

UNITED STATES GOVERNMENT  
MEMORANDUM

October 24, 2002

To: Public Information (MS 5034)  
From: Plan Coordinator, FO, Plans Section (MS  
5231)

Subject: Public Information copy of plan  
Control # - S-06030  
Type - Supplemental Development Operations Coordinations Document  
Lease(s) - OCS-G02724 Block - A 270 High Island Area  
Operator - NCX Company, L.L.C.  
Description - Well A (to be named C-1) and Caisson C  
Rig Type - JACKUP

Attached is a copy of the subject plan.

It has been deemed submitted as of this date and is under review for approval.

  
Karen Dunlap  
Plan Coordinator

Site Type/Name	Botm Lse/Area/Blk	Surface Location	Surf Lse/Area/Blk
CAIS/C		8495 FSL, 9816 FWL	G02724/HI/A 270
WELL/A	G02724/HI/A 270	8495 FSL, 9816 FWL	G02724/HI/A 270

NOTED - SCHEXNAILDRE

S-6030  
 RL

**SECTION A**

*Lease Description/Activity  
 Objective/Schedule  
 Location/Maps  
 Production Facilities  
 Drilling Unit*

**CONTENTS OF PLAN**

**LEASE DESCRIPTION/ACTIVITY**

NCX Company, L.L.C. is the designated operator of the subject oil and gas lease.

**OBJECTIVE/SCHEDULE**

This Supplemental Development Operations Coordination Document provides for the drilling and completion one exploratory well, installation of Platform C over the proposed surface location (to be re-named as Well No. C001), installation of a lease pipeline, and commencement of production from the target sands as detailed in Section C of this Plan.

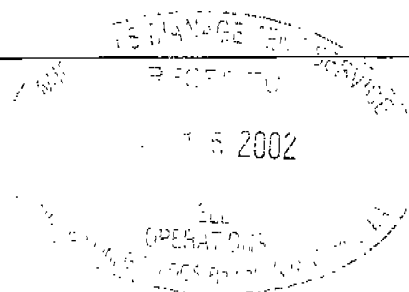
The following schedule details the proposed drilling, structural installations and commencement of production as provided for in this Plan.

Activity	Start Date	Completion Date
Drill, Complete, and Temporarily Abandon Well Location A	12-30-02	01-29-03
Install Platform C and Lease Pipeline	01-30-03	02-07-03
Commencement of Production from Lease OCS-G 2724, Well No. C001	02-08-03	01-31-11

**LOCATION/MAPS**

Included in this section as *Attachment A-1* is the Plan Information Form prepared in accordance with Appendix J of that certain Notice to Lessees (NTL 2000-G21). Also included as *Attachments A-2 and A-3* are the appropriate well/platform location plats and bathymetry map.

**BEST AVAILABLE COPY**





September 25, 2002

Mr. Donald C. Howard  
Regional Supervisor  
Office of Field Operations  
U.S. Department of the Interior  
Minerals Management Service  
1201 Elmwood Park Boulevard  
New Orleans, LA 70123-2394



RE: Supplemental Development Operations Coordination Document for Lease OCS-G 2724, High Island Block A-270, OCS Federal Waters, Gulf of Mexico, Offshore, Texas and Louisiana

Gentlemen:

In accordance with the provisions of Title 30 CFR 250.204 and that certain Notice to Lessees (NTL 2000-G21), NCX Company, L.L.C. hereby submits for your review and approval eight (8) copies of a Supplemental Development Operations Coordination Document (Plan) for Lease OCS-G 2724, High Island Block A-270, Offshore, Texas and Louisiana. Five (5) copies are "Proprietary Information" and three (3) copies are "Public Information".

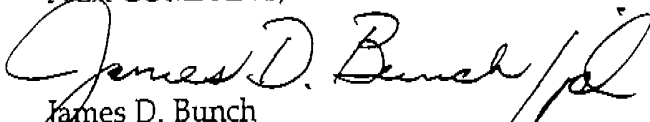
Excluded from the Public Information copies are certain geologic discussions, depths of well and structure map.

NCX anticipates activities will commence under this proposed Plan on approximately November 15, 2002.

Should additional information be required, please contact the undersigned, or our regulatory consultant, J. Connor Consulting, Inc., Attention: Judy Davidson at (281) 578-3388.

Sincerely,

NCX COMPANY, L.L.C.

  
James D. Bunch  
President

JDB:JAD:tmp  
Enclosures

**PUBLIC INFORMATION**

CONTROL No. 5-6030

REVIEWER: Karen Dunlap

PHONE: (504) 736-2535

NCX COMPANY, L.L.C.

SUPPLEMENTAL DEVELOPMENT OPERATIONS  
COORDINATION DOCUMENT

LEASE OCS-G 2724

HIGH ISLAND BLOCK A-270

SECTION A	<i>Contents of Plan</i>
SECTION B	<i>General Information</i>
SECTION C	<i>Geological, Geophysical &amp; H<sub>2</sub>S Information</i>
SECTION D	<i>Biological Information</i>
SECTION E	<i>Wastes and Discharge Information</i>
SECTION F	<i>Oil Spill Response and Chemical Information</i>
SECTION G	<i>Air Emissions Information</i>
SECTION H	<i>Environmental Report</i>
SECTION I	<i>CZM Consistency</i>

**BEST AVAILABLE COPY**

## CONTENTS OF PLAN

### SECTION A

*Lease Description/Activity*  
*Objective/Schedule*  
*Location/Maps*  
*Production Facilities*  
*Drilling Unit*

### LEASE DESCRIPTION/ACTIVITY

NCX Company, L.L.C. is the designated operator of the subject oil and gas lease.

### OBJECTIVE/SCHEDULE

This Supplemental Development Operations Coordination Document provides for the drilling and completion one exploratory well, installation of Platform C over the proposed surface location (to be re-named as Well No. C001), installation of a lease pipeline, and commencement of production from the target sands as detailed in Section C of this Plan.

The following schedule details the proposed drilling, structural installations and commencement of production as provided for in this Plan.

Activity	Start Date	Completion Date
Drill, Complete, and Temporarily Abandon Well Location A	11-15-02	12-15-02
Install Platform C and Lease Pipeline	12-16-02	12-24-02
Commencement of Production from Lease OCS-G 2724, Well No. C001	12-25-02	

### LOCATION/MAPS

Included in this section as *Attachment A-1* is the Plan Information Form prepared in accordance with Appendix J of that certain Notice to Lessees (NTL 2000-G21). Also included as *Attachments A-2 and A-3* are the appropriate well/ platform location plats and bathymetry map.

## *PRODUCTION FACILITIES*

The subject wells will be protected by a single-pile well protector structure to be designated as Platform C. A schematic of the proposed structure is included as *Attachment A-4*.

A lease pipeline will be installed to transport produced hydrocarbons full well stream from the subject structure to existing Platform B within High Island Block A-270. No new nearshore or onshore pipelines or facilities will be constructed.

Maintenance or repairs that are necessary to prevent pollution of offshore waters shall be undertaken immediately. The facility will be designed, installed and operated in accordance with current regulations, engineering documents incorporated by reference, and industry practices in order to ensure protection of personnel, environment and the facilities.

## *DRILLING UNIT*

Offshore exploratory and development activities are carried out from mobile drilling rigs. The five most common types of mobile rigs employed for exploratory drilling offshore are submersible drilling rigs, semi-submersible drilling rigs, jack-up drilling rigs, drillships, and drill barges.

The subject well will be drilled and completed using a non-gorilla type mobile drilling rig. When the actual rig is selected, copies of the appropriate specifications will be included with the individual Application for Permit to Drill.

In accordance with Title 30 CFR Part 250, Subpart O, an operator is to ensure Well Control Training is provided for lessee and contractor personnel engaged in oil and gas operations in the OCS Gulf of Mexico. Supervisory and certain designated personnel on-board the facility will be familiar with the effluent limitations and guidelines for overboard discharges into the receiving waters, as outlined in the NPDES General Permit GMG290000.

**BEST AVAILABLE COPY**

The operator is charged with the responsibility to not create conditions that will pose unreasonable risk to the public health, life, property, aquatic life, wildlife, recreation, navigation, commercial fishing, or other uses of the ocean. Some of these measures include installation of curbs, gutters, drip pans, and drains on drilling deck areas to collect all contaminants and debris.

The MMS is required to conduct onsite inspections of offshore facilities to confirm operators are complying with lease stipulations, operating regulations, approved plans, and other conditions; as well as to assure safety and pollution prevention requirements are being met. The National Potential Incident of Noncompliance (PINC) List serves as the baseline for these inspections. The MMS also inspects the stockpiles of equipment listed in the operator's approved Oil Spill Response Plan that would be used for the containment and cleanup of hydrocarbon spills.

OCS PLAN INFORMATION FORM  
(USE SEPARATE FORM FOR EACH LEASE)

EXPLORATION PLAN	DEVELOPMENT OPERATIONS COORDINATION DOCUMENT			X	DEVELOPMENT & PRODUCTION PLAN
OPERATOR:	NCX COMPANY, L.L.C.			ADDRESS:	641 PAPWORTH AVE., METAIRIE, LOUISIANA 70005
MS OPERATOR NO.:	02561				
CONTACT PERSON:	JUDY DAVIDSON			PHONE NO.:	(281) 578-3388
PROPOSED START DATE:	021115	RIG TYPE:	JU	DISTANCE TO CLOSEST LAND (IN MILES):	90
NEW OR UNUSUAL TECHNOLOGY	YES	NO	X	ONSHORE SUPPORT BASE(S):	CAMERON, LA
NARRATIVE DESCRIPTION PROPOSED ACTIVITIES:	DRILL AND COMPLETE ONE WELL, INSTALL PLATFORM AND LEASE PIPELINE, AND COMMENCE PRODUCTION.				
	PROJECT NAME, IF APPLICABLE: N/A				

PROPOSED WELL/STRUCTURE LOCATIONS

WELL / STRUCTURE NAME	SURFACE LOCATION				BOTTOM-HOLE LOCATION (FOR WELLS)		
Platform or Well X  Name: A	CALLS:	8495'	F S	Land	9816'	F W LOF	
	LEASE OCS BLOCK	G 0724		HIGH ISLAND	AREA		
		A-270					
	X:	3,673,591.31'				X:	
	Y:	254,015.00'				Y:	
	LAT:	28°23'45.001"				LAT:	
	LONG:	93°47'05.729"				LONG:	
	TVD (IN FEET):				MD (IN FEET):		WATER DEPTH (IN FEET): 165'

BEST AVAILABLE COPY



**PROPOSED LOCATION**

LOC'N	X COORDINATE	Y COORDINATE	LATITUDE	LONGITUDE	CALLS
A SURF	3,675,691.81'	254,015.00'	28° 25' 45.001"N	93° 47' 05.729"W	8,495.00' FSL 9,816.00' FWL

HIA270

OCS-G-02724

○ A SURF

NCX

TENNECO  
○<sup>3</sup>  
G2724

TENNECO  
○<sup>2</sup>  
G2724

B-DRILL  
■  
B-PROD  
TENNECO  
G2724

GRID NORTH

BEST AVAILABLE COPY

**PUBLIC INFORMATION**

Attachment A-2

**NCX COMPANY, L.L.C.**

**SUPPLEMENTAL DEVELOPMENT AND PRODUCTION PLAN**

OCS-G-2724  
BLOCK A-270 HIGH ISLAND AREA  
GULF OF MEXICO

**FUGRO CHANCE INC.**

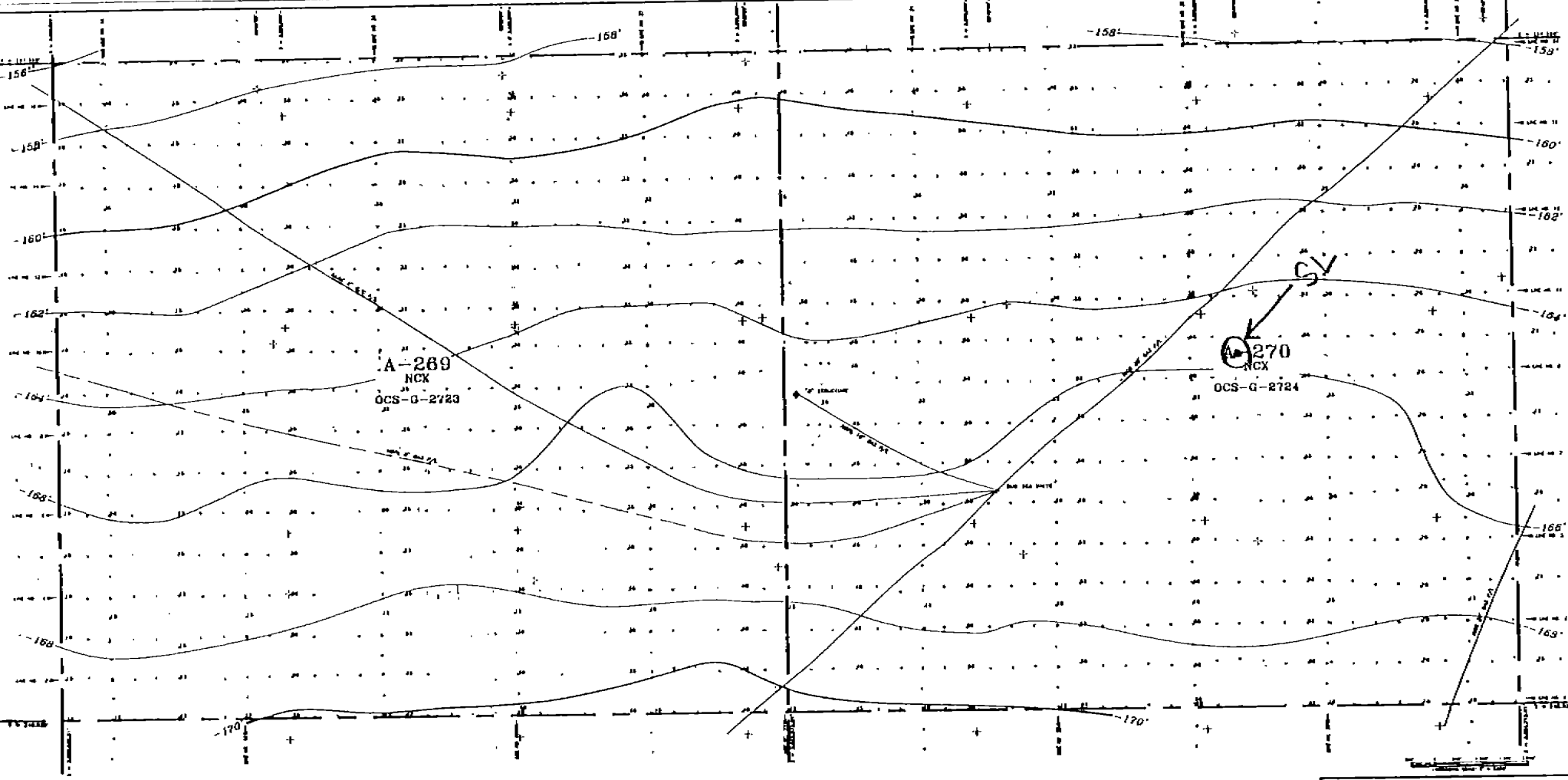


GEODETIC DATUM: NAD 1927  
PROJECTION: TEXAS SOUTH CENTRAL  
GRID UNITS: US SURVEY FEET

SCALE 0 2,000'  
IN FEET

Job No.: 02-2626	Date: 9/5/02	Drwn: YAG	Chart: Of:
Dwgfile: O:\CADBASE\WPERMIT\TXSOUTH\H\PERMIT\A270DPP			1 1

Attachment A-3

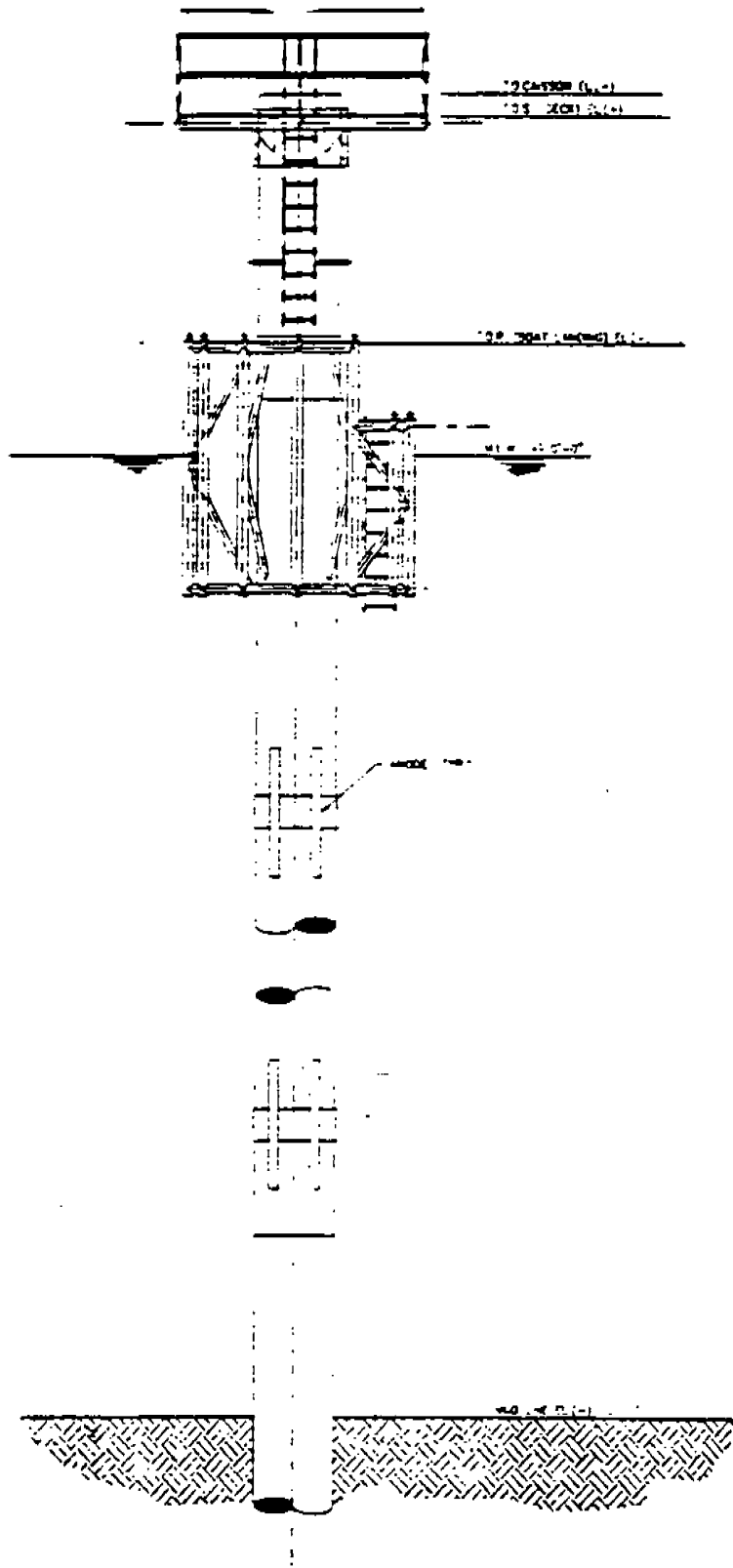


BEST AVAILABLE COPY

SHOT POINT & SHOT POINT No.  
 CONTOUR INTERVAL = 2 FEET  
 ZERO DATUM = SEA LEVEL

NOTES:  
 1 Datum: Clarke 1866 Spheroid Projection  
 Based South Central Zone.

<b>NCX</b> COMPANY, INC. NEW BALANCE, MA	
<b>BATHYMETRY MAP</b>	
OCS-G-2723, OCS-G-2724 BLOCKS A-289 & A-270 HIGH ISLAND AREA EAST ADDITION	
<b>oceanic</b> TECHNOLOGIES, INC.	FIELD DATA ACQUIRED: JULY 26 - JULY 27 1964
DRAWING NO. 000-1 DATE: 08-11-64 SCALE: AS SHOWN	SHEET NO. 2 OF 3 DATE: 08-11-64



48" CAISSON ELEV AND MAKE-UP  
 SCALE ——— NONE

BEST AVAILABLE COPY

## GENERAL INFORMATION

### SECTION B

Contact  
Project Name  
New or Unusual  
Technology  
Bonding Information  
Onshore Base and  
Support Vessels  
Lease Stipulations  
Special Conditions

### CONTACT

Inquiries may be made to the following authorized representative:

Judy Davidson  
J. Connor Consulting, Inc.  
16225 Park Ten Place, Suite 700  
Houston, Texas 77084  
(281) 578-3388  
e-mail address: [judy@jccteam.com](mailto:judy@jccteam.com)

### PROJECT NAME

NCX does not commonly refer to project names for their projects.

### NEW OR UNUSUAL TECHNOLOGY

NCX does not propose the use of any new or unusual technology in the activities provided for in this Plan.

### BONDING INFORMATION

In accordance with regulations contained in Title 30 CFR Part 256 and further clarified by that certain Notice to Lessees (NTL 00-G16) pertaining to general lease surety bonds, NCX has on file with the Minerals Management Service a \$3,000,000 Areawide Development Bond.

Additionally, that certain Notice to Lessees (NTL 98-18N) provides clarification on the method MMS utilizes to require additional security to cover full plugging, site clearance and other associated lease liabilities that may be in excess of the general lease surety bonds. These activities are reviewed on a case-by-case basis, and if deemed warranted, Minerals Management Service will provide such notification to NCX.

## ONSHORE BASE AND SUPPORT VESSELS

High Island Block A-270 is located approximately 90 miles from the nearest Texas shoreline and approximately 105 miles from the onshore support base located in Cameron, Louisiana. A Vicinity Plat showing the location of High Island Block A-270 relative to the shoreline and onshore base is included as *Attachment B-1*.

NCX will utilize onshore facilities located in Cameron, which serve as a port of debarkation for supplies and crews. No onshore expansion or construction is anticipated with respect to the proposed activities.

This base is capable of providing the services necessary for the proposed activities. It has 24-hour service, a radio tower with a phone patch, dock space, equipment and supply storage base, drinking and drill water, etc. The base will also serve as a loading point for tools, equipment and machinery to be delivered to the MODU, crew change and transportation base, and temporary storage for materials and equipment. The facilities typically include outdoor storage, forklift and crane service, dock, trailer facilities, and parking, as well as 24-hour service, and a radio tower with a phone patch.

Support vessels and travel frequency during the proposed drilling and production activities are as follows:

Support Vessel	Drilling and Completion Trips Per Week	Production Trips Per Week
Crew Boat	5	5
Supply Boat	3	3
Helicopter	10	10

Personal vehicles will be the main means of transportation to carry rig personnel from various locations to the Cameron area. They will then be transported to the MODU by the crew boat. A helicopter will be used to transport small supplies, and on occasion, personnel. The most practical, direct route permitted by the weather and traffic conditions will be utilized.

During the proposed operations, NCX and contractor personnel will be employed on the MODU conducting the drilling and potential completion activities. During these periods of time, approximately 35-50 personnel may be engaged in designated activities. Personnel engaged in onshore operations will be the dispatcher at the pre-determined support base, contract personnel for off loading equipment and materials required to support the activities, as well as the personnel needed to transport same to the offshore facility.

The proposed operations do not mandate any immediate measures for land acquisition or expansion of the existing onshore base facilities.

Dredging and filling operations will not be required for the operations, nor will any new construction or expansion of onshore facilities be involved for the operations proposed in this Plan.

#### *LEASE STIPULATIONS*

##### *MILITARY WARNING AREA*

The military warning area stipulation has been applied to blocks in military warning areas to mitigate potential multiple-use conflicts. The stipulation reduces potential impacts, primarily those associated with safety, by curtailing OCS operations and support activities in areas where military operations are being conducted. One of the requirements of this stipulation is that the operator notify the military prior to conducting oil and gas activities; and if required, enter into an agreement to provide for positive control of boats, ships, and aircraft operating into the warnings areas.

High Island Block A-270 is located within the designated Military Warning Area W-147AB. Therefore, in accordance with the requirements of the referenced stipulation, NCX will contact the 147<sup>th</sup> Fighter Wing in order to coordinate and control the electromagnetic emissions during the proposed operations.

**BEST AVAILABLE COPY**

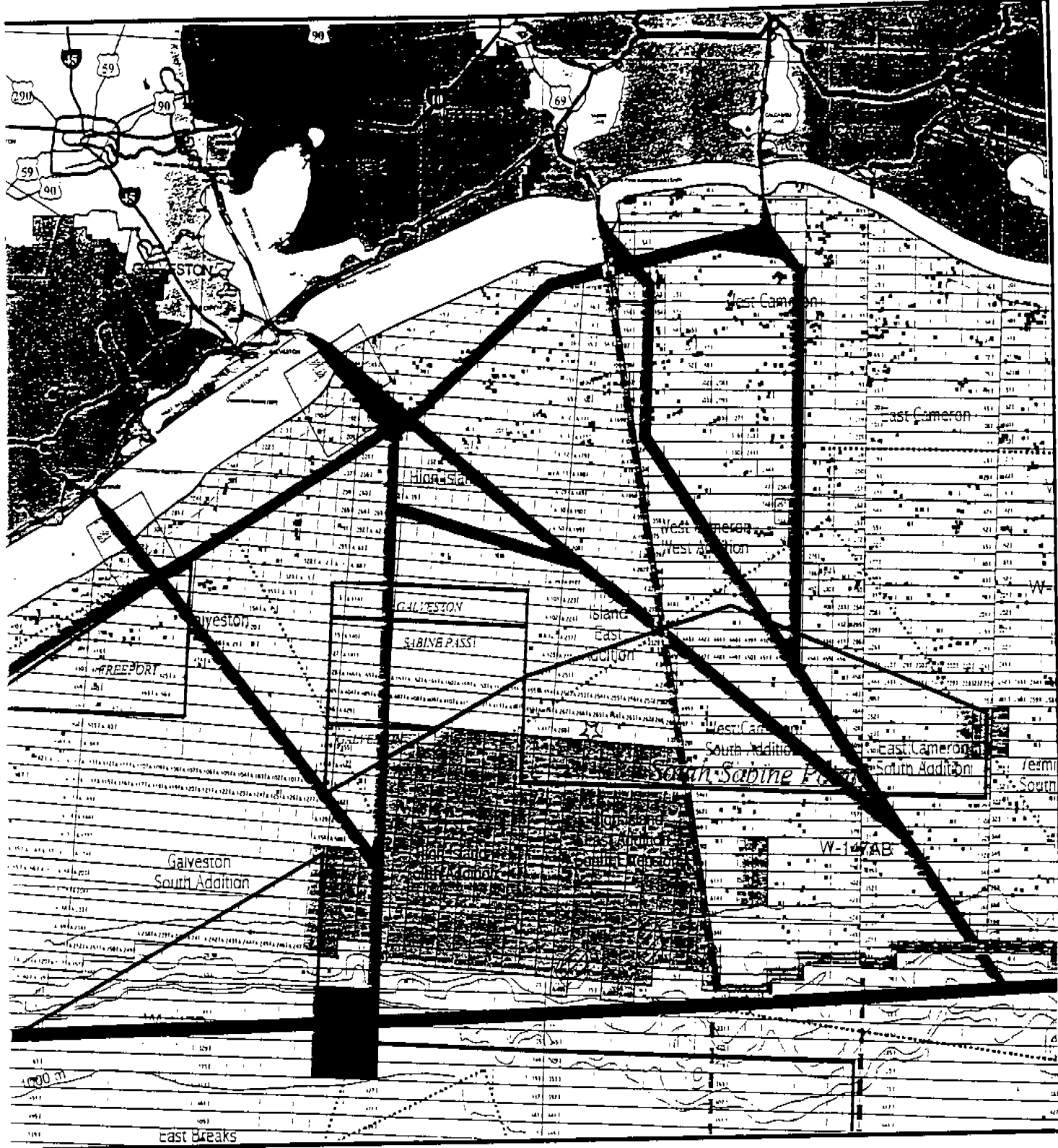
## *SPECIAL CONDITIONS*

Certain area of the Gulf of Mexico have been designated by the U.S. Coast Guard as lightering zones for the purpose of permitting single hull vessels to off-load oil within the U.S. Exclusive Economic Zone.

As defined in Title 33 CFR Part 156.300, there are currently four lightering zones established in the Gulf of Mexico: Southtex, Gulfmex No. 2, Offshore Pascagoula No. 2, and South Sabine Point.

High Island Block A-270 is located within the boundaries of South Sabine Point lightering zone.

NCX will exercise caution while conducting the proposed activities within this area.



90 MILES FROM THE NEAREST TEXAS SHORELINE AND 105 MILES FROM THE ONSHORE SUPPORT BASE LOCATED IN CAMERON, LOUISIANA.

NCX COMPANY, L.L.C.

HIGH ISLAND BLOCK A-270

VICINITY MAP

ATTACHMENT B-1

BEST AVAILABLE COPY



## G & G INFORMATION

### SECTION C

*Structure Contour Maps*  
*Trapping Features*  
*Depth of Geopressure*  
*Shallow Hazards and*  
*Interpreted Seismic Lines*  
*Geological Structure*  
*Cross Sections*  
*Shallow Hazards Report*  
*Shallow Hazards*  
*Assessment*  
*High Resolution Seismic*  
*Lines*  
*Stratigraphic Column*  
*Hydrogen Sulfide*  
*Information*

### STRUCTURE CONTOUR MAPS

Current structure maps drawn to the top of the prospective hydrocarbon accumulation showing the surface and bottom hole location of the subject well are included as *Attachments C-1 and C-2*.

### SHALLOW HAZARDS AND INTERPRETED SEISMIC LINES

Included, as *Attachment C-3* is a copy of the letter being submitted under separate cover this date depicting the high-resolution geophysical shallow hazards lines, migrated and annotated deep seismic lines within 500 feet of the surface location being proposed in this plan.

## ***GEOLOGICAL STRUCTURE CROSS-SECTIONS***

An interpreted geological cross-section showing the location and proposed depth is included as *Attachment C-4*, which corresponds to each seismic line being submitted under separate cover.

## ***SHALLOW HAZARDS REPORT***

Cochrane Technologies, Inc. conducted a survey across High Island Block A-270 during July 1994 on behalf of NCX. The purpose of the survey was to evaluate geologic conditions and inspect for potential hazards or constraints to lease development.

A request to utilize pre-existing hazards data was approved by Minerals Management Service on September 23, 2002. Copies of the report are being submitted to the Minerals Management Service under separate cover. The requested updates will be forwarded at a later date.

## ***SHALLOW HAZARDS ANALYSIS***

A shallow hazards analysis has been prepared for the proposed surface location, evaluating seafloor and subsurface geologic and manmade features and conditions, and is included as *Attachment C-5*.

## ***STRATIGRAPHIC COLUMN***

A generalized biostratigraphic/lithostratigraphic column from the seafloor to the total depth of the proposed well is included as *Attachment C-6*.

## ***TIME VERSUS DEPTH TABLES***

NCX has determined that there is existing sufficient well control data for the target areas proposed in this plan; therefore, tables providing seismic time versus depth for the proposed well locations are not required

**BEST AVAILABLE COPY**

## *HYDROGEN SULFIDE INFORMATION*

NCX is requesting the proposed target sands to be penetrated in the proposed wellbores be classified as absent of hydrogen sulfide.

---

COMPANY, INC. 

September 25, 2002

Mr. Donald C. Howard  
Regional Supervisor  
Office of Field Operations  
U.S. Department of the Interior  
Minerals Management Service  
1201 Elmwood Park Boulevard  
New Orleans, LA 70123-2394

Attention: Roger Corbeille

RE: High Resolution Geophysical Survey Report, Lease OCS-G 2724, High Island Block A-270, OCS Federal Waters, Gulf of Mexico, Offshore, Louisiana and Texas

Gentlemen:

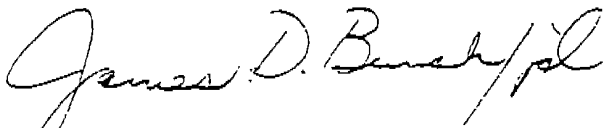
Enclosed please find one (1) set of the shallow hazards and deep seismic lines for the proposed surface location in Lease OCS-G 2724, Breton Sound Block 41.

Please be advised that NCX Company, L.L.C. has submitted under separate cover this date a Supplemental Development Operations Coordination Document for Lease OCS-G 2724, High Island Block A-270.

Should you have any questions concerning this data, please contact our regulatory consultant, J. Connor Consulting, Inc., Attention: Judy Davidson at (281) 578-3388.

Sincerely,

NCX COMPANY, L.L.C.



James D. Bunch  
President

JDB:JAD:tpm

BEST AVAILABLE COPY

Attachment C-3

## BIOLOGICAL INFORMATION

### **CHEMOSYNTHETIC INFORMATION**

The seafloor disturbing activities proposed in the Plan are in water depths less than 400 meters (1312 feet); therefore, this section of the plan is not applicable.

### **TOPOGRAPHIC FEATURES INFORMATION**

MMS and the National Marine Fisheries Service (NMFS) have entered into a programmatic consultation agreement for Essential Fish Habitat that requires that no bottom disturbing activities, including anchors or cables from a semi-submersible drilling rig, may occur within 500 feet of the no-activity zone of a topographic feature. If such proposed bottom disturbing activities are within 500 feet of a no activity zone, the MMS is required to consult with the NMFS.

The activities proposed in this plan are not affected by a topographic feature.

### **LIVE BOTTOM INFORMATION**

Certain leases in the northeastern Central Gulf of Mexico Planning Area and the Eastern Gulf of Mexico Planning Area are located in areas characterized by the existence of live bottoms. Live bottom areas are defined as seagrass communities; those areas (Pinnacle Trend) that contain biological assemblages consisting of sessile invertebrates living upon and attached to naturally occurring hard or rocky formations with rough, broken, or smooth topography; and areas where the lithotope favors the accumulation of turtles, fishes, or other fauna. These leases contain a Live Bottom (Pinnacle Trend) Stipulation to ensure that impacts from nearby oil and gas activities on these live bottom areas are mitigated to the greatest extent possible.

For each affected lease, the Live Bottom (Pinnacle Trend) Stipulation requires that you prepare a live bottom survey report containing a bathymetry map prepared by using remote sensing techniques. This report must be submitted to the Gulf of Mexico OCS Region (GOMR)

before you may conduct any drilling activities or install any structure, including lease term pipelines in accordance with NTL 99-G16.

High Island Block A-270 is not located within the vicinity of a proposed live bottom area.

BEST AVAILABLE COPY

**SECTION E**

**Wastes and Discharges**

**WASTES AND DISCHARGES INFORMATION**

The disposal of oil and gas operational wastes is managed by USEPA through regulations established under three Federal Acts. The Resource Conservation and Recovery Act (RCRA) provides a framework for the safe disposal of discarded materials, regulating the management of solid and hazardous wastes. The direct disposal of operational wastes into offshore waters is limited by USEPA under the authority of the Clean Water Act. And, when injected underground, oil and gas operational wastes are regulated by USEPA's third program, the Underground Injection Control program. If any wastes are classified as hazardous, they are to be properly transported using a uniform hazardous waste manifest, documented, and disposed at an approved hazardous waste facility.

A National Pollutant Discharge Elimination System (NPDES) permit, based on effluent limitation guidelines, is required for any discharges into offshore waters. The major discharges from offshore oil and gas exploration and production activities include produced water, drilling fluids and cuttings, ballast water, and uncontaminated seawater. Minor discharges from the offshore oil and gas industry include drilling-waste chemicals, fracturing and acidifying fluids, and well completion and workover fluids; and from production operations, deck drainage, and miscellaneous well fluids (cement, BOP fluid); and other sanitary and domestic wastes, gas and oil processing wastes, and miscellaneous discharges.

NCX has requested coverage under EPA Region VI NPDES General Permit GMG290000, which regulates overboard discharges, restrictions and limitations of waste generated from oil and gas operations in the Western Gulf of Mexico.

The types of discharges included in the permit application and the estimated average flow volumes are detailed below.

**Drilling Fluids** - Although drilling mud is generally recycled, excess mud is sometimes discharged overboard. The volume and rate of discharge depend upon downhole conditions. Volume is estimated from either pump rate and length of time, or from tank capacity if a bulk discharge occurs. The discharge of drilling fluids is classified as an intermittent discharge, with an estimated average flow of 250 barrels a day.

*Drill Cuttings* - The drill cuttings are separated from the mud through the use of solids control equipment. Cuttings discharge rates and volumes will vary during the duration of the well, and are measured by estimating the volume of hole drilled. Constituents of drill cuttings include sand, shale and limestone from the wellbore. The discharge of drilling cuttings is classified as an intermittent discharge, with an estimated average flow of 100 barrels a day.

*Excess Cement* - Occasionally, excess slurry will be generated while cementing casing strings. The volume of cement discharges is calculated by subtracting the volume inside the well from the total volume pumped downhole.

*Well Treatment, Completion or Workover Fluids* - These fluids (primarily seawater that has been circulated downhole) are sometimes discharged when in excess. The discharge of workover, treatment and completion fluids is classified as an intermittent discharge, with an estimated average flow of 300 barrels a day during the affected operations period. The volume is calculated as for excess cement.

*Sanitary and Domestic Waste* - The discharge of sanitary and domestic waste is classified as an intermittent discharge, with an estimated average flow of 40 barrels a day. The rate of discharge from the marine sanitation unit is approximately 25 gallons/man/day. An equal amount of domestic waste (from sinks, galleys, showers, laundries and ground food wastes) is normally discharged.

*Deck Drainage* - Consisting of rainwater and wash water with no free oil, the volume of deck drainage is calculated by multiplying average rainfall by exposed deck area.

*Uncontaminated Water* - This included non-contact cooling water, discharges from the firewater system, and freshwater maker blowdown. Ballast water, which is sometimes used to maintain the stability of a drilling rig, might also be discharges. These discharges are classified as miscellaneous discharges in the NPDES permit application.

*Produced Water from Well Testing* - This discharge would occur during the production test conducted during well drilling operations. Much of the produced water would be vaporized as the gas is burned. Excess water would be processed in a gravity separator and



discharged in accordance with the limitations and conditions of the applicable NPDES Individual Permit.

*Domestic wastes* such as wastewater originating from sinks, showers, laundries, and galleys are typically discharged overboard, and may be routed through a comminuter so that the discharge will not result in any floating solids. Sanitary wastes are composed of human body waste from toilets and urinals. The MODU and marine supply vessels are equipped with sewage treatment facilities. A typical MODU may discharge approximately 25 gal/man/day of domestic and treated sanitary waste. These wastes are expected to rapidly dilute and disperse.

*Rig wash and deck drainage* discharges are monitored for visual sheens, and in some instances by the oil and grease content. The quantities from the MODU should be relatively low during the proposed drilling and completion operations.

*Ballast water* used in the pre-loading of certain rig types is a one-time event, and is estimated to run at approximately 1,200,000 gallons. The seawater is isolated and not exposed to contaminants. Cooling water for the drilling rig is designed so there is no contact with machinery. It is expected that approximately 336,000 gallons per day will be discharged.

**Operational discharges from the supply vessels** include bilge and ballast waters and potential fuel oil releases. MARPOL 73/78 has significantly limited operational discharges. The support vessel may still discharge oily bilge water, but their treatment process must severely limit the oil content. Approximately 22,000 liters/day could potentially be discharged from these vessels.

*Wastes not discharged overboard will be transported to an appropriate treatment or disposal site, in accordance with all Federal, State and Local rules and regulations.*

Included as *Attachments E-1 and E-2* are the typical mud components used in the proposed activities, and the estimated quantity and rates of discharges applicable to the drilling fluids/cuttings based on hole size interval and washout.

Solid domestic wastes will be transported to shore for proper disposal at an authorized disposal site, and sewage will be treated on location by U. S. Coast Guard approved marine sanitation devices.

The major operational solid waste in the largest quantities generated from the proposed operations will be the drill cuttings, drilling and/or completion fluids. Other major wastes generated will include waste chemicals, cement wastes, sanitary and domestic waste, trash and debris, ballast water, storage displacement water, rig wash and deck drainage, hydraulic fluids, used oil, oily water and filters, and other miscellaneous minor discharges.

These wastes are generated into categories, being solid waste (trash and debris), nonhazardous oilfield waste (drilling fluids, nonhazardous waste including cement and oil filters), and hazardous wastes (waste paint or thinners).

MARPOL 73/78, implemented by the U.S. Coast Guard, requires preparation, monitoring and record keeping requirements for garbage generated on floating and fixed facilities in OCS Federal Waters. The drilling contractor will maintain a Waste Management Plan, in addition to preparation of a Daily Garbage Log for the handling of these types of waste. MODU's are equipped with bins for temporary storage of certain garbage. Other types of waste, such as food, may be discharged overboard if the discharge can pass through 25-millimeter type mesh screen. Prior to off loading and/or overboard disposal, an entry will be made in the Daily Garbage Log stating the approximate volume, the date of action, name of the vessel, and destination point.

**BEST AVAILABLE COPY**

**DRILLING FLUID ADDITIVES  
PRODUCT CROSS REFERENCE**

MILPARK	BARDID	M-I	DESCRIPTION
<b>WEIGHT MATERIALS</b>			
MIL-BAR	BAROID	M-I BAR	API bante, 4.2 specific gravity
DENSIMIX	BARODENSE	FER-OX	Macaceous nematite
W.O. 30	BARACARB	LO-WATE	Calcium carbonate
<b>VISCOSIFIERS</b>			
MILGEL	AQUAGEL	M-I GEL	API-grade Wyoming bentonite
MILGEL NT	AQUAGEL GOLD SEAL		Untreated Wyoming bentonite
SALTWATER GEL	ZEOGEL	SALT GEL	API-grade attapulgit
SUPER-COL	QUIK-GEL	KWIK-THIK	High-yield bentonite, treated
NEW-VIS			Organic polymer blend
XCD POLYMER	XCD POLYMER	XCD POLYMER	XC Dispersable
MIL-BEN	SHUR-GEL		Bentonite-OCMA Spec. DFCP4
<b>DEFLOCCULANTS</b>			
MIL-TEMP	THERMA-THIN DP	MELANEX-T	High-temperature deflocculant
NEW-THIN	THERMA-THIN	TACKLE (Liquid)	Polymeric deflocculant
UNI-CAL	Q-BROXIN	SPERSENE	Chrome lignosulfonate
UNI-CAL CF	Q-B II	SPERSENE CF	Chrome-free lignosulfonate
MIL-KEM	LIGNOX	RD 2000	Lime mud thinner
SAPP	SAPP	SAPP	Sodium acid pyrophosphate
OILFOS	BARAFOS	PHOS	Sodium tetraphosphate
MIL-THIN	THERMA-THIN	THIN X (Liquid)	Anionic copolymer thinner
<b>FILTRATION CONTROL AGENTS</b>			
BIO-LOSE			Modified polysacchande
CHEMTROL X	DURENEX	RESINEX	Polymer blend, high-temperature
FILTREX	BARANEX	RESINEX	Polyanionic lignin resin
LIGCO	CARBONOX	TANNATHIN	Lignite
LIGCON	CC-16	CAUSTILIG	Causticized lignite
MILSTARCH	IMPERMEX	MY-LO-GEL	Pregelatinized starch
NEW-TROL	POLYAC	SP-101	Sodium polyacrylate
PERMA-LOSE HT	DEXTRID	POLY-SAL	Nonfermenting starch, high-temp.
PYRO-TROL	THERMA-CHEK	POLY RX	Polymeric, high-temperature
KEM-SEAL	THERMA-CHEK		Copolymer, high-temperature
MIL-PAC	PAC R	POLYPAC	Polyanionic cellulose
MIL-PAC LV	PAC L	POLYPAC	Low-viscosity polyanionic cellulose
MILPARK CMC HV	CELLEX (High Vis)	CMC HV	Sodium carboxymethylcellulose
MILPARK CMC LV	CELLEX	CMC LV	Sodium carboxymethylcellulose
<b>CORROSION CONTROL CHEMICALS</b>			
MIL-GARD	NO-SULF	SULF-X	Basic zinc carbonate
MIL-GARD R	BARASCAV-L	SULF-X ES	Chelated zinc
NOXYGEN	COAT-888	OXYGEN	Oxygen scavenger
	BARACOR 113	SCAVENGER	
SCALE-BAN	SURFLO-H35	SI-1000	Scale inhibitor
	BARACOR 129		
AMI-TEC	BARA FILM	CONQOR 202	Film-forming amine
	BARACOR 300	CONQOR 101	
	COAT-B1400	CONQOR 303	
	COAT-C1815		
<b>CARBO-DRILL OIL MUD ADDITIVES</b>			
CARBO-MUL	INVERMUL NT	VERSAWET	Emulsifier (and wetting agent) primarily
	VERSACOAT		
CARBO-MUL HT	EZ MUL NT		High-temperature emulsifier and wetting agent
CARBO-TEC	INVERMUL	VERSAMUL	Emulsifier
CARBO-GEL	GELTONE II	VERSAGEL	Organophilic clay nectonte
CARBO-VIS	GELTONE II	VERSAMOD	Organophilic clay
CARBO-TROL		VERSATROL	Filtration control agent
CARBO-TROL A-9	DURATONE HT	VERSALIG	Nonasphaltic filtration control, high-temperature
SURF-COTE	DRILTREAT or OMC	VERSAWET	Oil wetting agent for oil muds
CARBO-MIX	DRILTREAT		Nonionic emulsifier, high-activity
CARBO-TEC HW			HW oil mud emulsifier

**DRILLING FLUID ADDITIVES  
PRODUCT CROSS REFERENCE**

MILPARK	BAROID	M-I	DESCRIPTION
<b>SHALE CONTROL ADDITIVES</b>			
ALPLEX			Aluminum complex
BIO-DRILL 1402			Oil mud alternative
NEW-DRILL	EZ MUD	POLY-PLUS	PHPA liquid
NEW-DRILL HP			Powdered PHPA
NEW-DRILL PLUS	EZ MUD DP		Powdered PHPA
SHALE-BOND	SHALE-BAN	HOLECOAT	Resinous shale stabilizer
PROTECTOMAGIC			Oil-soluble blown asphalt
PROTECTOMAGIC M	AK-70	STABIL-HOLE	Water-dispersants. Blown asphalt
<b>SPOTTING FLUIDS</b>			
BLACK MAGIC			Oil-base spotting fluid
BLACK MAGIC LT	EX SPOT		Low toxicity oil-base spotting fluid
BLACK MAGIC SFT		OIL-FAZE	Oil-base spotting fluid concentrate
MIL-FREE	SCOT-FREE/ ENVIRO-SPOT	PIPE-LAX	Liquid spotting fluid
BIO-SPOT	ENVIRO-SPOT		Nontoxic water-base spotting fluid
BIO-SPOT II			Nontoxic water-base spotting fluid
MIL-SPOT 2	SCOT-FREE	PIPE-LAX W	Weighted (oil-base) spotting fluid concentrate
<b>LUBRICANTS</b>			
AQUA-MAGIC			Low-toxicity lubricant
LUBRI-FILM	EP MUDLUBE	E.P. LUBE	Extreme-pressure lubricant
MIL-LUBE		LUBE-106	General lubricant
<b>DETERGENTS/FOAMERS</b>			
AMPLI-FOAM	DRILFOAM	FOAMER 80	Mist and stiff foaming agent
MIL CLEAN	BAROID RIG WASH BARA-KLEAN	KLEEN-UP	Biodegradable detergent
MILPARK MD	CON-DET	DD	Drilling detergent
<b>DEFOAMING AGENTS</b>			
LD-8	BARA DEFOAM	DEFOAM-X	Hydrocarbon-base defoamer
W.O. DEFOAM	BARA BRINE DEFOAM	DEFOAM-A	Alcohol-base, saltwater muds
ALUMINUM STEARATE	Aluminum Stearate	Aluminum Stearate	Aluminum Stearate
<b>LOST-CIRCULATION MATERIALS</b>			
CHEK-LOSS			Seepage loss control differential sticking preventative
MIL-CEDAR FIBER	PLUG-GIT	M-I CEDAR FIBER	Cedar fiber
MIL-FIBER	FIBERTEX	M-I FIBER	Fiber blend
MILFLAKE	JELFLAKE	FLAKE	Shredded cellophane flake
MILMICA	MICATEX	MICA	(Muscovite) mica graded
MIL-PLUG		NUT PLUG	Ground pecan shells
MIL-SEAL	BARO-SEAL	KWIK SEAL	Blended lost-circulation material
COTTONSEED HULLS	Cottonseed Hulls	Cottonseed Hulls	Cottonseed Hulls
PAPER			Ground paper
WALNUT SHELLS	WALL-NUT		Ground walnut shells
MAGNE-SET			Acid-soluble cement
<b>WORKOVER AND COMPLETION FLUID ADDITIVES</b>			
MUD-PAC	COAT-44 & 45	CONQOR 404 X-CORE	Corrosion (packer fluid) inhibitor
BRINE-PAC	BARACOR-A		Corrosion inhibitor clean brine fluids
W.O. 21L	LIQUI-VIS	VIS-L	Liquid HEC polymer
<b>PRESERVATIVES</b>			
DRYOCIDE			Dry (biodegradable) biocide
X-CIDE 207	BARA B466	BACBAN II & III	Biocide

X-CIDE 207 is a registered trademark of Petrotite Corporation.  
 DRYOCIDE is a registered trademark of Nalco Chemical Company  
 XCD (in XCD POLYMER) is a registered trademark of Marck & Co., Inc.  
 OILFOS is a registered trademark of Monsanto Company.

**BEST AVAILABLE COPY**

**SECTION F**

*Oil Spill Response  
Chemical Information*

**OIL SPILL RESPONSE AND CHEMICAL INFORMATION**

NCX Company, L.L.C. (NCX) is the only entity covered in their Regional Oil Spill Response Plan (OSRP) approved on April 12, 2002. Activities proposed in this Development Operations Coordination Document (DOCD) will be covered by the Regional OSRP.

NCX's primary equipment provider is Clean Gulf Associates (CGA). CGA will provide closest available personnel, as well as an operations supervisor to operate the equipment.

In the event of a spill, mechanical response equipment located in CGA's bases located in Houma, Lake Charles and Galveston would be transported to a staging area in Cameron, Louisiana.

The worst case discharge (WCD) proposed in this DOCD is 1000 barrels, and does not supersede the WCD scenario in our Regional OSRP as shown below:

Category	Regional OSRP WCD	DOCD WCD
Type of Activity	Production	Drilling
Spill Location (Area/Block)	EI 349	HI A-270
Facility Designation	Platform "B"	MODU
Distance to Nearest Shoreline (miles)	90	90
Volume	1146 bbls	150 bbls
Type of Oil (crude, condensate, diesel)	Crude	Condensate
API Gravity	37°	50°

Since NCX has the capability to respond to the WCD spill scenario included in its Regional OSRP approved on April 12, 2002, and since the WCD scenario determined for our DOCD does not replace the WCD scenario in our Regional OSRP, I hereby certify that NCX has

the capability to respond, to the maximum extent practicable, to a WCD resulting from the activities proposed in our DOCD.

## AIR EMISSIONS INFORMATION

### SECTION G

#### *Air Emission Information*

Offshore air emissions related to the proposed activities result mainly from the drilling rig operations, helicopters and service vessels. These emissions occur mainly from combustion or burning of fuels and natural gas and from venting or evaporation of hydrocarbons. The combustion of fuels occurs primarily on diesel-powered generators, pumps or motors and from lighter fuel motors. Other air emissions can result from catastrophic events such as oil spills or blowouts.

Primary air pollutants associated with OCS activities are nitrogen oxides, carbon monoxide, sulphur oxides, volatile organic compound, and suspended particulate.

Included in this section is the Projected Air Quality Emissions Report prepared in accordance with Appendix H of that certain Notice to Lessees (No. 2000-G21) addressing drilling and completion operations, construction activities related to installation of the platform and pipeline, and associated production emissions.

**BEST AVAILABLE COPY**

DOC'D AIR QUALITY SCREENING CHECKLIST

OMB Control No. xxxx-xxxx  
Expiration Date: Pending

COMPANY	NCX COMPANY, L.L.C.
AREA	HIGH ISLAND
BLOCK	A-270
LEASE	OCS-G 2724
PLATFORM	C
WELL	A
COMPANY CONTACT	JUDY DAVIDSON
TELEPHONE NO.	(281) 578-3388
REMARKS	DRILL AND COMPLETE ONE WELL, INSTALL PLATFORM C AND LEASE PIPELINE, AND COMMENCE PRODUCTION.

"Yes"	"No"	Air Quality Screening Questions
	X	1. Is the concentration of H <sub>2</sub> S expected greater than 20 ppm?
	X	2. Is the burning of produced liquids proposed?
	X	3. Is gas flaring or venting which would require Regional Supervisor of Production and Development approval under Subpart K proposed?
	X	4. Does the facility process production from 8 or more active wells?
	X	5. Is the facility within 200km of the Breton Area?
	X	6. Will the proposed activity be collocated at (same surface location), or bridge attached to, a previously approved facility?
	X	7. Is the proposed activity within 25 miles of shore?
	X	8. Are semi-submersible activities involved and is the facility within 75 miles of shore?
	X	9. Are drillship operations involved and is the facility within 145 miles of shore?

If ALL questions are answered "No":

Fill in the information below about your lease term pipelines and submit only this coversheet with your plan.

If ANY question is answered "Yes":

Prepare and submit a full set of spreadsheets with your plan.

LEASE TERM PIPELINE CONSTRUCTION INFORMATION:		
YEAR	NUMBER OF PIPELINES	TOTAL NUMBER OF CONSTRUCTION DAYS
2002	1	6
2003		
2004		
2005		
2006		
2007		
2008		
2009		



*SECTION H*

*Environmental  
Information*

ENVIRONMENTAL INFORMATION

An Environmental Report is not required for the proposed supplemental development operations.

## COASTAL ZONE CONSISTENCY CERTIFICATION

### SECTION I

#### *Coastal Zone Consistency Certification*

Issues identified in the Louisiana and Texas Coastal Zone Management Programs include the following: general coastal use guidelines, levees, linear facilities (pipelines); dredged soil deposition; shoreline modifications, surface alterations, hydrologic and sediment transport modifications; waste disposal; uses that result in the alteration of waters draining into coastal waters; oil, gas or other mineral activities; and air and water quality.

Certificates of Coastal Zone Management Consistency for the States of Louisiana and Texas are not required for the supplemental development activities.

**BEST AVAILABLE COPY**