

STATEMENT OF FINDINGS FOR FLOODPLAINS

Introduction

Proposed Action:

BNP Petroleum Corporation plans to drill the Lemon/Lemon Seed Unit Wells No. 1-1000S and No. 1-1008S from the same proposed drill pad. The surface location for Well No. 1-1000S 150,320 feet from the north line and 10082.1 feet from the east line (Boyles Meander Line of the Juan Jose and Nicolas Balli Survey, Abstract – 10, Kenedy County, Texas). Well No. 1-1008S is located approximately fifty feet south of Well No. 1-1000S at 150,372 feet from the north line and 1094.7 feet from the east line of the referenced survey. This drill site is approximately 12.5 miles south along the Gulf Beach, from the end of Park Road 22 (Figure 1). The well site would be located approximately 900 feet west of the Gulf beach (Figure 2).

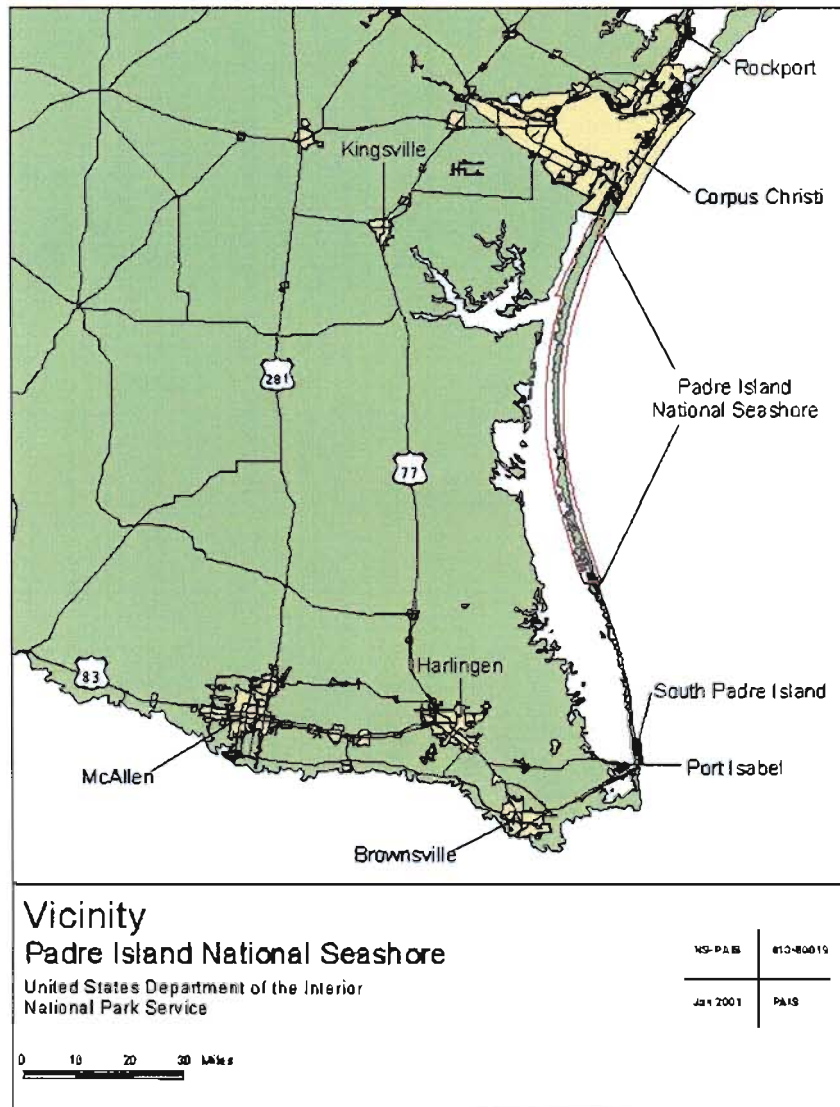
Operator's mineral tract and the area of operations include proposed new surface disturbance associated with the operations, such as a well pad, access road, production facility, pipeline, and any other planned surface use. Proposed is a 136,603 square-foot well pad that will be utilized by both wells. Well No. 1-1000S is a directional well with a proposed true vertical depth (tvd) of 15,000 feet and a measured depth (md) of approximately 19,000 feet. Well No. 1-1008S is a directional well with a proposed true vertical depth (tvd) of 9,200 feet and a measured depth (md) of approximately 10,500 feet.

The proposed roadway will result in the filling and leveling of 790 linear feet (21,800 square feet). Of the 790 linear feet, approximately 640 linear feet (12,800 square feet) are hummocky uplands and approximately 150 linear feet (9,000 square feet) are barrier dunes. Conventional road and foundation construction techniques, described in EA, would be used to construct the access road. The dune pass will be oriented south-east to north-west and built at an elevation high enough to prevent "water funneling" through the dunes during extremely high tides, but low enough to allow for long industrial type vehicles to travel without complications. The side slopes of the road through the dunes will be shaped to a 3:1 ratio (horizontal: vertical), and the slopes mulched with native hay acquired at Padre Island N S. Vegetation, taken from the impact area prior to start of construction, will be potted and saved for replanting on the slopes on approximately 3-foot centers. Plants will be watered daily as needed by Belaire Environmental (BEI). Immediately after construction, BEI will initiate the stabilization and revegetation of the dune pass.

All equipment, machinery, and living quarters would be placed on the 136,603 square foot pad area. This pad will be utilized for both wells, and may also be used for additional drilling in the future. Should the well be productive, all production equipment would be placed within the pad area. If a production

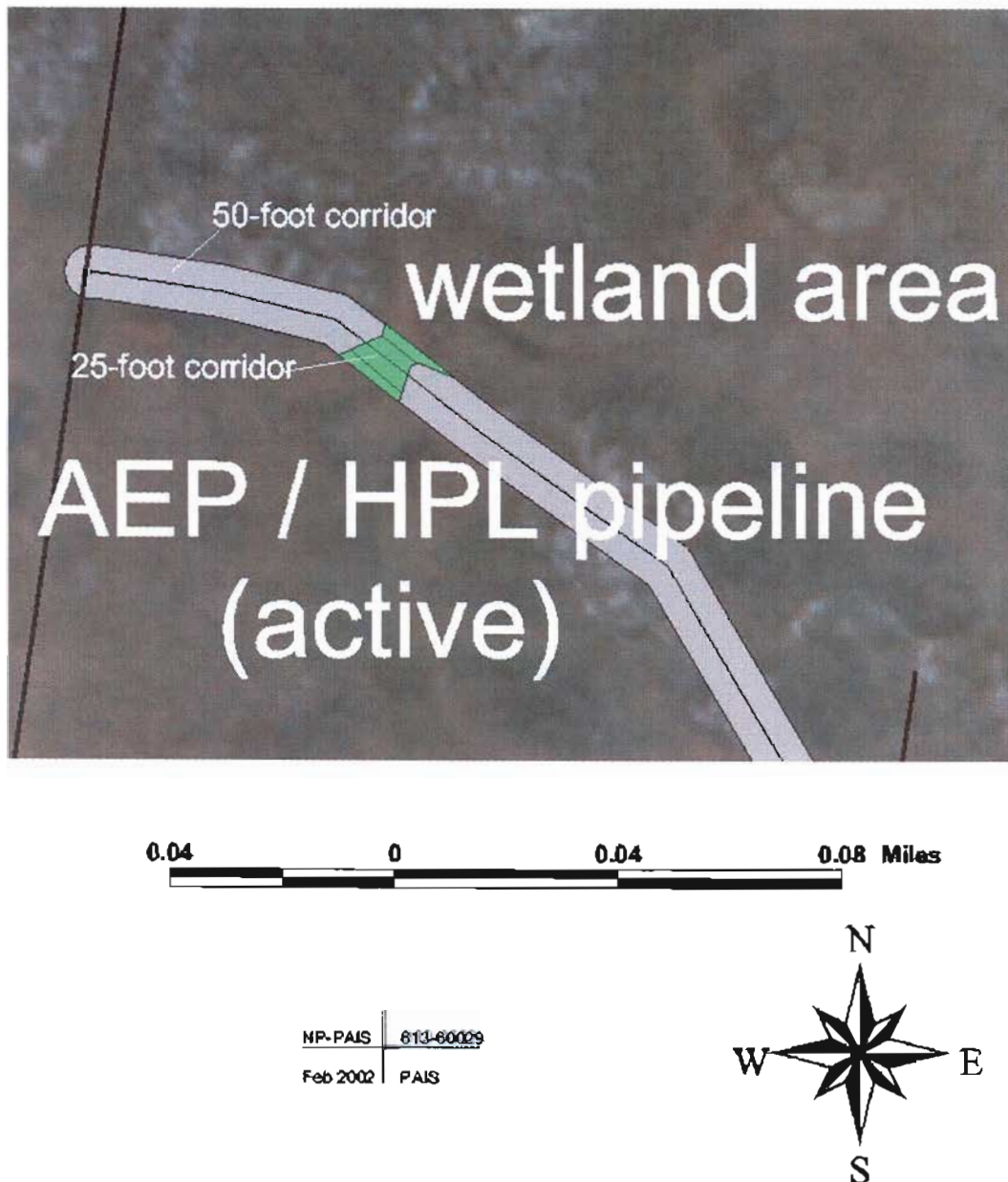
facility were constructed, the pad area would be reduced to a rectangle approximately 340 feet x 210 feet x 320 feet x 210 feet (69,300 square feet) and 67,303 square feet of the original 136,603 square feet would be reclaimed to original condition.

Figure 1: Vicinity Map



hummocky uplands. Prior to the tie-in point for the AEP pipeline, the route crosses an emergent wetland. The stipulation of a 25-foot wide construction corridor in wetlands instead of the 50-foot corridor used in uplands (Figure 3), reduces the impacts to 1,382.5 square feet (0.032 acres). The accompanying Statement of Findings for Wetlands will address this issue in detail.

Figure 3: Close-up of wetland area



The procedure that will be used to tie-in the pipeline is a "hot tap". This method allows pipelines that are in service to be connected without the contents being released. A 15-foot by 15-foot (225 square foot) excavation will be required to make the tie-in. Any ground water that seeps into the excavation will be pumped out using PVC well points and diaphragm pumps. The liquids would be diverted and filtered through a silt screen and hay bales before being released on to the surrounding area. Any contaminated liquids or soils will be removed and hauled to an approved disposal site.

Site Description:

Padre Island National Seashore (NS) is located on a largely undeveloped barrier island in southern Texas, on the Gulf of Mexico. The barrier island is a dynamic system subject to many geologic forces and climatic events. The barrier island was formed, and is continually being reshaped, by the actions of wind, gulf currents, and waves. The seashore's landscape changes from broad, white, fine-sand beaches on the Gulf side, to ridges of fore-island sand dunes, to grassy interior upland flats dotted with smaller dunes, ephemeral ponds, and freshwater wetlands. The Laguna Madre and the back-island dunes and wind tidal flats that merge with the waters of the Laguna Madre define the western portion of the Seashore. Two natural and 20 man-made spoil islands in the Laguna also lie within the National Seashore.

Nature of Flooding in the Area:

Hurricanes, tropical storms, or other storm events that bring high winds or substantial rainfall may result in periodic flooding, due to the low elevations.

Justification for Use of the Floodplain:

At the time the park was established by Congress on September 28, 1962, private owners retained all mineral interests underlying the park. Two sections of the park's enabling legislation provide guidance regarding the management of nonfederal oil and gas. Under Section 4(a) of the park's enabling legislation and the NPS Organic Act (16U.S.C. §3), Congress authorized the Secretary of the Interior to promulgate the NPS Nonfederal Oil and Gas Rights Regulations, 36 CFR 9B.

There is no practical alternative to locating the proposed access road, well/production pad, and pipeline within the 100-year floodplain because the entire park, with the exception of the fore dunes, is located within floodplains. The formal designation of the floodplain status of Padre Island National Seashore was initially conducted by the Federal Emergency Management Agency's National Flood Insurance Program on August 17, 1971, and revised on March 1, 1984.

Site-Specific Flood Risk:

The greatest percentage of hurricanes occurs in August, September, and October. The number of tropical storms occurring during a season may vary from 4 to 12. The average for the past 40 years has been 10 storms per year within the Gulf of Mexico. The Corpus Christi area has had significant effects from only a small percentage of hurricanes, averaging 1 storm event every 15 years.

Under normal weather patterns, any flooding of the back island area or the beach face is of short duration. Water is pushed up by the winds associated with the frontal passage and generally recedes during the subsequent tide cycles. Padre Island N. S. utilizes a three stage alert system when a tropical storm is in the Gulf of Mexico.

- GREEN ALERT will be set when a weather system is developing a circular pattern with winds above 39 miles per hour within 700 miles or 48 hours of PAIS and appears to be heading for the coastal bend area. Visitors are advised a storm is in the Gulf of Mexico.
- YELLOW ALERT will be set anytime a storm building up to hurricane force moves to within 500 miles or 36 hours of PAIS. Visitors are to evacuate the park.
- RED ALERT will be set anytime a storm is expected to reach hurricane force within 300 miles or 24 hours of PAIS. A Red Alert will be set when the National Weather Service establishes a Hurricane Warning. The park will be closed, gates locked, and employees and visitors evacuated out of the park.

Should a storm suddenly develop in the western Gulf area, or if an approaching storm suddenly increases its forward speed, any or all of the alerts may be bypassed and the park would immediately come under red alert. Time remaining before the tidal rise covers the John F. Kennedy Causeway will be the primary factor determining what preparations are completed before evacuation of Padre Island N. S.

The possibility of storm events has been taken into consideration during the planning of this project. Hurricane preparedness and evacuation plans are appendices to the BNP Plan of Operations.

Project Contingencies:

Project impacts would be reduced by locating the proposed operations on hummocky uplands and by applying mitigation and restoration measures, such as installing culverts along the access roads where needed, collecting sewage and hauling it offsite for disposal, and constructing a berm around the drilling equipment area and well/production pad. This berm would provide primary and

secondary spill containment to prevent the release of any leaked or spilled hydrocarbons and contaminating or hazardous substances off the operations pad into the environment. As a result of applying these and other mitigation and restoration measures, construction, drilling, and production operations would result in localized, short- to long-term, minor adverse impacts on water resources and floodplains.

BNP has developed a hurricane plan in conjunction with the PAIS hurricane plan. Their plan addresses: shutting in, securing the well and associated equipment, removing unnecessary, unattached items, and evacuating personnel.

Summary:

The National Park Service concludes that there is no practical alternative for the placement of BNP's proposed construction, maintenance, drilling, and production of the wells. The proposed action would result in localized, short to long-term, minor adverse impacts on water resources and floodplains. The National Park Service, therefore, finds that this project is in compliance with Executive Order 11988: "Floodplain Management."

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