UNITED STATES DEPARTMENT OF THE INTERIOR MINERALS MANAGEMENT SERVICE

Gulf of Mexico OCS Region

New Orleans, Louisiana

FINAL

SITE-SPECIFIC ENVIRONMENTAL ASSESSMENT ENDANGERED SPECIES / STRUCTURE REMOVAL

ES/SR No. 05-074

Assessment of the Environmental Impacts of the Proposal to Remove Caisson #27 in South Marsh Island Area, Block 217
Lease OCS-00310
by Chevron U.S.A., Inc.

Date Submitted: April 20, 2005

Commencement Date: July 2005

Prepared by:

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SITE-SPECIFIC ENVIRONMENTAL ASSESSMENT/FONSI/EIS DETERMINATION

Chevron U.S.A., Inc.'s application to use non-explosive methods to remove Caisson #27 in South Marsh Island Area, Block 217, OCS-00310, has been reviewed. Our SEA, ES/SR 05-074, on the subject action is complete and results in a Finding of No Significant Impact. Based on the conclusions of the SEA, there is no evidence to indicate that the proposed action will significantly (40 CFR 1508.27) affect the quality of the human environment. Preparation of an environmental impact statement is not required. Mitigation is imposed to ensure environmental protection, consistent environmental policy and safety as required by the National Environmental Policy Act (NEPA), as amended; or measures needed for compliance with 40 CFR 1500.2(f) regarding the requirement for Federal agencies to avoid or minimize any possible adverse affects of their actions upon the quality of the human environment.

The operator will comply with NTL No. 2003-G10 Vessel Strike Avoidance and Injured/Dead Protected Species Reporting. It can be accessed on the web at: http://www.gomr.mms.gov/homepg/regulate/regs/ntlltl.html

The operator will comply with NTL No. 2003-G11 Marine Trash and Debris Awareness and Elimination. It can be accessed on the web at: http://www.gomr.mms.gov/homepg/regulate/regs/ntlltl.html

Richard E. Defenbaugh

April 25, 2005

INTRODUCTION AND BACKGROUND

The purpose of this Site-Specific Environmental Assessment (SEA) is to assess the specific impacts associated with proposed structure-removal activities. This SEA implements the tiering process outlined in 40 CFR 1502.20, which encourages agencies to tier environmental documents and eliminates repetitive discussions of the same issue. The SEA is based on a Programmatic Environmental Assessment (PEA) (USDOI, MMS 1987) which evaluates a broader spectrum of potential impacts resulting from the removal of structures (e.g., platforms/caissons across the central and western planning areas of the Gulf of Mexico [GOM] Outer Continental Shelf). This SEA conforms to the Minerals Management Service (MMS) and other appropriate guidelines for preparing environmental assessments by tiering to the PEA, to the most recent Final Environmental Impact Statements (FEIS) for the Central and Western Planning Areas, and by use of reference to related environmental documents. It presents site-specific data regarding the proposed structure removal activities and evaluates the potential impacts. Mitigation measures are contained in this document to lessen potential impacts. Preparation of this SEA has allowed the determination of whether a Finding of No Significant Impact (FONSI) is appropriate or whether further assessment of the proposal is necessary.

I. DESCRIPTION AND NEED FOR THE ACTION

Chevron U.S.A., Inc. proposes to non-explosively remove Caisson #27 in South Marsh Island Area, Block 217, Lease OCS-00310. The structure is located at a water depth of 14 feet, and lies approximately 8 miles from the nearest Louisiana shoreline, and 22 miles from the onshore support base in Intracoastal City, Louisiana. The operator will abrasively remove all casing, wellhead equipment, and piling to a depth of at least 15 feet below the mudline.

A discussion of the legal and regulatory mandates to remove abandoned oil and gas structures from Federal Waters can be found in the PEA. According to the operator, the structure will be removed because the wells are no longer economical to produce.

Since explosives will not be utilized during the proposed removal activities, MMS has determined that sea turtles and marine mammals will not be affected. A Section 7 Consultation under the Endangered Species Act, as amended, will not be initiated.

II. ALTERNATIVES TO THE PROPOSED ACTION

MMS initially discussed various structure-removal techniques in the Final Environmental Impact Statement (FEIS) for Proposed Oil and Gas Lease Sales 118 and 122 (USDOI, MMS, 1988) and in the PEA. Updated information is found in the FEIS for Gulf of Mexico OCS Oil and Gas Lease Sales: 2003-2007 (USDOI, MMS, 2002). Refer to the FEIS (USDOI, MMS, 1988 and 2002) and PEA for detailed information concerning alternative methods of structure removal. Alternatives to the proposed structure removal with mitigation originally submitted are:

A. NON-REMOVAL OF THE STRUCTURE

The alternative to the proposed structure removal as originally submitted is non-removal. Non-removal of the structure would represent a conflict with Federal legal and regulatory requirements, which mandate the timely removal of obsolete or abandoned structures within a period of one year after termination of the lease, or upon termination of a right-of-use and easement. Therefore, non-removal is not an acceptable alternative.

B. REMOVAL OF THE STRUCTURE AS PROPOSED WITH ADDED MITIGATION

Measures that Chevron U.S.A., Inc. proposes to limit potential environmental effects are discussed in the structure removal application incorporated herein by reference (Chevron U.S.A., Inc., 2005). Outer Continental Shelf Operating Regulations, Notices to Lessees and Operators, and other regulations and laws were identified throughout this assessment as existing mitigation for potential environmental effects associated with the proposed structure removal application. Additional information can be found in the PEA.

The operator will comply with NTL No. 2003-G11 Marine Trash and Debris Awareness and Elimination. It can be accessed on the web at: http://www.gomr.mms.gov/homepg/regulate/regs/ntlltl.html

The following mitigative measures will be included in MMS's approval of the proposed structure removal to ensure environmental protection, consistent environmental policy, and safety as required by the National Environmental Policy Act:

The operator will comply with NTL No. 2003-G10 Vessel Strike Avoidance and Injured/Dead Protected Species Reporting. It can be accessed on the web at: http://www.gomr.mms.gov/homepg/regulate/regs/ntlltl.html

III. ENVIRONMENTAL EFFECTS, SOCIOECONOMIC CONCERNS, AND OTHER CONSIDERATIONS.

In accordance with *The National Environmental Policy Act (NEPA) of 1969, as amended (Pub. L. 91-190, 42 U.S.C. 4321-4347, January 1, 1970, as amended by Pub. L. 94-52, July 3, 1975, Pub. L. 94-83, August 9, 1975, and Pub. L. 97-258, ? 4[b], Sept. 13, 1982)* and the Council on Environmental Quality (CEQ) implementing regulations (40 CFR Sec. 1502.15) *Affected Environment*, the following potential environmental effects were identified from the proposed action. Mitigative measures are included to eliminate or reduce the potential effect from the proposed activities to a level of insignificance as described in 40 CFR Sec. 1508.27

A. PHYSICAL ENVIRONMENT

A discussion of environmental geology, geologic hazards, meteorological conditions, physical and chemical oceanography, water quality and air quality can be found in the PEA. The proposed structure-removal activities are not in an area of sediment instability (mud flows,

slumps, or slides). Other potential impacts from the proposed activities to the physical environment have been considered, but were deemed insignificant (40 CFR 1508.27) and are not discussed in this SEA.

B. BIOLOGICAL ENVIRONMENT

A discussion of coastal habitats, protected, endangered and threatened species (birds, marine mammals, and sea turtles), and sensitive marine habitats are discussed in the PEA. The PEA delineates sensitive areas along the Texas coastline where whooping cranes and brown pelicans could be adversely impacted by structure-removal support activities. Since the operator will use a shore base in Intracoastal City, Louisiana, no impacts to these sensitive areas are expected.

A discussion of marine mammals occurring across the Gulf of Mexico (GOM) and an assessment of the potential impacts of structure-removal activities on marine mammals can be found in the PEA. Fritts et al. (1983) conducted aerial surveys across a 9,514 square-mile area of GOM waters. Results of these surveys indicate that the bottlenose dolphin is by far the most likely marine mammals to be encountered in the GOM. Since the proposed structure removal will not utilize explosives, no significant impacts are expected on marine mammals.

A discussion of sea turtles occurring across the central and western GOM and an assessment of the potential impacts of structure-removal activities on sea turtles can be found in the PEA. Studies by Fritts et al. (1983) and Fuller and Tappan (1986) as well as stranding data from the Sea Turtle Stranding and Salvage Network (Teas 1995) indicate that sea turtles may occur in the vicinity of the proposed activities and therefore could be impacted by the structure-removal operations. Definitive information on the probability of encountering sea turtles at the removal site during explosive operations is scarce. Since the proposed structure removal will not utilize explosives, no significant impacts are expected on sea turtles.

Other potential impacts from the proposed activities to the biological environment have been considered, but were deemed insignificant (40 CFR 1508.27) and are not discussed in this SEA.

C. OTHER CONSIDERATIONS

A discussion of socioeconomic, commercial and recreational fisheries, archaeological resources, military warning areas, explosive dumping areas, navigation and shipping areas, pipelines, cables, other mineral uses, and health and human safety can be found in the PEA referenced in the Introduction.

Other environmental effects have been considered, but potential impacts from the proposed activities were deemed insignificant (40 CFR 1508.27) and are not discussed further in this SEA.

MMS continues to consider the overall impacts of structure removals on commercial fishing to be low. MMS policy of encouraging an active rigs-to-reefs program will help to offset cumulative structure-removal impacts to fisheries resources.

D. UNAVOIDABLE ADVERSE IMPACTS

A discussion of unavoidable adverse impacts can be found in the PEA. Two areas of ongoing concern have been the potential impact to protected, threatened, and/or endangered species and potential loss of habitat to the marine environment. Both topics are discussed in the PEA and previously in this document. A more recent issue of concern has surfaced regarding the impacts of explosive structure-removals on reef fish stocks. Although the impacts to commercial and recreational fisheries are considered to be low, further studies information about this issue will be available in the future. Other unavoidable adverse impacts are considered to be minor.

IV. PUBLIC OPINION

A discussion of public concerns regarding structure removals can be found in the PEA. No public comments have been received regarding the proposed structure-removal operations.

V. CONSULTATION AND COORDINATION

In accordance with the provisions of Section 7 of the Endangered Species Act, as amended, the proposed structure-removal operations do not require coordination with NOAA Fisheries.

VI. BIBLIOGRAPHY AND SPECIAL REFERENCES

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VII. PREPARER

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