

NEWS RELEASE

U.S. ARMY CORPS OF ENGINEERS

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Army Corps reaches decision on Helis Oil & Gas permit application

NEW ORLEANS, LA – The U.S. Army Corps of Engineers, New Orleans District has issued a Department of the Army permit to Helis Oil & Gas Company, LLC to clear, grade, excavate and deposit fill for a security facility, three road bypasses, well pad, and ring levee for the purpose of installing and servicing an exploratory test well located north of Interstate 12 and east of LA Highway 1088, abutting the west side of Log Cabin Road, in St. Tammany Parish, Louisiana.

"This Department of the Army permit is for subsurface exploration of the proposed site," said Martin Mayer, Chief of the New Orleans District Regulatory Branch. "This permit does not allow installation of a well for the production of oil or natural gas."

On April 14, 2014, the New Orleans District published a public notice regarding a permit application for a 10.6 acre well pad to construct up to ten subsurface hydraulic fracturing production wells. After a geological review meeting, the New Orleans District suggested construction of a single exploratory well to assess the site's viability as an oil and gas production site. Helis Oil & Gas Company later submitted an amended permit application for the work now authorized with the Army Corp's June, 8, 2015 permit decision.

"Helis Oil & Gas would be required to submit another permit application should it decide to pursue a production well at this location in the future," said Mayer. "The data obtained from the exploratory well will be considered by the New Orleans District to inform any subsequent permit decision relative to the use of this site for obtaining fossil fuels."

The proposed project requires a Department of the Army permit under Section 404 of the Clean Water Act because the work will impact 3.13 acres of jurisdictional wetlands. In accordance with the Clean Water Act, any project applicant is required to avoid impacts if possible. If wetland impacts are unavoidable, the applicant must minimize impacts to the fullest extent practicable and implement an approved compensatory mitigation plan for those impacts

A copy of the permit can be downloaded from the Army Corps website at http://www.mvn.usace.army.mil/Portals/56/docs/regulatory/permits/Fracking/Helisprofferedpermit.pdf

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