

h. Alternatives not practicable or reasonable. *N/A*

i. Least environmentally damaging practicable alternative. For reasons discussed in this document, the proposed activity is the least environmentally-damaging practicable alternative.

5. Evaluation of the 404(b)(1) Guidelines. (☐NA)

a. Factual determinations.

Physical Substrate. ☐ See Existing Conditions, paragraph 1 ☒ The proposed project will result in the conversion of 2.1 acres of low to moderate quality forested wetlands on the well pad to non wetlands. This conversion of wetlands to non-wetlands will eliminate natural contours and elevations at the project site. Underlying soil horizons and natural subsurface flow at the site will be altered by project construction. Excavation and filling activities would also affect the physical or chemical characteristics of the soil. The substratum will consequently convert to anoxic and anaerobic conditions. Ecological functions, although minimal, would be lost through surface alterations. Project related adverse impacts to the substrate at the immediate site are expected to be minor, long-term and localized.
Water circulation, fluctuation, and salinity. ☐ Addressed in the Water Quality Certification. ☒ Area hydrology is mostly influenced by rainfall events resulting in seasonal fluctuations of several feet. Surface water percolates into the ground but most water movement is in the form of surface runoff (sheet flow) that is influenced by gravity and slope. This field is usually inundated for several months each year. Construction of the well pad and associated ring levees is expected to cause minimal adverse affects on the local aquatic ecosystem but is not anticipated to result in severe impacts to site hydrology. The State of Louisiana Department of Environmental Quality (DEQ) issued a section 401 Water Quality Certification on May 28, 2013 (WQC 130107-01/AI 185610/CER 20130001) approved the placement of fill material.
Suspended particulate/turbidity. ☐ Turbidity controls in Water Quality Certification. ☒ Wetlands within the project vicinity function to remove sediments and suspended particulates from stormwater runoff directed through them. The result of this sediment removal by the vegetation reduces turbidity and suspended sediment levels in adjacent waterways. Redistribution of native soils and deposition of fill material in association with rainfall events could cause some runoff of unconsolidated fill material within adjacent wetlands depending on the time of year the work is conducted and the depth of the water column if present. However,

should turbid conditions emerge as a result of on-site construction, it is anticipated that these conditions will be localized, short-term and the site will return to normal ambient conditions upon completion of the construction activities. Silt fencing will be placed around the perimeter of all construction work to prevent sediments and unconsolidated fill from entering the wetlands.
Contaminant availability. ☐ General Condition requires clean fill. ☒ Native fill material will generally be excavated around the perimeter of the well pad to create ring levees. Fill material will be hauled from a nearby abandoned well site pad and is not expected to contain contaminants.
Aquatic ecosystem and organism. ☐ Wetland/wildlife evaluations, paragraphs 5, 6, 7 & 8. ☒ Wetland impacts will result from project implementation and will be mitigated as appropriate. Mobile species and attendant organisms will be able to relocate to adjacent forested habitat with minimal disturbance. Less motile organisms both on and below the surface will be impacted during project implementation and are considered minor, local and long-term. These impacts are expected to be offset within the watershed by the permittee's purchase of mitigation credits.
Proposed disposal site. ☐ Public interest, paragraph 7. ☒ Excavation and deposition of native and hauled in fill material will occur on site and will result in the temporary loss (duration unknown) of 2.1 acres of bottomland hardwoods.
Cumulative effects on the aquatic ecosystem. ☐ See Paragraph 7.e. ☒ The proposed action will eliminate wetland functional quality at the site overtime by conversion to an aquatic habitat. Even though minimal in function and size when compared to other forested wetlands directly and/or secondarily affected by previous development activities, it would contribute cumulatively to wetland alteration and loss within the Lake Pontchartrain Basin. Based on an evaluation of human activities and land use trends in this region, it is reasonable to anticipate that future activities will further contribute to cumulative degradation of wetland resources. In the past, many actions were taken with little consideration given to project related impacts on wetland ecosystems. However, a greater realization of the importance of wetlands to the public has resulted in critical evaluation of the need to impact wetland for residential, commercial or industrial developments. With gained knowledge comes technological advancement in developing more environmentally sensitive project designs and construction methods, as well as requirement to functionally compensate unavoidable project-related impacts to wetlands so as to meet the Nation's goal of no net loss of wetland resources. As with this project, wetlands will continue to be impacted by development. However, in having a greater awareness of the importance of wetlands, impacts associated with this and future development activities will be evaluated to assure a balance is maintained between development and impacts on the environment. It is anticipated that through the efforts taken to avoid and minimize affects on the project site

wetlands and the mandatory implementation of a mitigation plan that functionally compensates unavoidable remaining impacts, permit issuance will not result in substantial direct, secondary or cumulative adverse impact on the aquatic environment.
Secondary effects on the aquatic ecosystem. ☐ See Paragraph 7.e. ☒ Secondary effects on the aquatic ecosystem are expected be minimal and temporary. Increased noise and lessened air quality are anticipated but will be localized and minor.

b. Restrictions on discharges (230.10).

(1) It ☒has/☐has not been demonstrated in paragraph 5 that there are no practicable nor less damaging alternatives which could satisfy the project's basic purpose. The activity ☒is/☐is not located in a special aquatic site (wetlands, sanctuaries, and refuges, mudflats, vegetated shallows, coral reefs, riffle & pool complexes). The activity ☐does/☒does not need to be located in a special aquatic site to fulfill its basic purpose.

(2) The proposed activity ☐does/☒does not violate applicable State water quality standards or Section 307 prohibitions or effluent standards (☐ based on information from the certifying agency that the Corps could proceed with a provisional determination). The proposed activity ☐does/ ☒does not jeopardize the continued existence of federally listed threatened or endangered species or affects their critical habitat. The proposed activity ☐does/☒does not violate the requirements of a federally designate marine sanctuary.

(3) The activity ☐will/☒will not cause or contribute to significant degradation of waters of the United States, including adverse effects on human health; life stages of aquatic organisms' ecosystem diversity, productivity and stability; and recreation, esthetic, and economic values.

(4) Appropriate and practicable steps ☒have/☐have not been taken to minimize potential adverse impacts of the discharge on the aquatic ecosystem (see Paragraph 8 for description of mitigative actions).

6. Public Interest Review: All public interest factors have been reviewed as summarized here. Both cumulative and secondary impacts on the public interest were considered. Public interest factors that have had additional information relevant to the decision are discussed in number 7.

+ Beneficial effect
0 Negligible effect
- Adverse effect
M Neutral as result of mitigative action

+	0	-	M	
☐	☐	☒	☒	Conservation.
☒	☐	☐	☐	Economics.
☐	☐	☒	☐	Aesthetics.
☐	☒	☐	☐	General environmental concerns.
☐	☐	☐	☒	Wetlands.
☐	☒	☐	☐	Historic properties.
☐	☐	☒	☐	Fish and wildlife values
☐	☒	☐	☐	Flood hazards.
☐	☒	☐	☐	Floodplain values.
☐	☐	☒	☐	Land use.
☐	☒	☐	☐	Navigation.
☐	☒	☐	☐	Shore erosion and accretion.
☐	☐	☒	☐	Recreation.
☐	☒	☐	☐	Water supply and conservation.
☐	☐	☐	☒	Water quality.
☒	☐	☐	☐	Energy needs.
☐	☐	☐	☒	Safety.
☐	☒	☐	☐	Food and fiber production.
☐	☒	☐	☐	Mineral needs.
☐	☒	☐	☐	Considerations of property ownership.
☒	☐	☐	☐	Needs and welfare of the people.

7. Effects, policies and other laws.

a. ☒NA

Public Interest Factors. ***(add factors that are relevant to specific project that you checked in number 6 above and add a discussion of that factor)***

Factor	Discussion
Economics	The applicant will receive economic benefits from project construction as well as the local workers during the construction phase. The State and parish governments will also benefit economically from increased tax revenues.
Wetlands	Bottomland hardwood forested wetlands will be impacted by project construction and have been mitigated at an approved mitigation bank within the watershed of impact.
Safety	Construction activities and operation of heavy equipment provides potential for job-related accidents. All safety

	rules and policies should be adhered to during the construction phase of the project. Appropriate steps should be implemented to assure the safety of pedestrians and traffic as associated with the proposed project.
Energy needs	If this well is a producer, it will serve the applicant in increasing production of oil to meet the needs of an increasing demand.
Needs and welfare of the people	Alta Mesa serves many customers in the area that depend on these oil producers to keep their operations going. Increased oil production will reduce the cost of oil and oil derived products to meet all of the nation's growing need.

b. Endangered Species Act. ☒ NA
The proposed project:

(1) Will not affect these threatened or endangered species:
☐Any/☐ _____.

(2) May affect, but is not likely to adversely affect:
Species:_____.

(3) ☐Will/☐Will not adversely modify designated critical habitat for the
_____ .

(4) ☐Is/☐Is not likely to jeopardize the continued existence of the _____.

(5) The Services ☐concurred/☐provided a Biological Opinion(s).

c. Essential Fish Habitat. Adverse impacts to Essential Fish Habitat ☐will/☒will not result from the proposed project.

d. Historic Properties. The proposed project ☐will/☒will not have any effect on any sites listed, or eligible for listing, in the National Register of Historic Places, or otherwise of national, state, or local significance based on ☐letter from SHPO/☐.

e. Cumulative & Secondary Impacts. The geographic area for this assessment is the Lake Pontchartrain Basin, **Amite River watershed.**

(6) Baseline. Approximately 70 **% of the watershed area is wetland. There are also approximately** (undetermined) **stream (i.e., river and bayou) miles contained within the watershed comprised of** (undetermined)**% perennial,** (undetermined)**% intermittent, and** (undetermined)**% ephemeral tributaries. Corps permits for the period** unknown **has authorized the fill of** unknown **acres and** unknown **linear feet of stream. The projection is that authorizations will continue ☒at the current rate/☐ increase/☐ because**

of regional demographic trends . **Natural resource issues of particular concern [from Corps & non-Corps activities] are** continued conversion of wetlands, fragmentation & loss of wetland habitat, and reduction in stormwater capacity.

(7) **Context. The proposed project is ☒ typical ☐ not typical of /☐a precedent /☐very large compared to /☐ other activities in the watershed. Development similar to the proposal have occurred since** (project site activity has been ongoing since 1950's). **Future conditions are expected to be...** (undetermined) . **Besides Corps authorized projects, other activities include...** commercial/residential development and local parish projects (i.e., drainage, flood protection, etc.). **Resulting natural resource changes and stresses include** loss of stormwater storage capacity, water quality, conversion of wet/non-wetland habitats, increased runoff, erosion\accretion. **These resources are also being affected by** encroachment through commercial and residential development . **A key issue(s) of concern in this watershed is/are** the loss and fragmentation of habitat, stormwater storage areas **resulting from wetland loss.**

(8) **Mitigation and Monitoring. The project affects the following key issue(s):** there are no significant issues associated with this project. **The magnitude of the proposed effect is** mitigated **within the watershed. Avoidance and minimization methods include** best management practices, and the use of siltation devices, **that will result in** reduced runoff of unconsolidated fill material into the adjacent wetlands. **Compensatory mitigation, namely** the purchase of mitigation credits for bottomland hardwoods **and monitoring described in herein will result in** no net loss of wetlands .

f. **Corps Wetland Policy. Based on the public interest review herein, the beneficial effects of the project outweigh the detrimental impacts of the project.** The detrimental impacts to wetlands have been mitigated through compensatory mitigation. The beneficial effects of the project will be felt by all consumers of oil and gas and oil and gas related products.

g. **(☐NA) Water Quality Certification under Section 401 of the Clean Water Act ☒ has/☐has not yet been issued by ☐ /☒State/☐Commonwealth.** The Louisiana Department of Environmental Quality (LDEQ), Office of Environmental Services, in a letter dated May 28, 2013, issued their Water Quality Certification (WQC 130107-01). The May 28^{h} letter stated that the placement of fill material would not violate the water quality standards of Louisiana and, therefore, offered no objection toward permit issuance.

h. **Coastal Zone Management (CZM) consistency/permit: Issuance of a State permit certifies that the project is consistent with the CZM plan. ☐ There is no evidence or indication from the** N/A **that the project is inconsistent with their CZM**

plan.

i. **Other authorizations.** N/A

j. **(☒NA) Significant Issues of Overriding National Importance.**

8. **Compensation and other mitigation actions.**

a. **Compensatory Mitigation**

(1) **Is compensatory mitigation required? ☒ yes ☐ no**

(2) **Is the impact in the service area of an approved mitigation bank? ☒ yes ☐ no**

(i) **Does the mitigation bank have appropriate number and resource type of credits available? ☒ yes ☐ no**

(3) **Is the impact in the service area of an approved in-lieu fee program? ☐ yes ☒no**

(i) **Does the in-lieu fee program have appropriate number and resource type of credits available? ☐ yes ☒ no**

(4) **Check the selected compensatory mitigation option(s):**

☒ **mitigation bank credits**
☐ **in-lieu fee program credits**
☐ **permittee-responsible mitigation under a watershed approach**
☐ **permittee-responsible mitigation, on-site and in-kind**
☐ **permittee-responsible mitigation, off-site and out-of-kind**

(5) **If a selected compensatory mitigation option deviates from the order of the options presented in §332.3(b)(2)-(6), explain why the selected compensatory mitigation option is environmentally preferable. Address the criteria provided in §332.3(a)(1) (i.e., the likelihood for ecological success and sustainability, the location of the compensation site relative to the impact site and their significance within the watershed, and the costs of the compensatory mitigation project):**

(6) **Other Mitigative Actions.** The permit is conditioned to require that appropriate erosion and siltation controls be utilized and maintained in effective operating condition during construction, to avoid sediment runoff into adjacent wetlands and waterways.

9. **General evaluation criteria under the public interest review. We considered the following within this document:**

a. **The relative extent of the public and private need for the proposed structure or work. (e.g. Public benefits include employment opportunities and a potential increase in the local tax base. Private benefits include land use and economic return on the property; for transportation projects benefits include safety, capacity and congestion issues.)** Public benefits include temporary employment opportunities during construction and possibly lower fuel costs. Private benefits include economic gains for the company.

b. ☒**There are no unresolved conflicts as to resource use. (☐ There are unresolved conflicts as to resource use. One or more of the alternative locations and methods described above are reasonable or practicable to accomplish the objectives of the proposed structure or work but are not being accepted by the applicant.) (☐ There are unresolved conflicts as to resource use however there are no practicable reasonable alternative locations and methods to accomplish the objective of the purposed work.)**

c. **The extent and permanence of the beneficial and/or detrimental effects, which the proposed work is likely to have on the public, and private uses to which the area is suited. ☒Detrimental impacts are expected to be minimal.** Detrimental impacts are expected to be minimal and fully compensated by the compensatory mitigation credits for this project. The beneficial effects associated with utilization of the property would exist for the duration of the well's production. These beneficial effects, providing oil product, would provide critical support to the petrochemical industry that is important to the region, State and Nation.

10. **Determinations.**

a. **Public Hearing Request: ☒NA**

☐ **I have reviewed and evaluated the requests for a public hearing. There is sufficient information available to evaluate the proposed project; therefore, the requests for a public hearing are denied.**

b. **Section 176(c) of the Clean Air Act General Conformity Rule Review: The proposed permit action has been analyzed for conformity applicability pursuant to regulations implementing Section 176(c) of the Clean Air Act. It has been determined that the activities proposed under this permit will not exceed de minimis levels of direct or indirect emissions of a criteria pollutant or its precursors and are exempted by 40 CFR Part 93.153. Any later indirect emissions are generally not within the Corps' continuing program responsibility and generally cannot be practicably controlled by the Corps. For these reasons a conformity determination is not required for this permit action.**

c. **Relevant Presidential Executive Orders.**

(1) EO 13175, Consultation with Indian Tribes, Alaska Natives, and Native Hawaiians. ☒This action has no substantial direct effect on one or more Indian tribes.

(2) EO 11988, Floodplain Management. ☐Not in a floodplain. (☒ Alternatives to location within the floodplain, minimization, and compensation of the effects were considered above.)

(3) EO 12898, Environmental Justice. In accordance with Title III of the Civil Right Act of 1964 and Executive Order 12898, it has been determined that the project would not directly or through contractual or other arrangements, use criteria, methods, or practices that discriminate on the basis of race, color, or national origin nor would it have a disproportionate effect on minority or low-income communities.

(4) EO 13112, Invasive Species.

☒There were no invasive species issues involved.
☐The evaluation above included invasive species concerns in the analysis of impacts at the project site and associated compensatory mitigation projects.

☐Through special conditions, the permittee will be required to control the introduction and spread of exotic species.

(5) EO 13212 and 13302, Energy Supply and Availability.

☒The project was not one that will increase the production, transmission, or conservation of energy, or strengthen pipeline safety. (☐The review was expedited and/or other actions were taken to the extent permitted by law and regulation to accelerate completion of this energy-related (including pipeline safety) project while maintaining safety, public health, and environmental protections.)

d. Finding of No Significant Impact (FONSI). Having reviewed the information provided by the applicant and all interested parties and an assessment of the environmental impacts, I find that this permit action will not have a significant impact on the quality of the human environment. Therefore, an Environmental Impact Statement will not be required.

e. Compliance with 404(b)(1) guidelines. ☐NA

Having completed the evaluation in paragraph 5, I have determined that the proposed discharge ☒complies/☐does not comply with the 404(b)(1) guidelines.

f. Public Interest Determination: I find that issuance of a Department of the Army permit ☒is not/☐is contrary to the public interest.

PREPARED BY:

Amy Oestringer
Project Manager

6/13/13
Date

REVIEWED BY:

Chief, Central Evaluation Section

6/20/13
Date

APPROVED BY:

Chief, Regulatory Branch

17 July 2013
Date