



**US Army Corps
of Engineers**
Fort Worth District

Public Notice

Applicant: Anadarko E&P Company, L.P.

Permit Application No.: SWF-2010-00363

Date: September 16, 2010

The purpose of this public notice is to inform you of a proposal for work in which you might be interested. It is also to solicit your comments and information to better enable us to make a reasonable decision on factors affecting the public interest. We hope you will participate in this process.

Regulatory Program

Since its early history, the U.S. Army Corps of Engineers has played an important role in the development of the nation's water resources. Originally, this involved construction of harbor fortifications and coastal defenses. Later duties included the improvement of waterways to provide avenues of commerce. An important part of our mission today is the protection of the nation's waterways through the administration of the U.S. Army Corps of Engineers Regulatory Program.

Section 10

The U.S. Army Corps of Engineers is directed by Congress under Section 10 of the Rivers and Harbors of 1899 (33 USC 403) to regulate *all work or structures in or affecting the course, condition or capacity of navigable waters of the United States*. The intent of this law is to protect the navigable capacity of waters important to interstate commerce.

Section 404

The U.S. Army Corps of Engineers is directed by Congress under Section 404 of the Clean Water Act (33 USC 1344) to regulate the *discharge of dredged and fill material into all waters of the United States, including wetlands*. The intent of the law is to protect the nation's waters from the indiscriminate discharge of material capable of causing pollution and to restore and maintain their chemical, physical and biological integrity.

Contact

Name: Mr. Scott Kelly

Phone Number: (817) 886-1662

JOINT PUBLIC NOTICE

U.S. ARMY CORPS OF ENGINEERS, FORT WORTH DISTRICT

AND

RAILROAD COMMISSION OF TEXAS

SUBJECT: Application for a Department of the Army Permit under Section 404 of the Clean Water Act (CWA) and for water quality certification under Section 401 of the CWA to discharge dredged and fill material into waters of the United States associated with a proposal by Anadarko E&P Company, LP to construct the Bailey Sheppard No. 55H & No 56HH natural gas well site, pipeline, and access road in Rusk County, Texas.

APPLICANT: Anadarko E&P Company, LP
Ms. Sue Beem
P.O. Box 1330
Houston, Texas 77251-1330

APPLICATION NUMBER: SWF-2010-00363

DATE ISSUED: September 16, 2010

LOCATION: The proposed natural gas well site, pipeline, and access road would be located in the Sabine River floodplain approximately 2.0 miles east/southeast of Easton in Rusk County, Texas. The proposed Bailey Sheppard No. 55H & No 56HH well is located at Latitude 32.385 N and Longitude -94.540 W on the Easton, TX 7.5-minute USGS quadrangle map in the USGS Hydrologic Unit 120100.

OTHER AGENCY AUTHORIZATIONS: Section 401 State Water Quality Certification

PROJECT DESCRIPTION: Anadarko E&P Company, LP proposes to construct a well site that would accommodate two wells (Bailey Sheppard No. 55H & No 56HH) a pipeline, and an access road (see Sheets 1-6). The purpose of this project is to facilitate natural gas exploration on an existing mineral lease area. The Bailey Sheppard No. 55H & No 56HH project area is located within the floodplain of the Sabine River. All wetlands delineated on the project site are jurisdictional under Section 404 of the Clean Water Act. Construction of the Bailey Sheppard No. 55H & No 56HH well site, pipeline, and access road would adversely impact a total of 4.42 acres of waters of the United States, including 1.33 acres of forested wetland and 3.09 acres of emergent wetlands, located within the floodplain of the Sabine River.

The applicant proposes to discharge approximately 24,957 cubic yards of fill material into 4.42 acre of waters of the United States in conjunction with the construction of the Bailey Sheppard No. 55H & No 56HH natural gas well site, pipeline, and access road.

The proposed Bailey Sheppard No. 55H & No 56HH well site would be approximately 540 feet by 450 feet. Construction of the well site would adversely impact 4.41 acres of waters of the United States, 1.32 acres of forested wetland and 3.09 acres of emergent wetlands, within the floodplain of the Sabine River. The applicant would discharge approximately 21,344 cubic yards of clay and 3,557 cubic yards of crushed rock into the wetlands to construct the well site.

The applicant proposes to construct an access road to transport drilling equipment. Construction of the proposed access road would adversely impact 0.01 acre of emergent wetland within the floodplain of the Sabine River. The access road would be 40 feet wide and total 15 linear feet. The applicant would discharge approximately 48 cubic yards of clay and 8 cubic yards of crushed rock into the wetlands to construct the access road.

The applicant proposes to construct a pipeline to transport natural gas. Construction of the proposed pipeline would not adversely impact any wetlands within the floodplain of the Sabine River. The pipeline would be approximately 1600 linear feet and be completely directionally bored.

Attachment E: Table of Waters of the U.S. Impacted by the Proposed Project

Waterbody ID ¹	Latitude and Longitude (Decimal Degrees)	Resource Type ²	Linear Feet in Project Area	Acres in Project Area	Impact Type ³	Linear Feet of Impact	Acres of Impact	Cubic Yards of Material to be Discharged	Activity Type ⁴
<i>e.g., W-1</i>	<i>32.755°N, 97.755°W</i>	<i>NFW</i>	<i>-</i>	<i>0.25</i>	<i>D/P</i>	<i>-</i>	<i>0.15</i>	<i>1210</i>	<i>FP</i>
Access Road									
Forested Wetland A	32.386794 -94.540559	FW			D/T	18 feet	0.01 acre	56 cubic yds	RC/FP
Well Site									
Forested Wetland A	32.386444 -94.540690	FW			D/T		0.33 acres	1,863 cubic yds	BP/FP
Forested Wetland B	32.385498 -94.539739	FW			D/T		0.99 acres	5,590 cubic yds	BP/FP
Emergent Wetland A	32.385933 -94.540556	NFW			D/T		3.09 acres	17,448 cubic yds	BP/FP
NFW subtotal	-	-			-		3.09 acres	17,448 cubic yds	-
FW subtotal	-	-			-		1.33 acres	7,509 cubic yds	-
PS subtotal	-	-			-				-
IS subtotal	-	-			-				-
ES subtotal	-	-			-				-
I subtotal	-	-			-				-
TOTAL	-	-			-		4.42 acres	24,957 cubic yds	-

¹ Waterbody ID may be the name of a feature or an assigned label such as "W-1" for a wetland.

² Resource Types: NFW – Non-forested wetland, FW – Forested wetland, PS – Perennial Stream, IS – Intermittent Stream, ES – Ephemeral Stream, I – Impoundment

³ Impact Types: D/P – Direct* and Permanent, D/T – Direct and Temporary, I/P – Indirect** and Permanent, I/T – Indirect and Temporary
 * Direct impacts are here defined as those adverse affects caused by the proposed activity, such as discharge or excavation.
 ** Indirect impacts are here defined as those adverse affects caused subsequent to the proposed activity, such as flooding or effects of drainage on adjacent waters of the U.S.

Dominant vegetation in Forested Wetland A within the majority of the well site includes willow oak (*Quercus phellos*) trees, sweetgum (*Liquidambar styraciflua*), water oak (*Quercus nigra*) trees, black willow (*Salix nigra*), sessile-flowered chasmanthium (*Chasmanthium sessiliflorum*), common greenbriar (*Smilax rotundifolia*), and American buckwheat vine (*Brunnichia ovate*). Dominant vegetation in Forested Wetland B and C within the well site and access road includes black willow, American elm (*Ulmus americana*) and smartweed (*Polygonum sp.*). Scrub/shrub wetland vegetation consists of sweetgum, willow oak and buttonbush.

Several alternatives were evaluated by the applicant. Under the no action alternative, the Bailey Sheppard No. 55H & No 56HH well site, access road, and pipeline would not be constructed, and Anadarko would not produce natural gas and oil. All adverse environmental effects associated with the proposed project would be avoided at least for the short term. It is likely that if natural gas and oil exploration associated with the proposed project does not occur, it would occur in the field from other leases and/or operators. Movement of the site is constrained by the limits of Anadarko's lease and the requirement to maintain legal distances between wells. The Railroad Commission of Texas regulates the spacing of wells, and Anadarko is obligated to adhere to these regulations. Anadarko has considered constructing a larger well site to drill the Bailey Sheppard No. 55H & No 56HH. Although a larger site would provide additional workspace during drilling, Anadarko has reduced the proposed well site to 540 feet by 450 feet to minimize adverse impacts to wetland areas. This is the minimum pad size that would safely accommodate the drilling rig for this site.

Following drilling termination of the Bailey Sheppard No. 55H & No 56HH, all saltwater, drilling mud, brine, hydrocarbons, and any substances considered toxic under federal regulations would be removed from the location and taken to an upland disposal site. The portion of the well site that is no longer needed for well operation and maintenance would be utilized as on-site mitigation (see Sheet 5). The proposed on-site mitigation area totals 3.55 acres. The well site would be reduced from the original 540 feet by 450 feet (5.58 acres) to approximately 140 feet by 140 feet (0.45 acre) upon completion of drilling activities for both wells.

Anadarko E&P Company, LP would return the emergent wetland portions of the reclamation area back to original contours and natural elevation. This would allow the natural progression of flooding and recession that established the original hydrologic regime of the wetland community. The Bailey Sheppard No. 55H & No 56HH reclamation area totals 3.55 acres. The emergent and forested portions of the reclamation area would be allowed to regenerate native emergent wetland species. The proposed project is also surrounded by emergent wetland communities that would provide a viable seedbank for natural regeneration within the non-forested wetland areas. The vegetation within the surrounding wetland communities is composed of the same or similar species as those found within the proposed project. This seedbank should facilitate natural regeneration within the emergent wetland portion of the on-site mitigation area without the need of replanting. Natural regeneration of vegetation within the on-site mitigation area is expected within the 25 years prior to well abandonment. The final goal of the on-site mitigation area is to

have a restored functioning wetland. This goal would be achieved by re-establishing hydrophytic vegetation through natural regeneration. If natural regeneration does not occur, a contingency plan would be in place to aid in accomplishing this goal.

Monitoring of the reclamation area would be conducted upon each site visit, with a minimum of one site visit per year. Monitoring would involve maintenance, recording survivability and predation of the seedlings, photographing progress of aquatic functions, and developing recommendations to improve wetland restoration success. Monitoring would continue until survival requirements have been achieved, and the area is functioning as a wetland. Survival rates would be calculated during normal maintenance visits and reported to the USACE in an annual report each year until survival requirements have been reached.

The remaining well site and access road would remain to facilitate well operations, which are expected to remain in operation for approximately 15-25 years. Upon well abandonment, the applicant would remove remaining fill from the project site and restore the area to pre-construction contours.

To compensate for unavoidable adverse impacts to waters of the United States, the applicant proposes to compensate at a ratio of 3:1 (acres of mitigation: acres adversely impacted) for the high quality forested wetlands and 1:1 for low quality emergent wetlands by purchasing 3.5 credits from West Mineola Mitigation Bank in addition to the 3.55 acres of on-site mitigation.

Project Name	Wetland Acreage Impacted				Mitigation Ratio ¹	Total Mitigation Acreage Required ²	On-Site Mitigation Acreage ³	Off-Site Mitigation Acreage ⁴
	Well Site	Access Road	Pipeline	Total Wetland Acreage				
Bailey Sheppard No. 55HH & No. 56HH	1.32	0.01	--	1.33	3:1	3.99	1.24	2.75
	--	--	--	--	2:1	--	--	--
	3.09	--	--	3.09	1:1	3.09	2.31	0.78
TOTAL	4.41 ac	0.01 ac	-- ac	4.42 ac	TOTALS	7.08 ac	3.55 ac	3.53 ac

¹ West Mineola Mitigation Bank ratios.

² Wetland Acreage multiplied by Mitigation Ratio.

³ Determined from wetlands impacted within the well site that could be restored.

PUBLIC INTEREST REVIEW FACTORS: This application will be reviewed in accordance with 33 CFR 320-331, the Regulatory Program of the U. S. Army Corps of Engineers (USACE), and other pertinent laws, regulations, and executive orders. Our evaluation will also follow the guidelines published by the U. S. Environmental Protection Agency pursuant to Section 404(b)(1) of the CWA. The decision whether to issue a permit will be based on an evaluation of the probable impact, including cumulative impact, of the proposed activity on the public interest. That decision will reflect the national concerns for both protection and utilization of important

resources. The benefits which reasonably may be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the proposal will be considered, including its cumulative effects. Among the factors addressed are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people.

The USACE is soliciting comments from the public; federal, state, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the USACE in determining whether to issue; issue with modifications or conditions; or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

STATE WATER QUALITY CERTIFICATION: Railroad Commission of Texas (RRC) certification is required for activities associated with the exploration, development, or production of oil, gas, or geothermal resources, as described in Tex. Nat. Res. Ann. §91.101. Concurrent with the processing of this Department of the Army Permit application, the RRC is reviewing this application under Section 401 of the Clean Water Act and Title 16, Texas Administrative Code, Section 3.93, to determine if the proposed work would comply with applicable water quality laws and regulations. By virtue of an agreement between the U. S. Army Corps of Engineers (USACE) and the RRC, this public notice is issued for the purpose of advising all known interested persons that there is pending before the RRC a decision on water quality certification under the above authorities. Written comments concerning the request for certification may be submitted to the Assistant Director, Environmental Services, Railroad Commission of Texas, P. O. Box 12967, Austin, Texas 78711-2967. The public comment period extends 30 days from the date of publication of this notice. The RRC may also hold a public meeting on the request for certification if the RRC determines that a public meeting is in the public interest. If the RRC holds a meeting to receive public comment on a request for certification, the RRC will give notice of the meeting to the applicant, the USACE, and persons identified under 16 TAC §3.93(d)(2) at least ten days prior to the meeting.

ENDANGERED AND THREATENED SPECIES: The USACE has reviewed the U.S. Fish and Wildlife Service's latest published version of endangered and threatened species to determine if any may occur in the project area. The proposed project would be located in Rusk County, where the bald eagle (*Haliaeetus leucocephalus*), the interior least tern (*Sterna antillarum athalassos*), the piping plover (*Charadrius melodus*), the Louisiana black bear (*Ursus americanus luteolus*), the red wolf (*Canis rufus*), are known to occur or may occur as migrants. The bald eagle has been delisted and is being monitored for five years. The interior least tern and the red wolf are listed as endangered species. The piping plover, Louisiana black bear, and

Earth fruit are listed as threatened species. Our initial review indicates that the proposed work would have no effect on federally listed endangered or threatened species.

NATIONAL REGISTER OF HISTORIC PLACES: The area of the proposed well site has never been surveyed for the presence of historic or prehistoric sites. A review of the state records indicates no sites have been recorded within one mile of this area. The well site will be situated in an area of saturated soils. It has a low potential for the presence of historic or prehistoric sites.

FLOODPLAIN MANAGEMENT: The USACE is sending a copy of this public notice to the local floodplain administrator. In accordance with 44 CFR part 60 (Flood Plain Management Regulations Criteria for Land Management and Use), the floodplain administrators of participating communities are required to review all proposed development to determine if a floodplain development permit is required and maintain records of such review.

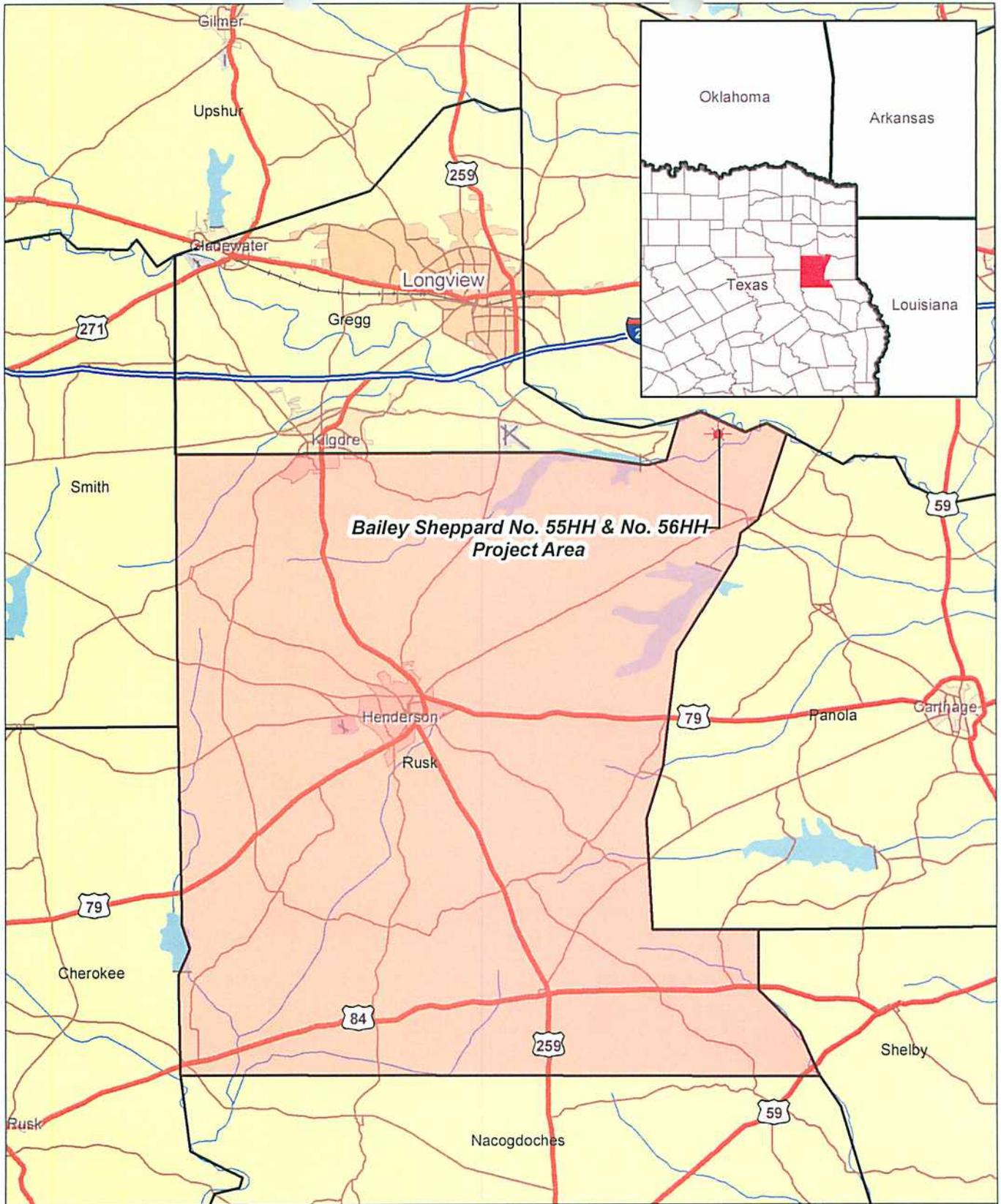
SOLICITATION OF COMMENTS: The public notice is being distributed to all known interested persons in order to assist in developing facts upon which a decision by the USACE may be based. For accuracy and completeness of the record, all data in support of or in opposition to the proposed work should be submitted in writing setting forth sufficient detail to furnish a clear understanding of the reasons for support or opposition.

PUBLIC HEARING: Prior to the close of the comment period any person may make a written request for a public hearing setting forth the particular reasons for the request. The District Engineer would determine whether the issues raised are substantial and should be considered in his permit decision. If a public hearing is warranted, all known interested persons would be notified of the time, date, and location.

CLOSE OF COMMENT PERIOD: All comments pertaining to this Public Notice must reach this office on or before October 15, 2010, which is the close of the comment period. Extensions of the comment period may be granted for valid reasons provided a written request is received by the limiting date. If no comments are received by that date, it will be considered that there are no objections. Comments and requests for additional information should be submitted to Mr. Scott Kelly; Regulatory Branch, CESWF-PER-R; U. S. Army Corps of Engineers; Post Office Box 17300; Fort Worth, Texas 76102-0300.

You may visit the Regulatory Branch in Room 3A37 of the Federal Building at 819 Taylor Street in Fort Worth between 8:00 A.M. and 3:30 P.M., Monday through Friday. Telephone inquiries should be directed to (817) 886-1662. Please note that names and addresses of those who submit comments in response to this public notice may be made publicly available.

DISTRICT ENGINEER
FORT WORTH DISTRICT
CORPS OF ENGINEERS



Sheet 1 of 6
 Vicinity Map of the Proposed Bailey Sheppard No. 55HH & No. 56HH
 Project Area in Rusk County, TX

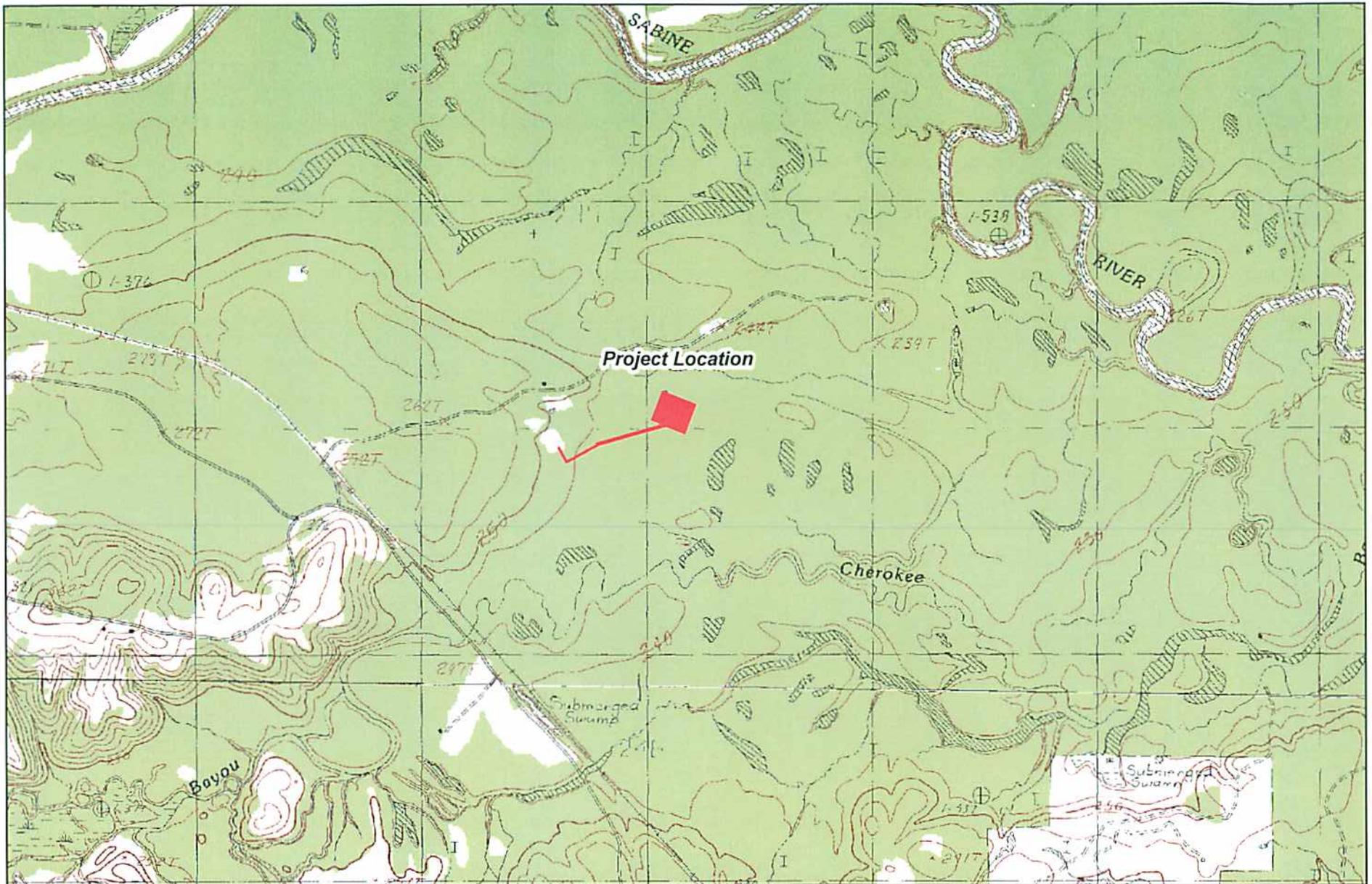


1501 Bill Owens Parkway
 Longview, TX 75604
 Phone: (903) 297-4673
 Fax: (903) 297-4675

Anadarko E&P Company, LP
 Project Number: 046056.00

Date: 07/13/2010

Coordinate Sys: Lat/Long NAD 27
 Units: Deg, Min, Sec



Sheet 2 of 6
 Topographic Features of the Proposed Bailey Sheppard No. 55HH & No. 56HH
 Well Site, Access Road, and Pipeline in Rusk County, TX



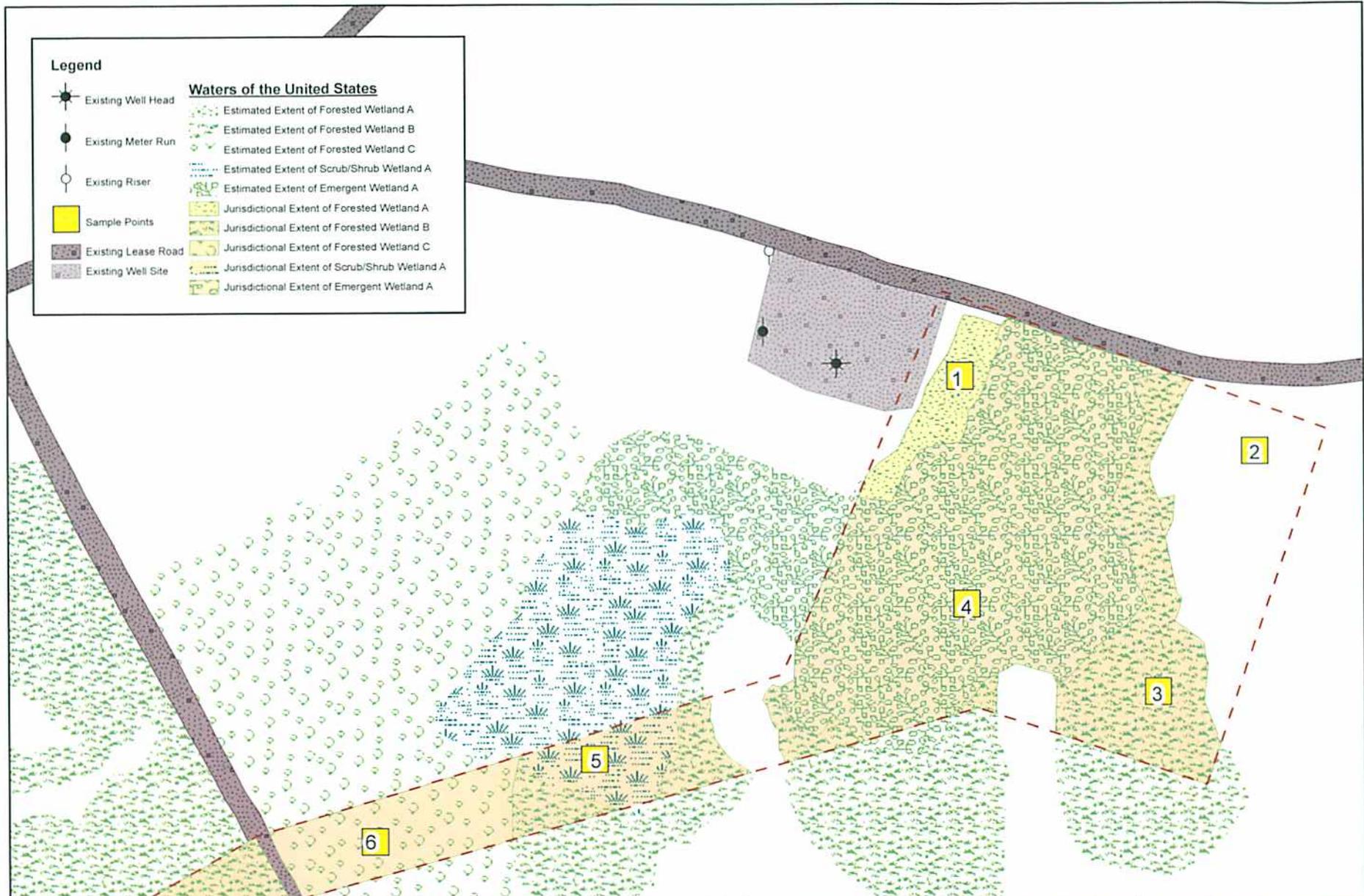
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 Longview, TX 75604
 Phone: (903) 297-4673
 Fax: (903) 297-4675

Anadarko E&P Company, LP

Project Number: 046056.00

Date: 08/05/2010

Base Map: USGS 7.5 Minute Topographic Maps
 Easton, TX (Provisional Ed., 1983)



Legend

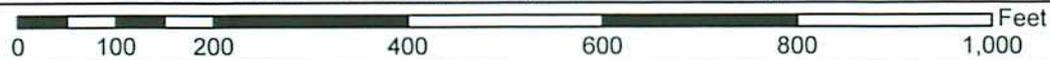
- Existing Well Head
- Existing Meter Run
- Existing Riser
- Sample Points
- Existing Lease Road
- Existing Well Site

Waters of the United States

- Estimated Extent of Forested Wetland A
- Estimated Extent of Forested Wetland B
- Estimated Extent of Forested Wetland C
- Estimated Extent of Scrub/Shrub Wetland A
- Estimated Extent of Emergent Wetland A
- Jurisdictional Extent of Forested Wetland A
- Jurisdictional Extent of Forested Wetland B
- Jurisdictional Extent of Forested Wetland C
- Jurisdictional Extent of Scrub/Shrub Wetland A
- Jurisdictional Extent of Emergent Wetland A



Sheet 3 of 6
 Existing Conditions and Sample Points for the Proposed Bailey Sheppard No. 55HH & No. 56HH
 Well Site, Access Road, and Pipeline in Rusk County, TX



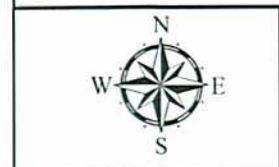
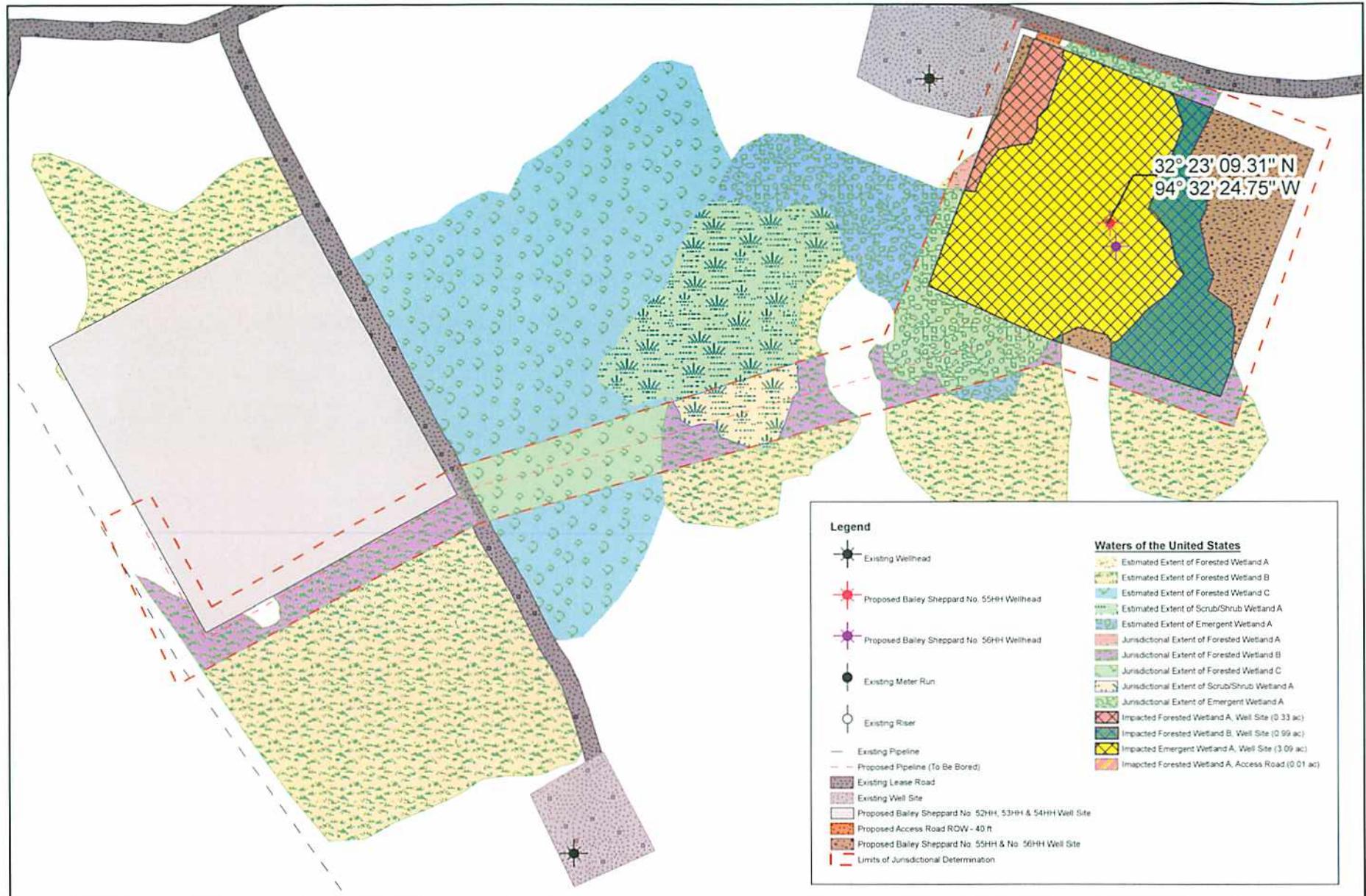
1501 Bill Owens Parkway
 Longview, TX 75604
 Phone: (903) 297-4673
 Fax: (903) 297-4675

Anadarko E&P Company, LP

Project Number: 046056.00

Date: 08/05/2010

Coordinate System: Lat/Long NAD27
 Units: Deg, Min, Sec



Sheet 4 of 6
 Site Plan for the Proposed Bailey Sheppard No. 55HH & No. 56HH
 Well Site, Access Road, and Pipeline in Rusk County, TX

0 150 300 600 900 1,200 Feet

Anadarko E&P Company, LP

Project Number: 046056.00

Date: 08/05/2010

Coordinate System: Lat/Long NAD27
 Units: Deg, Min, Sec



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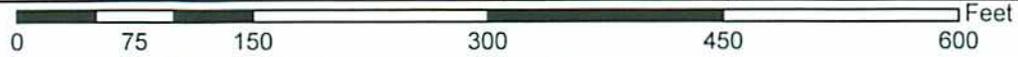


Legend

-  Upland Reclamation Area (1.16 ac)
-  Forested Wetland Reclamation Area (1.24 ac)
-  Emergent Wetland Reclamation Area (2.31 ac)
-  Maintained Well Site
-  Maintained Access Road
-  Existing Lease Road



Sheet 5 of 6
 Restoration Plan for the Proposed Bailey Sheppard No. 55HH & No. 56HH
 Well Site, Access Road, and Pipeline in Rusk County, TX



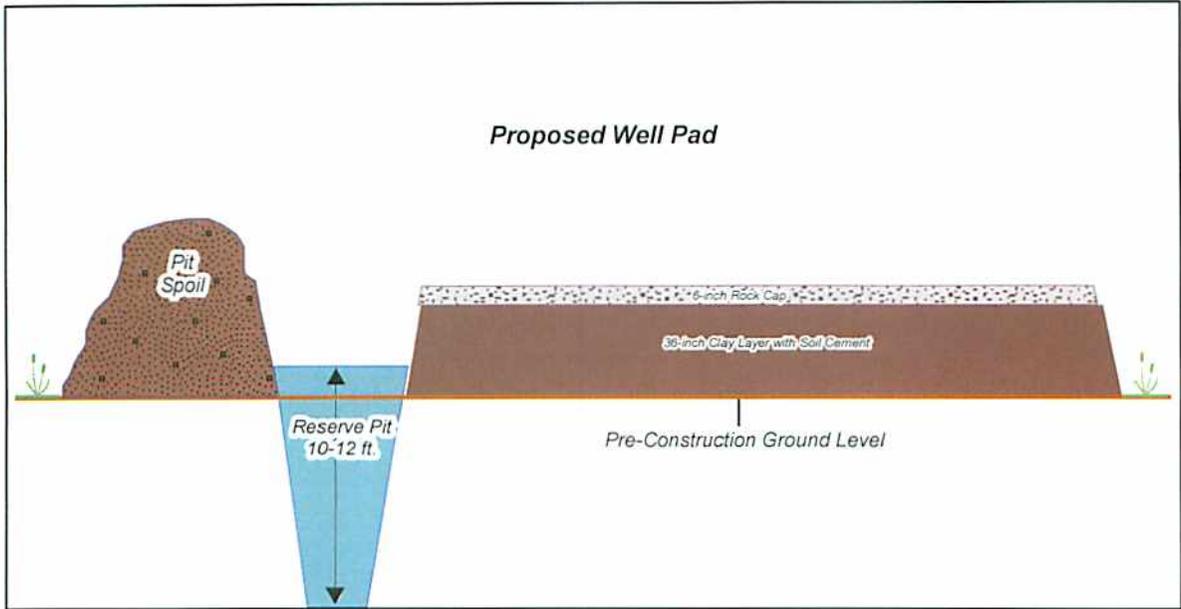
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	<p>Not To Scale</p>	<p>Sheet 6 of 6 Cross-Section View of the Proposed Bailey Sheppard No. 55HH & No. 56HH Well Site and Access Road in Rusk County, TX</p>
<p>Anadarko E&P Company, LP</p>	<p>Project Number: 046056.00</p>	<p>Sphere 3 Environmental, Inc. 08/05/2010</p>