

STATE OF MISSISSIPPI

PHIL BRYANT GOVERNOR

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

Gary C. Rikard, Executive Director February 1, 2018

Mr. J. Clay Cromwell Headwaters, Inc. PO Box 2836 Ridgeland, Mississippi 39158-2836

Dear Mr. Cromwell:

Re:

Tellus Operating Group LLC, West Yellow

Creek Field Wayne County

COE No. SAM-2012-1408-LET WQC No. WQC20130009

The Department of Environmental Quality understands the need for a Section 401 Water Quality Certification - Modification to the above referenced project. This modification would include modifications to the plan design that would result in fewer impacts to wetlands than the original permit. Please be advised the general description of the Section 401 Water Quality Certification has been modified to read as follows:

Tellus Operating Group, LLC: The proposed project is to realign pipelines, easements, access roads and associated field infrastructure within the West Yellow Creek Oil and Gas Field in preparation for the acceptance of CO₂ for an enhanced oil recovery project which will require 0.19 acres of permanent wetland impacts, 0.31 acres of temporary wetland impacts, and 6.07 acres of permanent wetland conversions. The environmental impacts of the permanent piping will be offset by purchase of credits from mitigation area located in Smith County, Mississippi.

Please be advised the remaining conditions of the Section 401 Water Quality Certification are unchanged. If we can be of further assistance, please contact Montie Hardaway Glenn of my staff at (601) 961-5596.

Sincerely,

Krystal Rudolph, P.E.

Chief, Environmental Permits Division

HMW: mh

cc: Jeremy Overstreet, U.S. Army Corps of Engineers, Mobile District Greg Christodoulou, MS Department of Marine Resources Paul Necaise, U.S Fish and Wildlife Service Molly Martin, Environmental Protection Agency Clarke Thomas, Tellus Operating Group

