



Darrell Echols
11/17/2006 08:11 AM
CST

To: Colin Campbell/PAIS/NPS@NPS
CC:
Subject: A3 paragraph

Colin,

Here is the information that Mike requested.

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A3 Overview

- In December 1999, BNP Petroleum (BNP) purchased the A3 well location (1.67 acres) and adopted the existing Plan of Operation and it's associated compliance.
- In April 2005, BNP conducted a workover of the A3 well, which was approved in the Plan of Operation.
- In October 2006, BNP notified the park that they intended to conduct another workover to deepen the well.
- On October 23, park staff met with BNP staff on location to discuss the need to expand the pad and the presence of yellow flags along the pad's north boundary. Neither park staff or BNP staff knew what the flags meant, but BNP was notified that the pad could not be expanded beyond the size approved in their plan.
- On October 24, park staff contacted Mr. Paul Black, owner of BNP, stating that the pad could not be expanded. Mr. Black confirmed that the pad would not be expanded beyond what was authorized in the plan.
- On November 13, park staff observed construction activity on the A3 pad that appeared to be an expansion of the pad.
- Park staff mapped the perimeter of the pad and compared their findings with the Plan of Operation. The pad had been expanded to the west and south increasing the size of the pad by approximately 30,000 square feet or .7 acres.
- BNP was notified that the pad was expanded beyond what was approved and to cease all construction operations associated with A3.
- Park staff has conferred with the DOI solicitor's office, NPS-Geologic Resources Division, and the IMR minerals coordinator to discuss compliance options. BNP will be notified in writing November 17 that the A3 site is out of compliance, information is needed to evaluate the condition of the resource damage, information is needed concerning their expected drilling plans and use of the pad, and that the NPS will likely seek damages under 19JJ for resource impacts.

BNP Petroleum (BNP) acquired the A3 well location in 1999 that approved the use of a 1.67-acre production pad. BNP proposed a workover of the A3 well in October 2006 that did not request additional surface acreage. Park staff met with BNP staff to discuss the extent of the pad and inform BNP that they were not authorized to expand their approved production pad. BNP informed the park that they were not expanding the pad beyond what was authorized in their Plan of Operation. On November 13, park staff became aware that the pad had been expanded by .7

acres (30,000 square feet). BNP was notified that construction activities were to cease and additional information was needed regarding their proposed plans for the A3 well, the amount of additional disturbance that occurred, how the additional fill would be removed, and that the NPS would likely seek damages under 19JJ for impacts to park resources.

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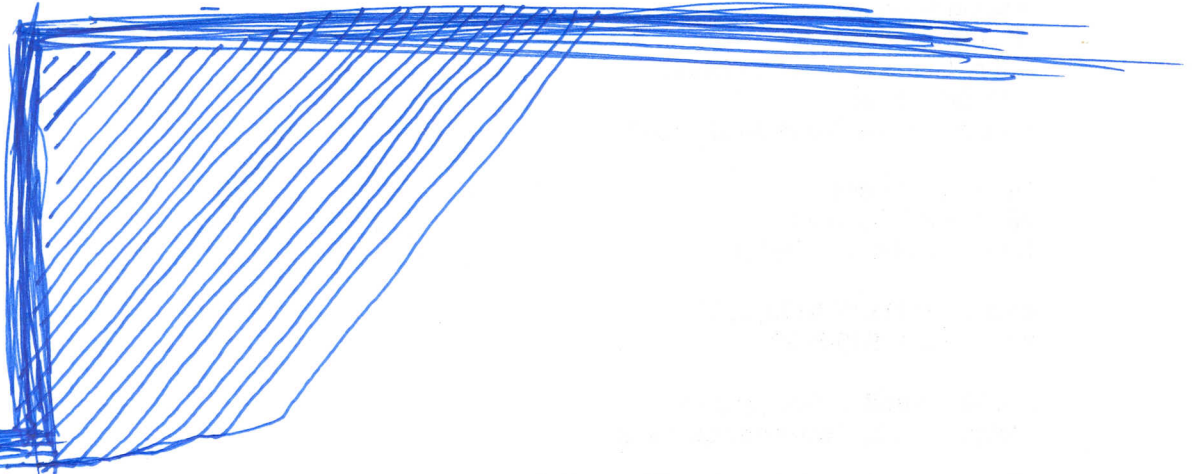
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Bill - Parker - rig on pad as permitted -

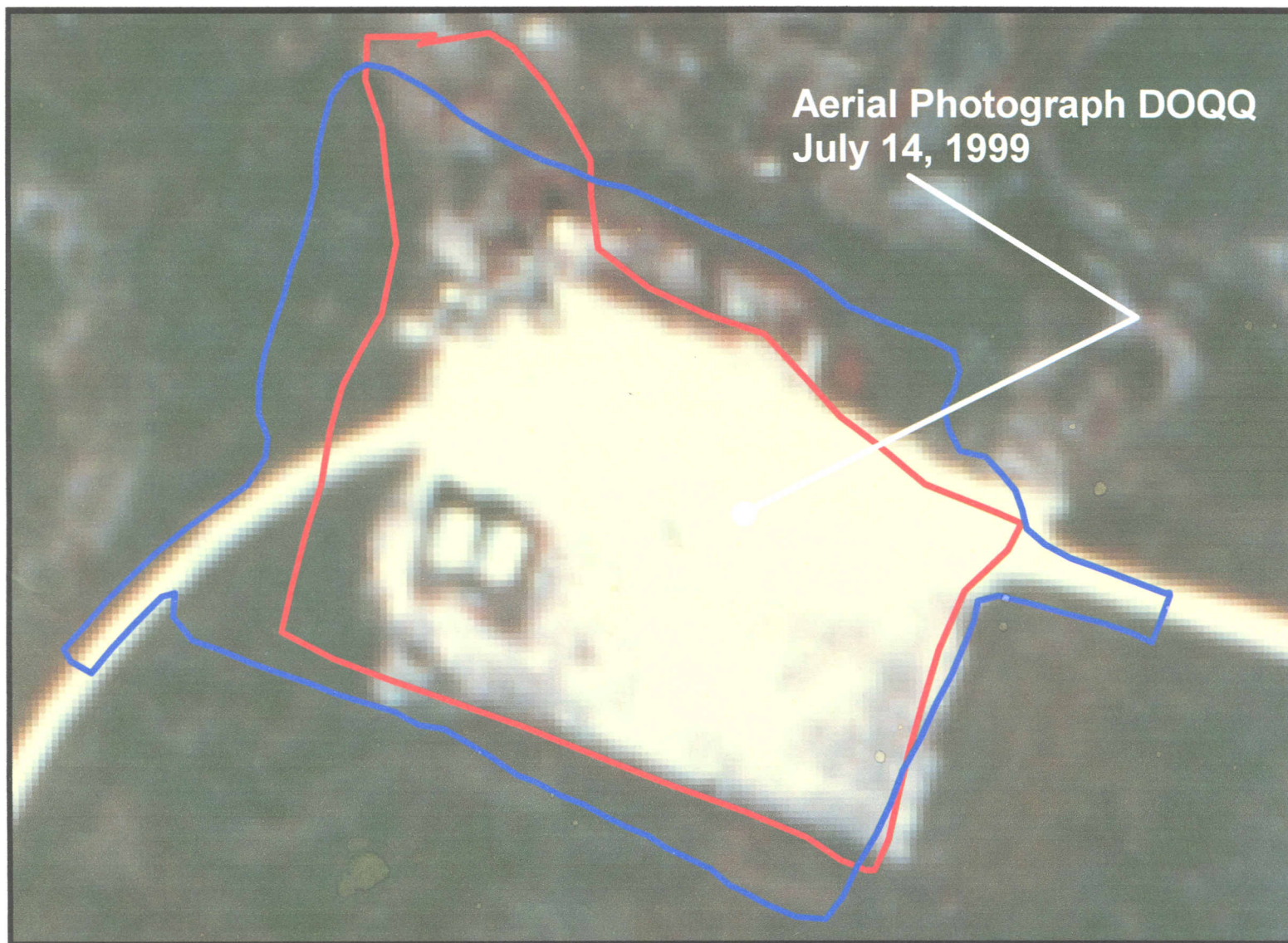
- Can fit rig -

- mid next week,



A3/A8 Pad

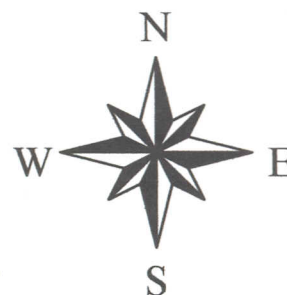
Padre Island National Seashore



100 0 100 200 300 400 Feet

 November 15, 2006 Boundary

 July 31, 2000 Boundary



2.36 Acres = 102,801 ft²

↑ by 30,055 ft² = 0.7 acres