JOINT PUBLIC NOTICE

August 8, 2011

United States Army Corps of Engineers New Orleans District Regulatory Branch Post Office Box 60267 New Orleans, Louisiana 70160-0267

(504) 862-2543 FAX (504) 862-2117 Project Manager Melissa Ellis Permit Application Number MVN-2011-1831-EQ State of Louisiana Department of Environmental Quality Attn: Water Quality Certification Post Office Box 4313 Baton Rouge, Louisiana 70821-4313

(225) 219-3225; Fax (225) 219-3156 Project Manager Jamie Phillippe WQC Application Number WQC # 110808-02

Interested parties are hereby notified that a permit application has been received by the New Orleans District of the U.S. Army Corps of Engineers pursuant to: [X] Section 10 of the Rivers and Harbors Act of March 3, 1899 (30 Stat. 1151; 33 USC 403); and/or [X] Section 404 of the Clean Water Act (86 Stat. 816; 33 USC 1344).

Application has also been made to the Louisiana Department of Environmental Quality, for a Water Quality Certification (WQC) in accordance with statutory authority contained in LRS30:2047 A(3), and provisions of Section 401 of the Clean Water Act (P.L.95-17).

CONSTRUCT WELL SITE IN LAFOURCHE PARISH, LOUISIANA

NAME OF APPLICANT: Square Mile Energy, LLC, 5847 San Felipe, Suite 2940, Houston, Texas 77057.

LOCATION OF WORK: The project is located in the Larose field along the south bank of the Bayou Vacherie Cutoff Canal approximately 14 miles west-southwest of Barataria at Latitude 29.68327 Longitude -90.35480, Lafourche Parish, Louisiana as shown on the enclosed drawings.

CHARACTER OF WORK: The applicant is proposing to excavate 55,569 cubic yards of material from 14.35 acres of open water and to deposit this material over 34.17 acres of open water and 4.59 acres of wetlands in order to construct and maintain a slip for a drill barge to drill the Devon-Marr Well No. 3. To access the drill site the applicant is proposing to dredge a canal into the southwest portion of Lake Salvador, continue into the northwest portion of Temple Bay, enter the Bayou Vacherie Cutoff Canal and extend to near the existing gate in the canal. The applicant is also proposing to spread the dredge material in the lake and bay so that the mudline is not increased by more than 0.5 feet. In the inland canal, the applicant is proposing to stockpile the dredged material on the south bank. The applicant is proposing to purchase mitigation for unavoidable wetland impacts from an approved mitigation bank.

The comment period for the Department of the Army Permit and the Louisiana Department of Environmental Quality WQC will close 20 days from the date of this joint public notice. Written comments, including suggestions for modifications or objections to the proposed work, stating reasons thereof, are being solicited from anyone having interest in this permit and/or this WQC request and must be mailed so as to be received before or by the last day of the comment period. Letters concerning the Corps of Engineers permit application must reference the applicant's name and the Permit Application Number, and be mailed to the Corps of Engineers at the address above, ATTENTION: REGULATORY BRANCH. Similar letters concerning the Water Quality Certification must reference the applicant's name and the WQC Application number and be mailed to the Louisiana Department of Environmental Quality at the address above. The application for this proposed project is on file with the Louisiana Department of Environmental Quality and may be examined during weekdays between 8:00 a.m. and 5:00 p.m. Copies may be obtained upon payment of costs of reproduction. Individuals or parties may request an extension of time in which to comment on the proposed work by writing to the project manager or clicking on the project manager's name on the public notice grid on the web page. Any request must be specific and substantively supportive of the requested extension, and received by this office prior to the end of the initial comment period. The Section Chief will review the request and the requestor will be promptly notified of the decision to grant or deny the request. If granted, the time extension will be continuous to the initial comment period and, inclusive of the initial comment period, will not exceed a total of 30 calendar days.

Corps of Engineers Permit Criteria

The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefit which reasonably may be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the proposal will be considered including the cumulative effects thereof; among those are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership and, in general, the needs and welfare of the people.

The U.S. Army Corps of Engineers is soliciting comments from the public, federal, state, and local agencies and officials, Indian Tribes, and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the U.S. Army Corps of Engineers to determine whether to make, modify, condition, or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

The Corps of Engineers is unaware of any properties listed on the National Register of Historic Places at or near the proposed work site. The possibility exists that the proposed work may damage or destroy presently unknown archeological, scientific, prehistorical, historical sites, or data. Copies of this notice are being sent to the State Archeologist and the State Historic Preservation Officer.

Our initial finding is that the proposed work would neither affect any species listed as threatened or endangered by the U.S. Departments of Interior or Commerce, nor affect any habitat designated as critical to the survival and recovery of any endangered species.

This notice initiates the Essential Fish Habitat (EFH) consultation requirements of the Magnuson-Stevens Fishery Conservation and Management Act. The applicant's proposal would result in the destruction or alteration of <u>53.11</u> acres of EFH utilized by various life stages of red drum, blue crab and penaeid shrimp. Our initial determination is that the proposed action would not have an adverse impact on EFH or federally managed fisheries in the Gulf of Mexico. Our final determination relative to project impacts and the need for mitigation measures is subject to review by and coordination with the National Marine Fisheries Service.

The applicant has certified that the proposed activity described in the application complies with and will be conducted in a manner that is consistent with the Louisiana Coastal Resources Program. The Department of the Army permit will not be issued unless the applicant receives approval or a waiver of the Coastal Use Permit by the Department of Natural Resources.

Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, the reasons for holding a public hearing.

You are requested to communicate the information contained in this notice to any other parties whom you deem likely to have interest in the matter.

Michael V. Farabee

Chief, Eastern Evaluation Section

Regulatory Branch

Attachments