APPENDIX E

Appendix D of the Kisatchie National Forest Revised Land and Resource Management Plan

Appendix D

Mineral Operations

INTRODUCTION

The purpose of Appendix D is to describe the guidance and direction for federal minerals operations on the Kisatchie National Forest. All federally-owned lands except those within the Kisatchie Hills Wilderness area are available for leasing, subject to the clauses and stipulations in the next two sections:

- Mineral operations clauses with attachments; and
- Leasing stipulations.

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Conditions of approval (COA), which provide guidance and direction to minerals operators, are determined during site-specific environmental analysis. Those COAs become part of the permit and are required for mineral operations that utilize lands of the Kisatchie National Forest. The Forest recommends the same types of clauses for owners and operators of the private mineral estate.

The following conditions and attachments may be used in part or in their entirety, depending on the recommendations of the authorized officer following site-specific environmental analysis. They should supplement and not duplicate conditions included in the *surface use plan of operations* (SUPO) or issued lease. *These conditions should be reviewed and edited to fit each specific project.*

TERMS PERTAINING TO SURFACE USE PLAN OF OPERATIONS OR FOR MINERAL OPERATIONS PERMIT

- This permit (permit also refers to SUPO) is subject to all valid rights and claims.
- In case of change of address or ownership, permittee (also includes the operator for SUPO) shall immediately notify the district ranger.
- The permittee shall comply with all applicable federal, state, and local laws, regulations, and standards and other relevant environmental laws, as well as public health and safety laws.
- The permittee shall maintain the improvements and permit area to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the authorized Forest officer and consistent with other provisions of this authorization. If requested, the holder shall comply with inspection requirements deemed appropriate by the authorized officer.
- The permittee has a continuing responsibility to identify all hazardous conditions on the permit area which would affect the improvements, resources, or pose a risk of injury to individuals. Any non-emergency actions to abate such hazards shall be performed after consultation with the authorized officer. In emergency situations, the permittee shall notify the authorized officer of its actions as soon as possible, but not more than 48 hours, after such actions have been taken.
- The permittee shall be responsible for the prevention and control of soil erosion or other resource damage on the area covered by this permit and lands adjacent thereto, and shall provide preventive measures as required by specifications attached to and made a part of this permit.
- No waste or by-products shall be discharged containing any substances in concentrations which may result in significant harm to fish and wildlife, or to human water supplies. Storage facilities for mate-

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rials capable of causing water pollution, if accidentally discharged, shall be located so as to prevent any spillage into waters, or to channels leading into water, that would result in significant harm to fish and wildlife or to human water supplies.

- The permittee shall protect the scenic esthetic values of the area under this permit, and the adjacent land, associated with the authorized use, during construction, operation and maintenance of the improvements.

- All access roads will be built on locations and to specifications approved in advance of construction by the Forest officer in charge.

- The authorized operation may be temporarily suspended due to excessively wet soil conditions when unacceptable resource damage is anticipated or occurring as determined by the authorized officer.

- No member or delegate of Congress shall be admitted to any share or part of this agreement or to any benefit that may arise here from unless it is made with a corporation for its general benefit. This does not apply to outstanding minerals.

- The permittee shall fully and currently repair all damage other than ordinary wear and tear to national forest roads and trails caused by the permittee in the exercise of the privilege granted by this permit.

- Pipeline rights-of-way will be authorized by a special-use permit. Conditions of use, including restoration and abandonment, will be included in the permit. There will be no charge for occupancy on the leasehold interest.

- Activities located in an area that has the potential to contain live ordnance due to its past usage as a military training site will require clearing prior to implementing any activity. Ordnance avoidance or decontamination will be done in accordance with the recommendation of the U.S. Army Corps of Engineers.

- The heritage resource report and LA SHPO concurrence are on file; however, prior to or during excavation work, items of archeological, paleontological, or historic value are reported or discovered, or an unknown deposit of such items is disturbed, the permittee will immediately cease excavation in the area so affected. The holder will then notify the Forest Service and will not resume work until written approval is given by the authorized officer.

ATTACHMENT #1

Resource protection plan for oil and gas drilling, production, and storage sites

The permittee or an authorized representative of the permittee will:

- Immediately after site construction and as needed throughout the life of the authorization, install or construct erosion devices where appropriate. Also revegetate those disturbed areas which will not sustain traffic (see also attachment #3). The following will be accomplished as directed by the overseeing Forest officer:
  - Sediment dams in gullies, etc.
  - Contour terraces on areas which exceed three percent gradient.
  - Diversion terraces if the potential exists for heavy water flow onto or across the site.
  - Erosion control blankets on all cut or fill slopes that cannot be shaped to a 3:1 gradient or less.
  - Fences around treated areas on sensitive soils until new vegetation is firmly established.

- Locate the well site on the most level upland location that will accommodate the intended use, away from drainages and riparian areas. Site layout will be oriented to conform to the best topographic situation given the geologic target and any safety considerations. The site will be staked and reviewed to determine its compliance with environmental analysis documentation. Any timber cutting will be done in accordance with and under the direction of the district ranger.

- Prior to drilling associated water well(s), the operator will provide the district ranger

with the appropriate approved State permits authorizing such a well(s).

- Notify the district ranger at least five working days in advance of all work which will result in surface disturbance for a predrill inspection.

- Obtain the district ranger's approval for any changes in a permitted site plan which would result in additional surface disturbance.

- Notify any subcontractors of required permits for activity not covered under the terms and conditions of this permit.

- Confine all surface-disturbing activities to the project areas as shown on the site plans and designated on the ground.

- Fencing the entire drilling site will be required. The permittee may choose the type of fencing, but the design and material must be approved by the Forest officer. Fencing will be done as soon as site preparation is completed (trees removed) and will remain in place until pits are constructed and reclamation is completed in compliance with the restoration plan.

- As specified in attachment #3, stockpile the surface soil from the entire area to be disturbed in approved locations. Also, soil stockpiles should be leveled or rounded on top and smoothed on the sides to 3:1 slope and vegetated as specified.

- Brush, slash, and other debris may be burned if authorized by Forest officer, or otherwise will be disposed of as directed. See attachment #6. Burning will follow all applicable Forest Service, Louisiana Office of Forestry, and State of Louisiana air quality regulations and procedures. See attachment #7. Stumps and woody material will not be buried in pits or fill areas.

- Prior to the commencement of the drilling operations, the method of disposal of the drilling fluids and cuttings must be approved by the authorized officer.

- The Forest Service recommends a fully containerized (closed) drilling system.

Construct mud pits so that they will not leak, break, or allow any discharge of liquids. The need for lining production pits and other types of pits with either an impervious clay material or an artificial liner will be determined by the Forest officer. If a liner is required, it will be installed along the bottom and sides of pits and be equivalent to 3 continuous feet of recompacted or natural clay having a hydraulic conductivity no greater than 1 x 10–7cm / sec. Such liners include:

- Natural liner
- Soil mixture liner
- Recompacted clay liner
- Manufactured liners
- Combination liners

Minimum specifications for an artificial pit liner are: tensile grab strength (warp) of 150 pounds and mullen burst strength of 300 pounds. All seams must be heat treated.

Pits are not to be located in stream channels. At least 50 percent of the pit should be constructed in an excavation (cut) of the pad site. Pit walls shall be smoothed and keyed. Side slopes shall not exceed 3:1. Outside pit walls shall be vegetated.

- A central collection tank made of impervious material will be located in an area to catch contaminates before overflow into pits. This collection tank will be pumped routinely to prevent overflow and contents disposed of according to Statewide Order 29-B.

- Protect pits from surface waters by levees or walls and by drainage ditches, where needed, and no siphons or openings will be placed in or over levees or walls that would permit escaping of contents so as to cause pollution or contamination.

- After drilling operations cease:

• The disposal of fluids and cuttings will be accomplished within 30 days of completion of the drilling operations.

• Materials may be pumped back down hole only after proper approval from the Louisiana Office of Conservation or Bureau of Land Management (BLM), as applicable,

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has been presented to the Forest Service. Pit sludge and cuttings may be buried on site in the existing pit only if an independent laboratory has tested the material and provided the Forest Service with proof that all Federal and State waste disposal requirements are met. If burial is allowed, only existing pits may be utilized. If burial is not allowed, all drilling sludge and cuttings will be removed and appropriately disposed of. If man-made pit liners are used they will be removed from the pit and disposed of off of national forest.

• Pits will be backfilled when dry; and site smoothed and recontoured as near as practicable to the original topography, with stockpiled topsoil respread evenly. Pits will remain fenced until backfilled unless fencing is needed to protect from cattle or off-road vehicle use. The authorized officer will notify the operator when fencing may be removed, usually after 2 growing seasons or when 70 percent coverage is achieved, as per attachment #3.

- Pit closure — Pits will be closed in accordance with Louisiana Office of Conservation Statewide Order No. 29-B, Section 129.B.6 (a–c).

- Follow these sanitation guidelines:

• All litter and garbage deposited on and off the site as a result of this project will be kept in a container and disposed of as necessary.

• Portable toilets will be used, and waste will be hauled to an approved disposal facility.

• In lieu of portables, flush toilets such as those in trailers used for office space or crew quarters may be used — when connected to a closed sewage system. Tanks will be pumped prior to reaching system capacity. Wastes will be hauled to an approved disposal facility.

- Coordinate the proposed site surfacing (boards or gravel) with the Forest officer in the planning phase. No changes should be made without approval of the Forest officer.

- Remove all surfacing material (gravel) from the areas not needed for production operations; revegetate those areas according to attachment #3. This will be done within 30 days unless directed by the Forest officer.

- Within 90 days of termination of oil or gas production, or plugging of the well, remove the wellhead control device and appurtenances, unless permittee has approval from the BLM not to remove them. Remove gravel or other surfacing, recontour the site and revegetate according to attachment #3.

- If the activity authorized by this permit is, or may later be found to be within the watershed of the Louisiana pearlshell mussel, then by acceptance of this permit the permittee agrees to further conditions for protection from oil and gas activities within the pearlshell watershed. All activities within the watershed need prior approval by the Forest Service and concurrence by U.S. Fish & Wildlife Service.

ATTACHMENT #2

Road and pad management

Permittees agree to the following provisions:

- Construction and surfacing requirements for road access to the project areas will be as stated in the specifications of the environmental assessment, shown as typical section drawings.

- Roads and pads will be adequately maintained during the life of the authorization. This maintenance shall include blading and shaping to smooth surfaces and pull surfacing material back onto roadway, resurfacing, spot gravelling, ditch work, and culvert repair or additional work as specified. This work shall be conducted as needed or as directed by the Forest officer.

- Except for the driving surface, the road right-of-way will be revegetated according to attachment #3.

- The road may be left and maintained for the operation of a producing well or for the use of the Forest Service at the district ranger's discretion.

Upon termination of operations, if the district ranger wants the road closed, the permittee or his authorized representative will:

- Remove all surfacing, bridging and water-handling materials and unless otherwise authorized by the district ranger, remove from national forest land.

- Recontour the abandoned roadway as nearly as practical to original condition.

- Revegetate the abandoned roadway according to attachment #3.

Use of roads other than those constructed by the permittee may be subject to additional requirements. Inquiry will be made to the Forest officer prior to use of preexisting roads. On all Vernon Unit of the Calcasieu District COAs, replace the above condition with the following:

- Use of Forest development roads (FDR) other than those constructed by the permittee for site access requires separate Forest Service authorization in the form of a *road use permit.*
- Additionally, proposed use of any FDR within the area permitted to the U.S. Army for intensive use on the Vernon Unit of the Calcasieu District (including Lookout Road, FDR 405) will require a separate *joint use road agreement* mutually acceptable to the permittee, the U.S. Army, and the Forest Service. This agreement will serve to assign road improvement and maintenance responsibilities, schedule road work activities, assign appropriate financial obligations and specify cost sharing or recovery methods. The agreement will also designate a process to handle conflict resolution in a timely manner.
- Prior to planned use, the permittee should contact the district ranger for information on obtaining the *road use permit.* If needed, the Forest Service will facilitate a meeting with the permittee and Army to develop the *joint road use agreement.*

ATTACHMENT #3

Restoration of disturbed areas

The permittee agrees to the following provisions:

A permanent vegetation cover will be established on all disturbed areas where bare mineral soil is exposed. The following are procedures recommended and commonly used to accomplish this reclamation.

Except for those areas needed for access and / or production, areas where soil has been disturbed shall not ordinarily be left unseeded for more than 30 days. If it is anticipated the area will be left exposed for a longer period, seeding should occur immediately — before 30 days have elapsed. Seeding areas include cut and fill slopes, all ditches, shoulders, and any other areas exposed by the project. Sites such as pit walls and topsoil stockpiles, that will be exposed only one fall growing season, will be seeded to a rye grass and wheat mixture at the rates shown below under *seed species, rate, and season.*

- *Stockpile soil* — During initial clearing for the project, the topsoil (to a depth determined by the Forest officer at the predrill meeting) from the site will be removed and stockpiled for later use in restoration. Remove woody material prior to stockpiling soil. See attachment #1 for additional instructions.

- *Waterbars and terraces* — During occupancy and restoration, slopes or gradients 3 percent or greater will require waterbars and / or terraces to be constructed and maintained. The Forest officer will instruct where these structures will be placed.

- *Baled hay and silt fence for erosion control*— Temporary erosion, sediment, and water pollution control measures will be required as described in the attached specifications.

- *Seedbed preparation* — After returning the site to its original contour and forming any needed terraces, spread stockpiled soil evenly over the site, till the surface to produce about 2 to 5 inches of loose soil, fertilize as in item 5 below and

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sow the recommended seed mixture on the freshly prepared soil bed. Rip subsoil on pads and roads prior to spreading topsoil as directed by the Forest officer.

- *Fertilization rates* — Fertilize all disturbed areas at the following rate: 13-13-13 complete fertilizer, to be applied uniformly at 500 pounds per acre.

- *Seed species, rate, and seasons* — Use mixtures of at least two grasses and one legume. Heavier rates can be used. It is always cheaper to plant more seed than to have to replant. These are minimum rates. In case of seeding failure, the permittee will reseed following the same recommendations.

March 1 – June 30:
Hulled bermuda, 10 lbs / acre
Pensacola bahia, 40 lbs / acre
Common lespedeza, 6 lbs / acre
Kaufmans' wildlife mix, 50 lbs / acre

July 1 – August 31:
Hulled bermuda, 15 lbs / acre
Pensacola bahia, 35 lbs / acre
Brown top millet, 20 lbs / acre

September 1 – January 31:
Unhulled bermuda, 10 lbs / acre
Pensacola bahia, 30 lbs / acre
Subterranean clover, 25 lbs / acre
Annuals —
Elbon rye, 20 lbs / acre *or*
Winter wheat, 20 lbs / acre
Crimson clover, 10 lbs / acre

And, yearlong, a minimum of one of the following native species:
Little bluestem, 8 lbs / acre
Big bluestem, 8 lbs / acre
Switch grass, 8 lbs / acre
Partridge pea, 10 lbs / acre
Round head lespedeza, 10 lbs / acre

- *Harrowing* — After fertilizing and seeding as recommended above, drag-harrow lightly, taking care not to cover seed too deeply. About 1/4 inch of soil should cover the seed.

  Seeding must be repeated if necessary until success in establishing cover is achieved.

- *Mulching* — The use of hay, straw, or commercial mulch will be necessary when slopes exceed 3 percent. These areas should be covered with 1-1/2 to 2-1/2 tons per acre of mulch. Mulch will be applied to the entire area during periods of drought (normally June 15–Oct. 1). Mulch should be tied down with woven nets, asphalt tackifier, synthetics, or disked lightly into the soil. Erosion control blankets will be used on cut or fill slopes which cannot be shaped to a 3:1 gradient or less.

  The utilization of appropriate machinery usually results in considerable savings and produces a more uniform job.

- Reclamation may be approved not earlier than one year following the successful establishment of vegetative cover. Vegetative cover over at least 70 percent of the entire disturbed area will be considered successful establishment, if no gullies or other erosion related problems exist. All drilling / production related equipment or rubbish must be removed prior to Forest Service acceptance of the site as restored.

- The permittee is responsible for successful restoration regardless of weather or other natural factors.

- Performance bonds (if applicable) will not be released until satisfactory reclamation is complete.

ATTACHMENT #4

Reports

The permittee agrees to the following provisions:

- Upon completion of pit / pipeline closure testing, permittee will send the district ranger copies of test results required by Louisiana Department of Natural Resources Office of Conservation Order 29-B.

- A copy of any or all permits required by the Louisiana Department of Natural Resources will be given to the district ranger.

- Produced water disposal information shall be provided to the district ranger. This information will include disposal location, route, and amount of water disposal

traffic on national forest roads or lands.

- The permittee shall provide a *spill prevention control and countermeasure plan* or similar document which conforms to the requirements of *40 CFR 112*.

ATTACHMENT #5

Standards for oil and gas production facilities on the Kisatchie National Forest

The permittee agrees to the following:

- Petroleum product and water storage tanks will be placed on level ground and surrounded by a dike capable of holding 1-1/2 times the volume of the largest tank. A sump shall be installed inside the dike and routinely pumped to prevent overflow.

- Tanks will be placed on a stable, solid foundation six inches or more in height to insure that they remain clear of standing water. The foundation will be designed so that it will not subside and cause the tanks to sink or lean. Trenching within diked areas will not be allowed.

- Dikes will not be dug from a level surface. Instead, a level surface will be used as a base with the dike built upon that. The dike core will be of clay or other similarly impermeable material. The top of the dike will be level and maintained so that it does not become beaten down at any point. The top of the dike should be a minimum of 18 inches in width and side slopes of no greater than 3:1. It is recommended that the sides and top of all dikes be covered with a thick plastic sheet and washed gravel on top of the plastic. This will help prevent erosion and sloughing of dike material. Also, this will help solve the problem of vegetation growth and fire hazards; spraying or mowing should not be necessary. Dikes must be constructed before any liquid is stored in the tanks.

- Any liquids collected within dikes, including liquids that may be rainwater, will not be drained off the site (outside dike area). Drains will not be installed. Liquids will be removed by vacuum truck to an approved disposal or injection facility.

- All lines used to drain oil or salt water will have well-maintained and sealed valves to prevent leaks and vandalism. Load-out valves shall be located within dike area.

- Only that amount of the site that is needed to contain production facilities, a reasonable adjacent work area, and the access road will be occupied. The remaining authorized area will be restored as per attachment #3. Guy wires left on site for work-over rigging will be well-marked.

- A fence is required to exclude casual foot traffic and cattle. It will enclose all surface production equipment. Its location will be approved by the Forest officer. Construction standards will be to specifications supplied by the Forest officer. These specifications, as a minimum, include safety signs and fencing. Forest Service requirements for signing gates will be met.

- On-site equipment will be kept well maintained, neatly arranged, and painted where appropriate. It is the intent that a neat, orderly appearance is presented. Facilities will be painted to blend into the surrounding environment; specific painting requirements will be determined by the authorized Forest officer.

- Pesticides, including herbicides, may not be used to control undesirable woody and herbaceous vegetation, aquatic plants, insects, rodents, or trash fish without prior written approval of the Forest officer. A request for approval of planned uses and schedule of applications of pesticides will be submitted annually by the permittee. Exceptions to this schedule may be allowed only when unexpected outbreaks of pest require control measures which were not anticipated at the time the annual report was submitted / required. At that time an emergency request and approval may be made.

  Only those materials registered by the U.S. Environmental Protection Agency for the specific purpose planned will be considered for use on national forest land. Label instructions will be strictly followed in the application of pesticides and disposal of excess materials and containers.

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- Any chemicals stored on site will have prominent labeling and stored off the ground out of direct sunlight.
- As required by on-site conditions, measures will be taken to prevent soil erosion. Erosion control specifications are shown in attachment #3.
- Site access roads will be gated only upon the approval of the Forest officer. Gate specifications must also be approved by the Forest officer. Gates shall be signed and comply with the *Manual of Uniform Traffic Control Devices* (MUTCD).
- Signs restricting public access will be placed only with the approval of the district ranger. All signs will be removed by the permittee at the conclusion of operations.
- Upon a spill occurrence, the permittee shall take immediate containment and cleanup action and notify the Forest officer at the earliest opportunity — not more than 48 hours. The plan shall include all pipelines.
- Upon plugging and abandonment of the well bore, the casing will be cut off below ground level as per LDOC and BLM specifications.
- All nonessential equipment for the production facility will be removed from national forest land within 30 days of being excess.

ATTACHMENT #6

Threatened and endangered species management and protection

If the facility authorized by this permit is, or later may be found to be, within 1/4 mile of a Red-cockaded Woodpecker (RCW) cluster site or recruitment stand, then by acceptance of this permit the permittee agrees to cut no trees for maintenance or improvement without the specific advance authorization of the Forest officer. In cases where proposed cutting of the trees may conflict with the *Final Environmental Impact Statement for the Management of the Red-Cockaded Woodpecker and Its Habitat in the Southern Region* or a plan for RCW management and recovery, the Forest officer may deny the request to cut trees.

The permittee may be required to trench, bore, or directionally drill pipelines under or near RCW cavity trees and / or within RCW cluster sites to prevent or minimize damage to the root systems of cavity trees when laying pipelines on a case-by-case basis, as deemed appropriate by the Forest officer, with U.S. Fish & Wildlife Service (USFWS) concurrence.

The permittee agrees to the following for impacts within the *habitat management area* (HMA) for the Red-cockaded Woodpecker (RCW):

Note — Use only the provisions that apply to the project. Implementation of the identified provisions will not necessarily result in a "no adverse affect" to the species, and consultation with the USFWS should be initiated in those instances.

- For every well site constructed within 1.5 miles of an active RCW cluster site in current suitable habitat of 25 years or older pine or pine / hardwood, the permittee shall provide for 3 improved (10 acres of hardwood understory and midstory removal and 4 artificial cavity inserts each) recruitment stands or cluster sites, of suitable habitat, at location determined by the Forest Service.
- For every well site within 1.5 miles of an active RCW cluster site in 0–25 year-old pine or pine / hardwood, the permittee shall provide for 1 improved site (10 acres midstory removal and 4 inserts).
- For every well site constructed beyond 1.5 miles from an active RCW cluster site with suitable habitat, the permittee shall provide for one improved recruitment stand or cluster site at a location determined by the Forest Service.
- For every 5 acres of pine or pine / hardwood of suitable habitat removed for production facilities within 1.5 miles of an active RCW cluster site of suitable habitat, the permittee shall provide for 3 improved recruitment stands or cluster sites at locations determined by the Forest Service.
- For every 5 acres of pine or pine / hardwoods of suitable habitat, removed for production facilities outside 1.5 miles of an active RCW cluster site, the permittee

shall provide for one improved recruitment stand or cluster site at location determined by the Forest Service.

- For every 5 acres of suitable pine or pine / hardwood habitat removed for pipelines or transmission lines within an HMA, a permittee shall provide for one improved recruitment stand or cluster site at location determined by the Forest Service.

- If it is determined not to adversely affect RCWs and the road is pre-existing, then for every active cluster site in which drilling activity vehicles will have to travel through during nesting season (March 1 through July 31), 4 artificial cavity inserts, away from the road, shall be provided for by the permittee.

- Three times annually, permittee shall provide for monitoring of all active sites within 1/2 mile of drilling activities, and monitoring of all sites improved by permittee funding. This will be done during nesting season (mid-April through mid-June), fall (Sept. through Nov.), and late winter (Feb. through March); and will begin on active sites during the monitoring period following drilling activity. On improved sites it will begin during the monitoring period following improvement of the sites. Monitoring will continue on all sites for three years following completion of construction. The permittee shall provide annual monitoring results to the Forest Service.

- If well sites are located within 1/4 mile of an active cluster site, the permittee shall provide for augmentation of 3 improved sites with a pair of RCWs (male and female).

- It is the responsibility of the permittee to provide for the establishment of these improved sites within 30 days following initiation of site construction. This can be accomplished by permittee providing cooperative funds to the Forest Service to accomplish the work, or by permittee accomplishing improvement work. If permittee performs work, the Forest Service will provide permittee with improvement location within 30 days of construction initiation, and improvement work will begin 30 days following Forest Service providing improvement locations. Work will meet Forest Service specifications.

- The Forest Service will have the option to request funding for dormant season burning and / or growing season burning to improve habitat for the RCW in lieu of improved or augmented sites. With this option, the permittee shall provide funding for 250 acres of dormant season burning or 50 acres of growing season burning for every improved site required.

- If the activity authorized by the permit is or may later be found to be within the watershed of the Louisiana pearlshell mussel, all activities within the watershed need prior approval by the Forest Service and concurrence by the U.S. Fish & Wildlife Service.

ATTACHMENT #7

Fire protection or other hazard plan

The permittee agrees to the following provisions:

- Obtain district ranger's permission prior to any burning activity.

- Comply with Louisiana State fire laws.

- All vehicles used on the construction sites will be equipped with a fire extinguisher.

- All gasoline- and diesel-powered equipment must have Forest Service approved spark arrestors/mufflers.

- Take all reasonable action to prevent and suppress forest fires and require all employees to do likewise.

- Pay for the cost of suppressing forest fires and damages to government property caused by fires resulting from acts of the permittee, his subcontractors, operators, or his employees.

- Notify the district ranger in case of fire and take immediate action to control the fire. The district ranger will provide the permittee with phone numbers where fires shall be reported.

- It is the permittee's responsibility to notify the district ranger when flaring of the formation gas is to begin. Prior to flaring, the permittee must have approval from

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State or BLM as appropriate.

- Maintain a fuel break by mowing around all production equipment to reduce fire danger during the months from May through September.

- A list of chemicals (including MSDS sheets) on site will be provided to the district ranger's office for emergency response planning.

- If H_2S is encountered during the drilling process, the Forest Service must be notified within 12 hours. If the operator is drilling into a zone known to contain H_2S, a safety plan must be prepared and attached to the permit. This plan should identify safety equipment to be maintained on site, how the area will be posted, emergency procedures, and a secondary exit in case of an emergency.

  All H_2S wells will be fenced and posted accordingly. These wells will be monitored according to the level of H_2S being emitted.

ATTACHMENT #8

Conditions of use for pipeline authorization, operation, maintenance, and abandonment

*Use this attachment **only** when the pipelines are being authorized as part of the APD.*

- **Liability** — The holder shall be liable for all injury, loss, or damage, indirectly or directly resulting from or caused by the holder's use and occupancy of the area covered by this authorization, regardless of whether the holder is negligent, provided that the maximum liability without fault shall not exceed $1 million for any one occurrence. Payment of damages for occurrence where there is liability without fault (strict liability) does not limit the holder's liability for damages in excess of $1 million where actual negligence is shown or imputed. Liability for injury, loss, or damage in excess of the specified maximum, shall be determined by the laws governing ordinary negligence.

- **Indemnification** — The holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of national forest lands under this permit.

- **Risks and hazards** — Avalanches, rising waters, high winds, falling limbs or trees, and other hazards are natural phenomena in the Forest that present risks which the holder assumes. The holder has responsibility of inspecting the site, lot, right-of-way, an immediate adjoining area for dangerous trees, hanging limbs, and other evidence of hazardous conditions and, after securing permission from the Forest Service, of removing such hazards.

- **Construction safety** — The holder shall carry on all operations in a skillful manner, having due regard for the safety of employees; and shall safeguard with fences, barriers, fills, covers, or other effective devices, pits, cuts, and other excavations which otherwise would unduly imperil the life, safety, or property of other persons.

- **Width of ROW** — The width of the right-of-way is limited to _____ feet plus the ground occupied by the pipeline.

- **Standards and practices** — All designs, materials, and construction, operation, maintenance, and termination practices employed in connection with this use shall be in accordance with safe and proven engineering practices and shall meet or exceed the following standards:

  1. U.S.A. Standard Code for Pressure Piping, ANSI B 31.4, "Liquid Petroleum Transportation Piping System".[1/]

  2. Department of Transportation Regulations, *49 CFR, Part 195*, "Transportation of Hazardous Liquids by Pipeline".[1/]

  3. Department of Transportation Regulations, *49 CFR, Part 192*, "Transportation of Natural and Other Gas by Pipelines: Minimum Federal Safety Standards".[2/]

[1/] Not applicable to gas pipelines.
[2/] Not applicable to oil pipelines.

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ATTACHMENT #3

Oil, gas & related material pipeline standards—Related mechanical facilities such as pumps, pump stations, and tanks shall be designed, constructed, operated and maintained in accordance with safe and proven engineering practice, and meet or exceed recognized engineering standards for the type of facility.

Survey, land corners — The holder shall protect, in place, all public land survey monuments, private property corners, and Forest boundary markers. In the event that any such land markers or monuments are destroyed in the exercise of the privileges authorized by this permit, depending on the type of monument destroyed, the holder shall see that they are reestablished or referenced in accordance with (1) the procedures outlined in the *Manual of Instructions for the Survey of the Public Land of the United States*, (2) the specifications of the county surveyor, or (3) the specifications of the Forest Service.

Further, the holder shall cause such official survey records as are affected to be amended as provided by law. Nothing in this clause shall relieve the holder's liability for the willful destruction or modification of any Government survey marker as provided at *18 U.S.C. 1858*.

Pipeline drilling and boring — Pipelines will be drilled or bored from a distance of at least 50 feet from the stream channel and exit at least 50 feet from the opposite side of the channel. The pipeline will be installed at least 5 feet beneath the channel bottom. The Forest Service will determine whether the drilling or boring method will be used. If water is not flowing in the stream channel during the time of construction the Forest Service may authorize installation of the pipeline by trenching. The agency considers any natural drainage with a defined scour channel to be a stream. All streams are to be protected by a streamside habitat management zone which extends at least 50 to 150 feet on either side of the stream channel. Any clearing or soil disturbance within the streamside habitat management zone will be kept to the absolute minimum necessary to install the pipeline. No clearing or soil disturbance within the streamside habitat management zone will be allowed within 50 feet of either side of the channel when boring or drilling is employed to install the pipeline.

Revegetation, surface restoration of ground cover — The holder shall be responsible for the prevention and control of soil erosion and gullying on lands covered by this permit and adjacent thereto, resulting from construction, operation, maintenance, and termination of the permitted use. Holder shall so construct permitted improvements to avoid the accumulation of excessive heads of water and to avoid encroachment on streams. Holder shall revegetate or otherwise stabilize all ground where the soil has been exposed and shall construct and maintain necessary preventive measures to supplement the vegetation as indicated in Attachment #3 and as directed by the Forest Service.

Pesticide use — Pesticides may not be used to control undesirable woody and herbaceous vegetation, aquatic plants, insects, rodents, trash fish, etc., without the prior written approval of the Forest Service. A request for approval of planned uses of pesticides will be submitted annually by the holder on the due date established by the authorized officer. The report will cover a 12-month period of planned use beginning 3 months after the reporting date. Information essential for review will be provided in the form specified. Exceptions to this schedule may be allowed, subject to emergency request and approval, only when unexpected outbreaks of pests require control measures which were not anticipated at the time the annual report was submitted.

Only those materials registered by the U. S. Environmental Protection Agency for the specific purpose planned will be considered for use on national forest lands. Label instructions will be strictly followed in the application of pesticides and disposal of excess materials and containers.

Subsistence, local residents — The holder shall use care not to damage any fish, wildlife, or biotic resources in the general area of the right-of-way upon which persons living in the area rely for subsistence purposes; and the holder will comply promptly with all requirements and or-

MINERAL OPERATIONS CLAUSES WITH ATTACHMENTS

ATTACHMENT #8

ders of the authorized officer to protect the interests of such persons.

Resource management plan — The holder shall join the Forest Service in preparing a resource management plan which will be attached hereto and made a part hereof. Holder agrees to perform all of the acts and practices of land management specified therein. The aforesaid plan shall be reviewed periodically, as determined by the authorized officer.

Crude oil pipelines — Any domestically produced crude oil transported by the permitted pipeline except such crude oil which is either exchanged in similar quantity for convenience or increased efficiency of transportation with persons or the government of an adjacent foreign state, or which is temporarily exported for convenience or increased efficiency of transportation across parts of an adjacent foreign state and reenters the United States, shall be subject to all of the limitations and licensing requirements of the Export Administration Act of 1969 (*Act of December 30, 1969; 83 Stat. 841*) and, in addition, before any crude oil subject to this section may be exported under the limitation and licensing requirements and penalty and enforcement provisions of the Export Administration Act, the President must make and publish and express finding that such exports will not diminish the total quantity or quality of petroleum available to the United States and are in the national interest and are in accord with the provisions of the Export Administration Act.

Common-carrier operation — Pipelines and related facilities authorized herein, shall be constructed, operated, and maintained as common carriers. The holder shall accept, convey, transport, or purchase without discrimination, all oil or gas delivered to the pipeline without regard to whether the oil or gas was produced from federal lands or non-federal lands. In the case of oil or gas produced from federal lands or from resources on the federal lands in the vicinity of the pipeline. The Secretary of the Interior may, after a full hearing with due notice thereof to the interested parties and a proper finding of facts, determine the proportionate amounts to be accepted, conveyed, transported, or purchased. Provided, that this stipulation shall not apply to any natural gas pipeline operated by any person subject to regulation under the Natural Gas Act or by any public utility subject to regulation by a state or municipal regulatory agency having jurisdiction to regulate the rates and charges for the sale of natural gas to consumers within the state or municipality. Where natural gas is not subject to state regulatory or conservation laws governing its purchase by pipelines is offered for, each such pipeline shall purchase without discrimination, any such natural gas produced in the vicinity of the pipeline.

Implied permission — Nothing in this permit shall be construed to imply permission to build or maintain any structure not specifically named on the face of this permit, or approved by the authorized officer in the form of a new permit or permit amendment.

Area access — The holder agrees to permit the free and unrestricted access to and upon the premises at all times for all lawful and proper purposes not inconsistent with the intent of the permit or with the reasonable exercise and enjoyment by the holder of the privileges thereof.

Improvement relocation — This permit is granted with the express understanding that should future location of United States Government improvements or road rights-of-way require the relocation of the holder's improvements, such relocation will be done by, and at the expense of, the holder within a reasonable time as specified by the authorized officer.

Note: *Use **only one** X-45 or X-46 either / or R8X-46.*

Partnership representative — (X-45) The holder shall furnish the authorized officer:

• A copy of the articles of a resolution of the partners specifically authorizing one or more of the partners to represent the permit holder in dealings with the Forest Service if not specified in the articles or partnership.

• A list containing the name and address of each partner.

Corporation status notification — (X-46) The following condition shall be included in all special-use authorizations issued to corporations.

• The holder shall notify the authorized officer within 15 days of the following changes:

- Names of officers appointed or terminated.
- Names of stockholders who acquire stock shares causing their ownership to exceed 50 percent of shares issued or who otherwise acquire controlling interest in the corporation.

• The holder shall furnish the authorized officer:

- A copy of the articles of incorporation and bylaws.
- An authenticated copy of a resolution of the board of directors specifically authorizing a certain individual or individuals to represent the holder in dealing with the Forest Service.
- A list of officers and directors of the corporation and their addresses.

• The corporation will also furnish the authorized officer with names and addresses of shareholders owning three percent or more of the shares, and number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote. (*36 CFR 251.54 (e)(1)(iv)*).

• The authorized officer may, when necessary, require the holder to furnish additional information as set forth in *36 CFR 251.54 (e)(1)(iv)*.

Corporate status notification — (R8 X-46) Holder shall provide sufficient information so that the authorized officer will know the true identity of the corporation. Upon request by the authorized officer, the Holder will furnish additional information as set forth under *36 CFR 251.54 (e)(1)(IV)*. A certified copy of either the minutes of the board, or the pertinent excerpts from the corporate resolutions authorizing the corporate official designated to handle its affairs with the Forest Service will be furnished the authorized officer.

Nonexclusive use — This permit is not exclusive; that is, the Forest Service reserves the right to use or permit others to use any part of the permitted area for any purpose, provided such use does not interfere with the rights and privileges hereby authorized.

Disputes — Appeal of any provisions of this authorization or any requirements thereof shall be subject to the appeal regulations at *36 CFR 251, Subpart C* (54 FR 3362, January 23, 1989), or revisions thereto.

Protection of road facilities — Authorized improvements shall be placed no closer than 10 feet from an existing road structure (bridge, culvert, etc.) or buried at a sufficient depth, so as not to interfere with the replacement and/or maintenance of said structure.

Environmental standards — Holder shall conduct all activities associated with the pipeline in a manner that will avoid or minimize degradation of air, land, and water quality. In the construction, operation, maintenance, and termination of the pipeline, holder shall perform its activities in accordance with applicable air and water quality standards, related facility siting standards, and related plans of implementation, including but not limited to standards adopted pursuant to the Clean Air Act, as amended (*42 USC 1857*) and the Federal Water Pollution Control Act, as amended (*33 USC 1321*).

Purge and test all associated pipelines along with the closure of the well site. Testing requirements of the associated pipelines will be required to meet the same stated above, in *crude oil pipelines* (section 129.B.6.c.1-5. LOC). Copies of test results are to be presented to the Forest Service as proof that all federal and State waste disposal requirements are met. The Forest officer will determine if the lines will be allowed to remain buried as a disposal method.

MINERAL OPERATIONS CLAUSES WITH ATTACHMENTS

ATTACHMENT #8

EXHIBIT D–1
NOTICE TO LESSEE

Provisions of the Mineral Leasing Act (MLA) of 1920, as amended by the Federal Coal Leasing Amendments of 1976, affect an entity's qualifications to obtain an oil and gas lease. Sections 2(a)(2)(A) of the MLA, 30 U.S.C. 201(a)(2)(A), requires that any entity that holds and has held a federal coal lease for 10 years beginning on or after August 4, 1976, and who is not producing coal in commercial quantities from each such lease, cannot qualify for the issuance of any other mineral lease granted under the MLA. Compliance by coal lessees with Section 2(a)(2)(A) is explained in 43 CFR 3472.

In accordance with the terms of this oil and gas lease with respect to compliance by the initial lessee with qualifications concerning federal coal lease holdings, all assignees and transferees are hereby notified that this oil and gas lease is subject cancellation if: (1) the initial lessee as assignor or as transferor has falsely certified compliance with Section 2(a)(2)(A), or (2) because of a denial or disapproval by a State Office of a pending coal action, i.e., arms-length assignment, relinquishment, or logical mining unit, the initial lessee as assignor or as transferor is no longer in compliance with Section 2(a)(2)(A). The assignee, sublessee or transferee does not qualify as a bona fide purchaser and, thus, has no rights to bona fide purchaser protection in the event of cancellation of this lease due to noncompliance with Section 2(a)(2)(A).

Information regarding assignor, sublessor or transferor compliance with Section 2(a)(2)(A) is contained in the lease case file as well as in other Bureau of Land Management records available through the state office issuing this lease.

LEASING STIPULATIONS

Examples of leasing stipulations and lease notices used consistently on the Kisatchie National Forest are illustrated in exhibits D–1 to D–7. A *controlled surface use* (csu) stipulation in a lease is used when fluid mineral occupancy and use are generally allowed on all or portions of the lease area year-round, but because of special values, or resource concerns, lease activities must be strictly controlled. To provide consistency with Plan standards and guidelines, two types of csu stipulations are used — one that is highly restrictive of the types of activities that can occur (**csu1**) and one that is moderately restrictive (**csu2**). The **csu1** stipulation would prohibit placement of mineral extraction equipment, buildings, roads, ponds, and wellpads and the clearing of pipeline right-of-way vegetation. A **csu2** stipulation would be similar to **csu1** except it would allow roads and clearing of right-of-way vegetation to occur if a site-specific environmental analysis determines that the mitigated environmental effects would not be significant.

LEASING STIPULATIONS

EXHIBIT D–2, STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM UNDER THE JURISDICTION OF DEPARTMENT OF AGRICULTURE

The licensee/permittee / lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the *Code of Federal Regulations* governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of Interior in the license/prospecting permit/lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as forest development roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit / operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor
Kisatchie National Forest
2500 Shreveport Highway
Pineville, LA 71360-2009

Telephone: 318/473-7160

who is the authorized representative of the Secretary of Agriculture.

BLM District Office:

USDI, Bureau of Land Management
Jackson District Office
411 Briarwood Drive, Suite 404
Jackson, MS 39213

Surface Management Agency:

USDA, Forest Service — Region 8
Room 7928, Lands and Minerals
1720 Peachtree Street, NW
Atlanta, GA 30367

EXHIBIT D-3
NO SURFACE OCCUPANCY STIPULATION

KISATCHIE NATIONAL FOREST
STIPULATION #

Serial No.

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

T-N R-W

For the purpose of:

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT D-4
CONTROLLED SURFACE USE STIPULATION

KISATCHIE NATIONAL FOREST
STIPULATION

Serial No.

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use is subject to the following operating constraints.

T-N R-W

For the purpose of:

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Serial No._____

LEASING STIPULATIONS

EXHIBIT D-5
TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

Site-specific proposals for activities within these areas will be analyzed. Such analysis could result in establishment of protective requirements, limitations for the affected site, or possibly require relocation of the activities during the specified time period.

March 1 to June 30

On the lands described below:

T-N, R-W

For the purpose of:

Any changes to this stipulation will be made in accordance with the land use plan and / or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT D-6, LEASE NOTICE #3

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the current Regional Forester's list of sensitive plant and animal species. Further information concerning the classification of these species may be obtained from the authorized Forest officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

All available land in T_N R_W, Louisiana Meridian

Serial No. _____

EXHIBIT D-7, LEASE NOTICE #4

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Additional management requirements for the protection of riparian areas are contained in 36 CFR 219.27(e) and the National Forest Management Act of 1976.

All activities within these areas may require special measures to mitigate adverse impacts to the resource values. They must comply with the above referenced executive orders, regulations, laws and be in accordance with the Forest Land and Resource Management Plan guidelines.

Further information concerning the classification and management of these lands may be obtained from the authorized Forest officer.

Lands in T_N R_W, Louisiana Meridian