



STATE OF MISSISSIPPI

PHIL BRYANT

GOVERNOR

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

GARY C. RIKARD, EXECUTIVE DIRECTOR

July 11, 2017

Certified Mail No. 7011 0110 0001 3219 1608

Mr. Ken Magee
Spooner Petroleum Companies
625 Highland Colony Parkway
Suite 101
Ridgeland, Mississippi 39157

Dear Mr. Magee:

Re: Spooner Petroleum Companies,
Yelverton 1 Well, Well Pad and
Access Road
Jasper County
COE No. SAM201700366RCV
WQC No. WQC2017072

Pursuant to Section 401 of the Federal Water Pollution Control Act (33 U. S. C. 1251, 1341), the Office of Pollution Control (OPC) issues this Certification, after public notice and opportunity for public hearing, to Spooner Petroleum Companies, an applicant for a Federal License or permit to conduct the following activity:

Spooner Petroleum Companies, Yelverton 1 Well, Well Pad and Access Road: The proposed work includes the preparation of an existing access road and well for a well re-entry program. An authorization has been given by the Mississippi Oil and Gas Board to re-enter the Yelverton #1 well in an attempt to locate another possible production zone to extract oil and gas mineral resources. A Nationwide Permit will be issued for the temporary impacts for the initial phase of the well re-entry program that include the placement of fill in .41 acres of wetlands for an access road and a 48-inch x 30-foot culvert in an unnamed tributary to the Tallahoma Creek. If the planned well re-entry program provides a productive well the temporary impacts will become permanent fill which also include .69 acres of wetlands for the construction of the well pad totaling 1.1 acres of bottomland hardwood wetlands for the finale phase of the well re-entry program. Mitigation for the unavoidable impacts associated with this project is being proposed through the purchase of mitigation credits. The site is located in Bay Springs, Jasper County, Mississippi. [SAM201700366RCV, WQC2017072].

The Office of Pollution Control certifies that the above-described activity will be in compliance with the applicable provisions of Sections 301, 302, 303, 306, and 307 of

the Federal Water Pollution Control Act and Section 49-17-29 of the Mississippi Code of 1972, if the applicant complies with the following conditions:

1. All fill material and excavation areas shall have side slopes of at least 3:1 (horizontal: vertical) and shall be immediately seeded, stabilized and maintained.
2. Appropriate best management practices (BMPs) shall be properly installed and maintained to prevent the movement of sediment off-site and into adjacent drainage areas. Special care shall be taken prior to and during construction to prevent the movement of sediment into adjacent avoided wetland areas. In the event of any BMP failure, corrective actions shall be taken immediately.
3. The mitigation plan shall be implemented as proposed. In the event of a producing well, the applicant shall purchase credits to offset the permanent loss of 1.1 acre of bottomland hardwood wetlands from an approved wetland mitigation bank. Verification regarding the producing status of the proposed well shall be provided to this office within 14 days of the completion of exploration activities. No construction shall begin until proof of purchase of mitigation credits is provided to this office.
4. Site restorations after completion of drilling and production activities shall be as follows:
 - a. Completion of Drilling Activities: Within 60 days after removals of the drilling rig, all areas not needed for testing and production facilities shall be restored to original contours. Drilling mud shall be removed and disposed of according to State and Federal Regulations. This means that the drilling mud shall be removed and taken to an approved disposal area. The mud pit shall be filled with compactable fill material to preexisting contours. All board roads and any other extraneous construction material shall be removed from the site. All disturbed areas shall be seeded to prevent erosion. All forested vegetation cleared during the construction activities shall be removed and hauled offsite to a non-wetland disposal location or chipped and/or disposed of in a manner that is beneficial to the surrounding environment with the approval of the resources agencies.
 - b. Completion of Production Activities: Within 60 days after plugging and abandonment, the remainder of the lands used shall likewise be restored to the original contours, including the removal of all board roads and any other extraneous construction

material, and the site shall be seeded to prevent erosion. The 60-day period may be extended by the Department when and justified and where appropriate, after consultation with the state or federal land managing agencies.

5. The permittee/operator shall return a separate Certification of Compliance after completing construction of the authorized activity' after completion of exploration activities and interim site restoration (see 3 (a) above); and after completion of production activates and final site restoration (see 3 (b) above)
6. Prior to construction of any equipment that may emit air pollutants, the applicant must evaluate the air emissions to determine if an Air Permit to Construct and/or Operate is required per 11 Miss. Admin. Code Pt. 2, Chapter 2, Mississippi Commission on Environmental Quality, Permit Regulations for the Construction and/or Operation of Air Emissions Equipment (Adopted May 8, 1970; Last Amended July 28, 2005). If a permit is required, the permittee must submit an application to the MDEQ and comply with all applicable parts of the regulation.
7. No sewage, oil, refuse, or other pollutants shall be discharged into the watercourse.

The Office of Pollution Control also certifies that there are no limitations under Section 302 nor standards under Sections 306 and 307 of the Federal Water Pollution Control Act which are applicable to the applicant's above-described activity.

This certification is valid for the project as proposed. Any deviations without proper modifications and/or approvals may result in a violation of the 401 Water Quality Certification. If we can be of further assistance, please contact us.

Sincerely,



Krystal Rudolph, P.E., BCEE
Chief, Environmental Permits Division

HMW: JP

cc: Rudolph C. Villarreal, U.S. Army Corps of Engineers, Mobile District
Jennifer Wittmann, Department of Marine Resources
Molly Martin, Environmental Protection Agency
Lars Larson, Larson Environmental, LLC