COASTAL USE PERMIT/CONSISTENCY DETERMINATION

C.U.P. No.: P20160166
C.O.E. No.: MVN- 2015- 02295
NAME: BAYOU BRIDGE PIPELINE, LLC
c/o PERENNIAL ENVIRONMENTAL SERVICES, LLC
13100 NORTHWEST FREEWAY, SUITE 160
HOUSTON, TX 77040
Attn: Marshall Olson

LOCATION: Assumption, Saint James Parishes, LA
POB in Coastal Zone - Lat. 30-4-36.71 N, Long. 91-4-53.44 W; POE in Coastal Zone - Lat. 30-0-10.20 N, Long. 90-51-30.53 W (see plats for additional information).

DESCRIPTION: Construction of approximately 162.68 miles of new 24" diameter crude oil pipeline, two pump stations, and other ancillary facilities. Approx. 16.50 miles of the mainline and the entirety of a 1.12-mile lateral is located within the Coastal Zone (CZ). Approximately 1,525,897 cubic yards of native material will be excavated and used as backfill and 29,366 cubic yards of crushed stone or gravel will be used as fill. Of this, 165,394 cubic yards of native material will be excavated and used as backfill and 9,042 cubic yards of crushed stone or gravel will be used as fill in the CZ.

In accordance with the rules and regulations of the Louisiana Coastal Resources Program and Louisiana R.S. 49, Sections 214.21 to 214.41, the State and Local Coastal Resources Management Act of 1978, as amended, the permittee agrees to:

1. Carry out, perform, and/or operate the use in accordance with the permit conditions, plans and specifications approved by the Department of Natural Resources.
2. Comply with any permit conditions imposed by the Department of Natural Resources.
3. Adjust, alter or remove any structure or other physical evidence of the permitted use if, in the opinion of the Department of Natural Resources, it proves to be beyond the scope of the use as approved or is abandoned.
4. Provide, if required by the Department of Natural Resources, an acceptable surety bond in an appropriate amount to ensure adjustment, alteration, or removal should the Department of Natural Resources determine it necessary.
5. Hold and save the State of Louisiana, the local government, the department, and their officers and employees harmless from any damage to persons or property which might result from the use, including the work, activity, or structure permitted.
6. Certify that the use has been completed in an acceptable and satisfactory manner and in accordance with the plans and specifications approved by the Department of Natural Resources. The Department of Natural Resources may, when appropriate, require such certification to be given by a registered professional engineer.
7. All terms of the permit shall be subject to all applicable federal and state laws and regulations.
8. This permit, or a copy thereof, shall be available for inspection at the site of work at all times during operations.
9. The applicant will notify the Office of Coastal Management of the date on which initiation of the permitted activity described under the "Coastal Use Description" began. The applicant shall notify the Office of Coastal Management by entering a commencement date through the online system, or by mailing said information to OCM.
10. Unless specified elsewhere in this permit, this permit authorizes the initiation of the coastal use described under "Coastal Use Description" for two years from the date of the signature of the Secretary or his designee. If the coastal use is not initiated within this two year period, then this permit will expire and the applicant will be required to submit a new application. Initiation of the coastal use, for the purposes of this permit, means the actual physical beginning of the use of activity for which the permit is required. Initiation does not include preparatory activities, such as movement of equipment onto the coastal use site, expenditure of funds, contracting out of work, or performing activities which by themselves do not require a permit. In addition, the permittee must, in good faith, and with due diligence, reasonably progress toward completion of the project once the coastal use has been initiated.
11. The following special conditions must also be met in order for the use to meet the guidelines of the Coastal Resources Program:

   a. This permit does not convey any property rights, mineral rights, or exclusive privileges; nor does it authorize injury to property.

   b. To mitigate for the unavoidable loss of 52.93 acres of Bottomland Hardwood habitat and 5.53 acres of Cypress Swamp habitat, the Office of Coastal Management (OCM) received documentation on 3/23/2017 that the permittee has
purchased the OCM required 79.0 acres of Bottomland Hardwood habitat credits and 7.7 acres of Cypress Swamp habitat credits from the Laurel Valley Mitigation Bank. This purchase will satisfy the requirements for compensatory mitigation and allow permittee to conduct the activities authorized under this permit.

c. The requirement for compensatory mitigation for impacts to marsh habitat resulting from the referenced project will be determined after one full growing season (March 1 to November 1) following the completion of the permitted activities. This assessment shall include both primary impacts and secondary impacts which may result from the permitted activities.

Permittee shall provide pre- and post-construction scaled aerial photographic documentation at a scale of 1:400 or 1 meter pixel resolution that clearly shows all vegetated wetlands occurring within the permitted project area. The pre- and post-construction photos should be at the same scale and should include a photo key that shows the location and direction of each photo. The post-construction documentation shall be acquired (photos actually taken) and submitted within 60 days of the end of the first full growing season following completion of the project. Permittee shall notify OCM of the date of completion of permitted activities within 5 working days of completion.

If OCM determines that compensatory mitigation is required, permittee shall submit a compensatory mitigation plan for approval within 30 days of notification of the compensatory mitigation requirements by OCM. All necessary approvals shall be obtained for the compensatory mitigation plan and the plan shall be implemented as directed by OCM. Permittee should be aware that compensatory mitigation projects may be required to be maintained for as many as 20 years for marsh mitigation projects and 50 years for forested wetland mitigation projects. A processing fee will be assessed for the determination of compensatory mitigation requirements and evaluation of the proposed compensatory mitigation plan in accordance with LAC Title 43, Part I, Chapter 7, §724.D. This fee shall apply regardless of which compensatory mitigation option is selected and does not include the cost incurred to implement the required compensatory mitigation.

d. All equipment utilized to perform activities authorized under this permit shall stay within the access routes and work areas designated on the permit plats utilizing the least damaging route and/or open water areas. Where access routes traverse vegetated wetlands, marsh buggy/tracked equipment access shall be limited to one pass ingress and one pass egress and shall not fall within the same tracts.

e. As-built drawings and/or plats shall have written on them the date of completion of said activities and shall be submitted to the Louisiana Department of Natural Resources, Office of Coastal Management, P.O. Box 44487, Baton Rouge, LA 70804-4487 within 30 days following project completion.

f. All logs, stumps and other debris encountered during dredging activities shall be removed from the site during or immediately after the activity and disposed of in accordance with all applicable laws and regulations.

g. All fill material shall be clean and free of contaminants and shall not contain hazardous materials such as asbestos or asbestos residue, shingles, tires, oil/grease residue, exposed rebar, protruding objects, etc.

h. No hydrocarbons, substances containing hydrocarbons, drilling mud, drilling cuttings, and/or toxic substances shall be allowed to enter adjacent waterways and wetlands.

i. All structures built under the authorization and conditions of this permit shall be removed from the site within 120 days of abandonment of the facilities for the herein permitted use, or when these structures fall into a state of disrepair such that they can no longer function as intended. This condition does not preclude the necessity for revising the current permit or obtaining a separate Coastal Use Permit, should one be required, for such removal activities.

j. If mats are utilized for the purpose of traversing vegetated wetlands, they shall be removed upon completion of
permitted activities and disposed in a State approved facility. No fill shall be used in association with board mat installation.

k. Pipelines authorized by this Coastal Use Permit shall be buried (or jetted or bored) and maintained with a minimum cover of 4' below the mudline of any open water areas or waterbody crossings. Note that maintenance activities necessary to maintain the required 4' of cover over the pipeline may require a new Coastal Use Permit.

l. The Louisiana Department of Wildlife and Fisheries (LDWF) has reviewed the application and offered the following recommendations:

Louisiana Natural Heritage Program (LNHP):
Our database indicates the presence of bird nesting colonies within one mile of this proposed project. Please be aware that entry into or disturbance of active breeding colonies is prohibited by the Louisiana Department of Wildlife and Fisheries (LDWF). In addition, LDWF prohibits work within a certain radius of an active nesting colony.

Nesting colonies can move from year to year and no current information is available on the status of these colonies. If work for the proposed project will commence during the nesting season, conduct a field visit to the worksite to look for evidence of nesting colonies. This field visit should take place no more than two weeks before the project begins. If no nesting colonies are found within 400 meters (700 meters for brown pelicans) of the proposed project, no further consultation with LDWF will be necessary.

If active nesting colonies are found within the previously stated distances of the proposed project, further consultation with LDWF will be required. In addition, colonies should be surveyed by a qualified biologist to document species present and the extent of colonies. Provide LDWF with a survey report which is to include the following information:

1. qualifications of survey personnel;
2. survey methodology including dates, site characteristics, and size of survey area;
3. species of birds present, activity, estimates of number of nests present, and general vegetation type including digital photographs representing the site; and
4. topographic maps and ArcView shapefiles projected in UTM NAD83 Zone 15 to illustrate the location and extent of the colony.

Please mail survey reports on CD to:
Louisiana Natural Heritage Program
La. Dept. of Wildlife & Fisheries
P.O. Box 98000
Baton Rouge, LA 70898-9000

To minimize disturbance to colonial nesting birds, the following restrictions on activity should be observed:

- For colonies containing nesting wading birds (i.e., herons, egrets, night-herons, ibis, roseate spoonbills, anhingas, and/or cormorants), all project activity occurring within 300 meters of an active nesting colony should be restricted to the non-nesting period (i.e., September 1 through February 15).

- For colonies containing nesting gulls, terns, and/or black skimmers, all project activity occurring within 400 meters (700 meters for brown pelicans) of an active nesting colony should be restricted to the non-nesting period (i.e., September 16 through April 1).

m. The Louisiana black bear (Ursus americanus luteolus) may occur in your general project area. It is a species of conservation concern in Louisiana and the LDWF Management Objective is to maintain a sustainable black bear population in suitable habitat for the benefit of the species and Louisianans. The Louisiana black bear utilizes a variety of habitat types, including forested wetlands, marsh, spoil banks, and upland forests. The primary threats to the species are fragmentation of remaining forested tracts, and humancaused mortality. Louisiana black bears, particularly pregnant females, normally den from December through April. Bears den in tree cavities or ground nests. Bald cypres (Taxodium distichum) and tupelo gum (Nyssa aquatica) with visible cavities, having a diameter at breast height of 36 inches or greater, and occurring in or along rivers, lakes, streams, bayous, sloughs, or other water bodies should
be protected. If construction is to be performed during the denning season, further consultation with this office will be necessary. We strongly urge workers and contractors to avoid bears, particularly if work is to be conducted during the non-denning season (April through December). Employees should be cautioned to not leave food or garbage in the field, as bears can become attracted and accustomed to human food easily. In addition, we recommend the use of bear proof garbage containers on site. If you have any questions please call LDWF Large Carnivore Program Manager Maria Davidson at 337-262-2080.

No other impacts to rare, threatened or endangered species or critical habitats are anticipated from the proposed project. No state or federal parks, wildlife refuges, wildlife management areas or scenic rivers are known at the specified site or within ¼ mile of the proposed project.

The Louisiana Natural Heritage Program (LNHP) reports summarize the existing information known at the time of the request regarding the location in question. LNHP reports should not be considered final statements on the biological elements or areas being considered, nor should they be substituted for on-site surveys required for environmental assessments. If at any time LNHP tracked species are encountered within the project area, please contact our biologist at 225-765-2643.

n. Permittee shall, prior to commencement of the herein permitted activities, contact Billy Wall (phone: 225-342-9423, email: billy.wall@la.gov) to determine if a construction permit will be required from the local levee district.

o. That a right-of-way grant be purchased from the Division of Administration, State Land Office prior to initiation of any construction activities.

p. Prior to commencement, Applicant contact Phil Boggan, State Historic Preservation Assistant Secretary, Louisiana Office of Cultural Development, to obtain any needed permits and/or other approval from that office under its program(s), and to require notification to the Office of Cultural Development if, at any time during the work, traditional cultural properties, historical and/or archaeological sites are discovered.

q. Permittee shall obtain a Water Quality Certification, should one be required, from the LA Department of Environmental Quality prior to initiation of any construction activities.

r. That permittee shall insure that all sanitary sewage and/or related domestic wastes generated during the subject project activity and at the site, thereafter, as may become necessary shall receive the equivalent of secondary treatment (30 mg/l BOD5) with disinfection prior to discharge into any of the streams or adjacent waters of the area or, in the case of total containment, shall be disposed of in approved sewerage and sewage treatment facilities, as is required by the State Sanitary Code. Such opinion as may be served by those comments offered herein shall not be construed to suffice as any more formal approval(s) which may be required of possible sanitary details (i.e. provisions) scheduled to be associated with the subject activity. Such shall generally require that appropriate plans and specifications be submitted to the Department of Health and Hospitals for purpose of review and approval prior to any utilization of such provisions.

s. The area where the project is located is all part of the aboriginal homelands of the Chitimacha Tribe of Louisiana. As such, large villages, burial sites, and sacred sites were in place in that entire area. If at any time during the course of the work, any traditional cultural properties are discovered, Permittee shall immediately contact Kimberly S. Walden (Cultural Director) or Melanie Aymond (Research Coordinator) at (337) 923-9923 or (337) 923-4395. Office hours are Monday through Thursday from 7:30 A.M. - 5:00 P.M. and on Friday between 7:30 A.M. - 11:30 A.M. If traditional cultural properties are discovered on the weekend or after business hours, the notification shall be made the next business morning.

t. Permittee is subject to all applicable state laws related to damages which are demonstrated to have been caused by this action.
u. Permittee shall allow representatives of the Office of Coastal Management or authorized agents to make periodic, unannounced inspections to assure the activity being performed is in accordance with the conditions of this permit.

v. Permittee shall comply with all applicable state laws regarding the need to contact the Louisiana One Call (LOC) system (1-800-272-3020) to locate any buried cables and pipelines.

w. This permit authorizes the initiation of the Coastal Use described under "Coastal Use Description" for two (2) years from the date of the signature of the Secretary or his designee. Initiation of the Coastal Use, for purposes of this permit, means the actual physical beginning of the use or activity for which the permit is required. Initiation does not include preparatory activities, such as movement of equipment onto the Coastal Use site, expenditure of funds, contracting out of work, or performing activities which by themselves do not require a permit. In addition, Permittee must, in good faith and with due diligence, reasonably progress toward completion of the project once the Coastal Use has been initiated. If the Coastal Use is not initiated within this two (2) year period, an extension may be granted pursuant to the requirements contained in the Rules and Procedures for Coastal Use Permits (Title 43:I.723.D.). Please note that a request for permit extension MUST be made no sooner than one hundred eighty (180) days and no later than sixty (60) days prior to the expiration of the permit.

The expiration date of this permit is five (5) years from the date of the signature of the Secretary or his designee. If the Coastal Use is not completed within this five (5) year period, an extension may be granted pursuant to the requirements contained in the Rules and Procedures for Coastal Use Permits (LAC 43:1.723(D)).

Upon expiration of this permit, a new Coastal Use Permit will be required for completion of any unfinished or uncommenced work items and for any maintenance activities involving dredging or fill that may become necessary. Other types of maintenance activities may also require a new Coastal Use Permit.

x. This determination does not eliminate the need to obtain a permit from the United States Army, Corps of Engineers or any other Federal, state or local approval that may be required by law. The drawings submitted with your referenced application are attached hereto and made a part of the record.

 ********************************** End of Conditions **********************************

By accepting this permit the applicant agrees to its terms and conditions.
I affix my signature and issue this permit this 3rd day of April, 2017.

THE DEPARTMENT OF NATURAL RESOURCES

[Signature]
Karl L. Morgan, Administrator
Office of Coastal Management

This agreement becomes binding when signed by Administrator of the Office of Coastal Management Permits/Mitigation Division, Department of Natural Resources.

Attachments
Final Plats:

10) P20160166 Final Plats 01/17/2017
1)  P20160166 Final Plats 03/02/2017
11) P20160166 Final Plats 01/17/2017
12) P20160166 Final Plats 01/17/2017
13) P20160166 Final Plats 01/17/2017
14) P20160166 Final Plats 01/17/2017
15) P20160166 Final Plats 01/17/2017
16) P20160166 Final Plats 01/17/2017
17) P20160166 Final Plats 01/17/2017
18) P20160166 Final Plats 01/17/2017
19) P20160166 Final Plats 01/17/2017
20) P20160166 Final Plats 01/17/2017
  2)  P20160166 Final Plats 03/02/2017
21) P20160166 Final Plats 01/17/2017
22) P20160166 Final Plats 01/17/2017
23) P20160166 Final Plats 01/17/2017
24) P20160166 Final Plats 01/17/2017
25) P20160166 Final Plats 01/17/2017
26) P20160166 Final Plats 01/17/2017
  3)  P20160166 Final Plats 03/02/2017
4)  P20160166 Final Plats 01/17/2017
5)  P20160166 Final Plats 01/17/2017
6)  P20160166 Final Plats 01/17/2017
7)  P20160166 Final Plats 01/17/2017
8)  P20160166 Final Plats 01/17/2017
9)  P20160166 Final Plats 01/17/2017

cc: Martin Mayer, COE w/attachments
Dave Butler, LDWF w/attachments
Les Rosso, State Land w/attachments
Elizabeth Hill, DEQ w/attachments
Coastal Protection and Restoration Authority, CPRA w/attachments
Steven Giambrone, DNR/OC w/attachments
Ernest Broussard, WCamPC w/attachments
Stephen Broussard, LED w/attachments
Channing Hayden, Jr., PortLC w/attachments
Lynn Hohensee, WCalcP w/attachments
Atchafalaya Basin Levee District, LD w/attachments
Clair Hebert, Other w/attachments
Jessica Diez, OCM w/attachments
Craig Leblanc, Rod Pierce, OCM/FI w/attachments
Saint James Parish w/attachments

BAYOU BRIDGE PIPELINE, LLC w/attachments