



United States Department of the Interior  
NATIONAL PARK SERVICE  
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In Reply Refer to:  
L3025(IMSIF-MOG)

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December 10, 2007

Memorandum

To: Superintendent, Padre Island  
Attention: Chief, Science and Resource Management

From: Program Manager, Office of Minerals/Oil and Gas Support (IMSIF-MOG)

Subject: Review of Boss Operating Company Plan of Operations for Proposed Drilling and Production of Dunn-McCampbell 16-1, 16-2, and 16-3 Wells

Thank you for the opportunity to review the subject plan of operations for technical adequacy and completeness. My review found some missing information and inconsistencies. I do not recommend the Superintendent "accept" the plan of operations for formal processing until Boss Operating Company (Boss) addresses these deficiencies in a revised plan.

I have listed my comments below under two headings. Under "substantive comments," I list deficiencies that must be corrected; while under the heading "other comments," I provide suggestions for Boss Operating Company (Boss) to improve the plan.

Generally, I found it distressing that Boss' contractor, BEI, who we have most recently worked with on developing plans of operations for BNP and Kindee, did not integrate the improvements we suggested be made to those plans into this plan. Therefore, much of the clarifying text in those previous plans that describes workovers, supplementation procedures, and requirement for prior notification and NPS approval prior to drilling and workovers is missing. It's not cost-effective nor time efficient for the NPS or Boss to go over these clarifications with each plan of operations that BEI is contracted to prepare.

## Substantive Comments

The following comments address deficiencies in the plan that need to be corrected before the plan can be determined to be technically adequate and substantially complete and “accepted” for formal processing.

1. Section I(B)(2) and (3), Copy of Instruments Demonstrating the Operator’s Right to Operate. I defer to Ed Kassman to determine whether the documentation is complete.
2. Section II(A)(2), bottom of page 3 and top of page 4. Boss has provided both the surface and bottomhole locations for the 16-1 well; but at this time can only provide the surface locations for the 16-2 and 16-3 wells. This section should include text to clarify that once the 16-1 well is drilled and bottomhole targets confirmed for the 16-2 and 16-3 wells, Boss will submit to the park a supplement to the plan of operations to provide the bottomhole locations for these two wells for NPS review and approval in writing before proceeding to drill these two wells. The bottomhole targets must be located within the lease boundaries specified in the documentation of property right interests included in the plan. In reviewing the supplement, the NPS will determine whether the anticipated impacts of drilling/producing and ultimately plugging the 16-2 and 16-3 wells and reclamation was adequately disclosed in the environmental analysis to be prepared for this plan.
3. Section C(4) states that Boss will notify the NPS should a different drilling rig be used to drill the 16-2 and 16-3 wells. It should be clarified that anticipated impacts of drilling the two wells may require additional analysis if the EA covering this plan does not adequately describe environmental conditions and potential effects. Boss will need to provide this information to the park for review and approval in writing before drilling of the 16-2 and 16-3 may proceed. Any supplementation to the approved plan that describes different environmental conditions or results in impacts different from those described in the EA would warrant additional analysis and public involvement.
4. Section II(A)(2). Boss needs to describe routine monitoring and inspections it will perform for the proposed operations, and include the inspection form it will use. Absent an inspection form, Boss should include in the plan the park’s inspection form as a minimum reporting requirement. Boss shall conduct inspections monthly or quarterly, the schedule to be determined by the park, and shall submit the signed inspection form to the park within 7 days of completing the inspection.
5. Please include text to clarify that Boss will provide daily drilling logs to the NPS for same-time monitoring during drilling and workovers. Also include a statement that Boss will submit revised drilling procedures for the 16-1 well to the NPS should the bottomhole target be changed from that proposed in the plan of operations.
6. The description of wetlands acreage that could be impacted from pipeline construction is inconsistent throughout the plan of operations.
  - Section II(C)(3), Pipeline, describes the trench excavation to be 24” wide and 46” deep. Please include a description of the specific type of equipment proposed to be used to excavate and fill the trench. Include the overall 40’ width of the construction corridor.

- Section X, Background Environmental Information, item E, on page 42, under Land Features, describes 1,295 sq ft of unavoidable non-tidal wetland impacts associated with pipeline placement.
- Page 44, under the heading Vegetation, indicates the overall area of wetlands that would be affected to be 1,316 sq ft along 188 linear ft, which translates to a 7-foot wide construction corridor.
- On page 48, under Pipeline, it states “BEI staked the pipeline route with a 40-ft work corridor...” Therefore, the total wetlands area of direct/indirect effect is calculated as 188 linear ft x 40 ft work corridor = 7,520 sq ft or 0.173 acre.
- Exhibit F depicts the proposed project area on a NWI map. The legend on this map shows that the entire pad, all of the pipeline route, and most of the access road route would be located in wetlands. Was the legend reversed?
- In the materials provided to the COE in Appendix C, the overview map shows the jurisdictional area within pipeline corridor to be approximately 8,804.7 sq ft or 0.202 acres. Later in Appendix C is a second letter from BEI to COE dated April 25, 2007, Exhibit A, of a map denoting approximately 185 total linear feet (1,295 sq ft) of impacts to jurisdictional wetlands. Include the letter from COE responding to BEI’s April 25, 2007, letter requesting verification of wetland determination and delineation.
- Appendix H includes a figure titled “Alternatives Overview,” that again uses the NWI map as a base in which the legend appears to be reversed.

These inconsistencies in describing and depicting wetlands must be corrected. I defer to Servicewide Wetlands Scientist Kevin Noon to determine the technical adequacy of the wetlands delineation.

7. Section V(J), Methods, materials and all equipment to complete, stimulate or work-over a well... This section does not properly describe workovers. We’ve worked with BNP and Kindee to refine this text for previously-approved plans of operations – please include the text in this plan.
8. Section V(L), Well plugging procedures. It should be clarified that plugging will follow NPS procedures which have been modified from Federal Onshore Oil and Gas Order No. 2. It should also be clarified that Boss shall not commence with plugging a well without NPS review of the plugging procedure, and only upon receiving NPS written approval to proceed. Again, we’ve worked with BEI to refine this text for previous BNP and Kindee plans of operations – please include the text in this plan.
9. I have provided a copy of the archeological survey report to IMR Supervisory Archeologist Jim Bradford and his staff. I suggest the park confer with Jim regarding NPS procedures that require issuance of an ARPA prior to conducting a survey.
10. Mitigation measure #32 on page 40 states “Boss will have in place a Hurricane Evacuation Plan to minimize effects of flooding.” Boss should include text that it will adhere to the park’s Hurricane Preparedness Plan.
11. Exhibit D includes the FWS list of federally-listed species. This exhibit should also include state-listed species. Include the results of the survey, and when and by whom it was performed.

12. Appendix C, Operating Rules. The first operating rule should state that Boss and its contractors and subcontractors shall conduct operations as specified in the approved plan of operations.
13. The list of mitigation measures at the end of Appendix C appears to be copied from another plan of operations for a drilling/production proposal that requires access along the Gulf beach. This table should list mitigation measures proposed by Boss, with references to the section and page number each measure is presented in the plan of operations.

### **Other Comments**

The following additional comments are suggestions for improving the plan.

1. Preface, page i. The 2<sup>nd</sup> paragraph should be deleted. The 2<sup>nd</sup> sentence incorrectly states that the NPS will circulate the plan of operations for review by COE, FWS, TPWD, TRC and TCEQ. The park will public a notice of availability of the plan of operations, in addition to the EA and draft wetlands and floodplains statements of findings; and will provide a copy to a requestor via the notice of availability published in the Federal Register.
2. Section X(E), Noise. Suggest the last sentence "Detectable increases in noise levels should be increased in the range of 10-20% over current ambient levels" be deleted as it is not supported. We will need to analyze the distance that noise from the proposed operations could extend and determine whether additional mitigation measures are needed.
3. Section XI(A), last sentence in the 2nd paragraph should be deleted.
4. Appendix C, PINS Plan of Operations Guidelines. It is not necessary to include the outline in the plan. The outline for a plan of operations for drilling and production operations, dated 5/30/01 has been superseded by the Operator's Handbook dated October 2006.

Again, thanks for the opportunity to review this plan.

/s/Linda Dansby

cc:

Carol McCoy, NRPC-GRD

Kevin Noon, NRPC-WRD