UNITED STATES GOVERNMENT
MEMORANDUM

December 21, 2005

To: Public Information (MS 5030)

From: Plan Coordinator, FO, Plans Section (MS 5231)

Subject: Public Information copy of plan

Control #	-	N-08644
Type	-	Initial Development Operations Coordinations Document
Lease(s)	-	OCS-G21163 Block - 161 Mississippi Canyon Area
Operator	-	Walter Oil & Gas Corporation
Description	-	Well SS001ST01BP01
Rig Type	-	Not Found

Attached is a copy of the subject plan.

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

Robert Stringfellow
Plan Coordinator

Site Type/Name	Botm Lse/Area/Blk	Surface Location	Surf Lse/Area/Blk
WELL/SS001	G21163/MC/161	1846 FNL, 821 FWL	G21163/MC/161

DEC 22 2005

WALTER OIL & GAS CORPORATION

December 12, 2005

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: Initial Development Operations Coordination Document
Lease OCS-G 21163, Mississippi Canyon Block 161
OCS Federal Waters, Gulf of Mexico, Offshore, Louisiana and Mississippi

Gentlemen:

In accordance with the provisions of Title 30 CFR 250.203, NTL 2003-G17 and NTL 2005-G12, Walter Oil & Gas Corporation hereby submits for your review and approval one (1) hard copy of an Initial DOCD (Plan) for Lease OCS-G 21163, Mississippi Canyon Area, Block 161, Offshore Louisiana and Mississippi. One (1) hard copy is "Proprietary Information" and one (1) copy is for "Public Information". There are two (2) CD-ROM's in a PDF format for MMS Public and Proprietary copies and three (3) CD's for the States of Louisiana and Mississippi CZM Offices and the State of Mississippi Governor's Office.

Excluded from the Public Information copies are certain Geologic discussions, depths of well(s) and structure maps.

Walter anticipates commencing production approximately July 1, 2006.

Should additional information be required, please contact the undersigned at 713/659-1221.

Sincerely,

WALTER OIL & GAS CORPORATION

Judy Archer /kc

Judy Archer
Regulatory / Environmental Coordinator

PUBLIC INFORMATION

JA:KC

Enclosures

Walter Oil & Gas Corporation
Initial Development Operations Coordination Document
Mississippi Canyon Area, Block 161
Lease OCS-G 21163
December 12, 2005

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Appendix A
CONTENTS OF PLAN

In accordance with 43 CFR 2.13 (c)(9), those items considered proprietary have been omitted from the Public Information copy and have been referenced accordingly.

A. LEASE DESCRIPTION / ACTIVITY

Walter Oil & Gas Corporation (Walter) is the designated operator of Lease OCS-G 21163, Mississippi Canyon Block 161.

Under this Initial Development Operations Coordination Document (DOCD), Walter Oil & Gas plans install a 4.5-inch right-of-way pipeline with hydraulic control umbilical from Well SS001ST01BP01 in Mississippi Canyon Block 161 to BP's "Pompano" platform (Complex ID No. 24130-1) in Viosca Knoll Block 989.

Attachment A-1 is an OCS Information Form with details of the commencement of production as provided for in this Plan along with a tentative schedule.

B. LOCATION / MAPS

Included in this section is the Well Location Map **(Attachment A-2)**. The map shows the surface location(s) of all existing well(s). The existing bottom hole location(s), depth of well(s) (MD and TVD) and the associated water depths for each well are provided in tabular format. Please note, bottom hole locations, MD & TVD depths are omitted from the Public Information Copy.

C. DRILLING

No new drilling operations are being proposed in this plan.

D. PRODUCTION FACILITY

A drawing of the existing subsea tree is enclosed as **Attachment A-3**.

There will be no surface facilities installed under this Plan.

Safety features will include well control, pollution prevention, welding procedure, and blowout prevention equipment as described in Title 30 CFR Part 250, Subparts C, D, E, G and O; and as further clarified by MMS Notice to Lessees, and current policy making invoked by the MMS.

As mentioned above, Well No. SS001ST00BP00 will be produced via a 4.5-inch right-of-way pipeline and new control umbilical terminating at BP's "Pompano" platform (Complex ID No. 24130-1) in Viosca Knoll Block 989.

No new nearshore or onshore pipelines or facilities will be constructed.

ATTACHMENT A-1

U.S. Department of the Interior
Minerals Management Service

OMB Control Number: 1010-0151
OMB Approval Expires: July 31, 2008

OCS PLAN INFORMATION FORM

General Information

Type of OCS Plan:		Exploration Plan (EP)	**X**	Development Operations Coordination Document (DOCD)	
Company Name:	**Walter Oil & Gas**		MMS Operator Number**:**	**0730**	
Address: 1100 Louisiana, Suite 200 Houston, TX 77002			Contact Person:	**Judy Archer**	
			Phone Number:	**713/659-1222**	
			E-Mail Address: jarcher@walteroil.com		

Lease: OCS-G 21163	Area: Mississippi Canyon								Block: 161	Project Name (If Applicable):	NA
Objective(s):	X	Oil	X	Gas		Sulphur		Salt	Onshore Base: **Fourchon, LA**		Distance to Closest Land (Miles): 34

Description of Proposed Activities (Mark all that apply)

	Exploration drilling		Development drilling
	Well completion		Installation of production platform
	Well test flaring (for more than 48 hours)		Installation of production facilities
	Installation of caisson or platform as well protection structure		Installation of satellite structure
X	Installation of subsea wellheads and/or manifolds	**X**	Commence production
	Installation of lease term pipelines		Other (Specify and describe)

Have you submitted or do you plan to submit a Conservation Information Document to accompany this plan?	**X**	Yes		No
Do you propose to use new or unusual technology to conduct your activities?		Yes	**X**	No
Do you propose any facility that will serve as a host facility for deepwater subsea development?		Yes	**X**	No
Do you propose any activities that may disturb an MMS-designated high-probability archaeological area?		Yes	**X**	No
Have all of the surface locations of your proposed activities been previously reviewed and approved by MMS?		Yes	**X**	No

Tentative Schedule of Proposed Activities

Proposed Activity	Start Date	End Date	No. of Days
Commence production	07/01/2006		

Description of Drilling Rig

	Jackup		Drillship		Caisson		Tension leg platform
	Gorilla Jackup		Platform rig		Well protector		Compliant tower
	Semisubmersible		Submersible		Fixed platform		Guyed tower
	DP Semisubmersible		Other (Attach Description)		Subsea manifold		Floating production system
Drilling Rig Name (If Known): **NA**					Spar		Other (Attach Description)

Description of Lease Term Pipelines

From (Facility/Area/Block)	To (Facility/Area/Block)	Diameter (Inches)	Length (Feet)
NA			

OCS PLAN INFORMATION FORM (CONTINUED)
Include one copy of this page for each proposed well / structure

Proposed Well/Structure Location						
Well or Structure Name/Number: **SS001 ST01BP01**				Subsea Completion		
Anchor Radius (if applicable) in feet: NA				**X**	Yes		No

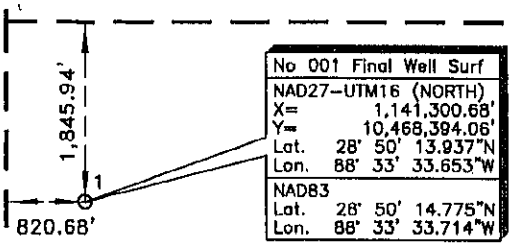
	Surface Location	Bottom-Hole Location (For Wells)
Lease No.	OCS-G 21163	
Area Name	Mississippi Canyon	
Block No.	161	
Block line Departures (in feet)	N/S Departure: 1846' FNL	
	E/W Departure: 0821' FWL	
Lambert X-Y coordinates	X: 1,141,300.68	
	Y: 10,468,394.06	
Latitude/ Longitude NAD 27	Latitude: 28° 50' 13.937" N	
	Longitude: 88° 33' 33.653" W	

TVD (Feet):	MD (Feet):	Water Depth (Feet): 2924

Anchor Locations for Drilling Rig or Construction Barge

Anchor Name or No.	Area	Block	X Coordinate	Y Coordinate	Length of Anchor Chain on Seafloor
1					
2					
3					
4					
5					
6					
7					
8					

Paperwork Reduction Act of 1995 Statement: The Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) requires us to inform you that MMS collects this information as part of an applicant's Exploration Plan or Development Operations Coordination Document submitted for MMS approval. We use the information to facilitate our review and data entry for OCS plans. We will protect proprietary data according to the Freedom of Information Act and 30 CFR 250.196. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid Office of Management and Budget Control Number. The use of this form is voluntary. The public reporting burden for this form is included in the burden for preparing Exploration Plans and Development Operations Coordination Documents. We estimate that burden to average 600 per response, or 640 with an accompanying EP, or 690 with an accompanying DPP or DOCD, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the forms associated with subpart B. Direct comments regarding the burden estimate or any other aspect of this form to the Information Collection Clearance Officer, Mail Stop 4230, Minerals Management Service, 1849 C Street, N.W., Washington, DC 20240.



MC161

OCS-G-21163

WALTER

EXISTING LOCATION

LOCATION	CALLNS	CALLEW	X COORDINATE	Y COORDINATE	LATITUDE	LONGITUDE	WD	TVD	MD
SL	1846' FNL	0821' FWL	1,141,300.68'	10,468,394.06'	28° 50' 13.937"N	88° 33' 33.653"W	2924'		
									11618'

GRID NORTH

PUBLIC INFORMATION

I HEREBY CERTIFY THAT THE ABOVE FINAL WELL SURFACE LOCATION IS CORRECT.

STATE OF LOUISIANA

STEPHEN R. HENRY
REG. No. 4903
REGISTERED
PROFESSIONAL
LAND SURVEYOR

REG. PROFESSIONAL LAND SURVEYOR NO. 4903 STATE OF LOUISIANA

NOTE:

1) SURVEYED COORDINATES TRANSFORMED FROM NAD83 (GPS DATUM) TO NAD27 (CHART DATUM) USING NADCON VERSION 2.1.

Printed: 6/20/05

WALTER OIL & GAS CORPORATION

FINAL LOCATION
OCS-G-21163 WELL NO. 001
BLOCK 161
MISSISSIPPI CANYON AREA
GULF OF MEXICO

FUGRO CHANCE INC.
200 Dulles Dr. Lafayette, Louisiana 70506-3001 (337) 237-1300

GEODETIC DATUM: NAD27 PROJECTION: U.T.M. 16 (NORTH) GRID UNITS: US SURVEY FEET		SCALE IN FEET 0 2,000'	
Job No.: 05-2160	Date: 6/20/05	Drwn: VAG	Chart: 1 Of: 1
Dwgfile: O:\WellPermit\UTM16\MC\Permit\161F1			

Appendix B
GENERAL INFORMATION

A. CONTACT

Inquiries may be made to the following authorized representative:

Judy Archer
1100 Louisiana St., Suite 200
Houston, Texas 77002
713 / 659-1221
Email: jarcher@walteroil.com

B. PROJECT NAME

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

C. PRODUCTION RATES AND LIFE OF RESERVES

PROPRIETARY DATA

D. NEW OR UNUSUAL TECHNOLOGY

Walter does not propose the use of any new or unusual technology to carry out the proposed activities provided for in this Plan.

E. BONDING INFORMATION

In accordance with regulations contained in Title 30 CFR Part 256, Subpart I, and further clarified by NTL 00-G16 pertaining to general lease surety bonds, Walter has on file with the Minerals Management Service a $3,000,000 Areawide Development Bond.

F. ONSHORE BASE AND SUPPORT VESSELS

The surface location in Mississippi Canyon Block 161 is located approximately 34 statute miles from the nearest Louisiana shoreline (barrier islands) and approximately 88 statute miles from the onshore support base located in Fourchon, LA. A Vicinity Plat showing the location of Mississippi Canyon Block 161 relative to the shoreline and the onshore base is included as **Attachment B-1**.

Support vessels will not be needed during the operations proposed under this plan.

If necessary, Walter will utilize existing onshore facilities located in Fourchon, Louisiana, which will serve as a port of debarkation for supplies and crews. No onshore expansion or construction is anticipated with respect to the proposed activities.

Name	Location	Existing, New or Modified
Asco	Fourchon, LA	Existing

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 facilities typically include outdoor storage, forklift and crane service, dock, trailer facilities, a radio tower with a phone patch and parking, as well as 24-hour service.

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

Type	Trips / Week – Production	Hours on Location
Crew Boat	NA	NA
Supply Boat	NA	NA
Helicopter	NA	NA
Anchor Handling Tugs	NA	NA

G. LEASE STIPULATIONS

Oil and gas exploration and development activities on the OCS are subject to stipulations developed before the lease sale and would be attached to the lease instrument, as necessary, in the form of mitigating measures. The MMS is responsible for ensuring full compliance with stipulations.

The Minerals Management Service did not invoke any stipulation(s) for Lease OCS-G 21163, Mississippi Canyon Block 161.

H. RELATED OCS FACILITIES AND OPERATIONS

As mentioned above, Well No. SS001ST01BP01 will be produced via a proposed 4.5-inch right-of-way pipeline and new control umbilical terminating at BP's "Pompano" platform (Complex ID No. 24130-1) in Viosca Knoll Block 989. The proposed pipeline will be designed to transport gas at a maximum flow rate of XXX MMCFD. The shut-in time will be designed for < 45 seconds.

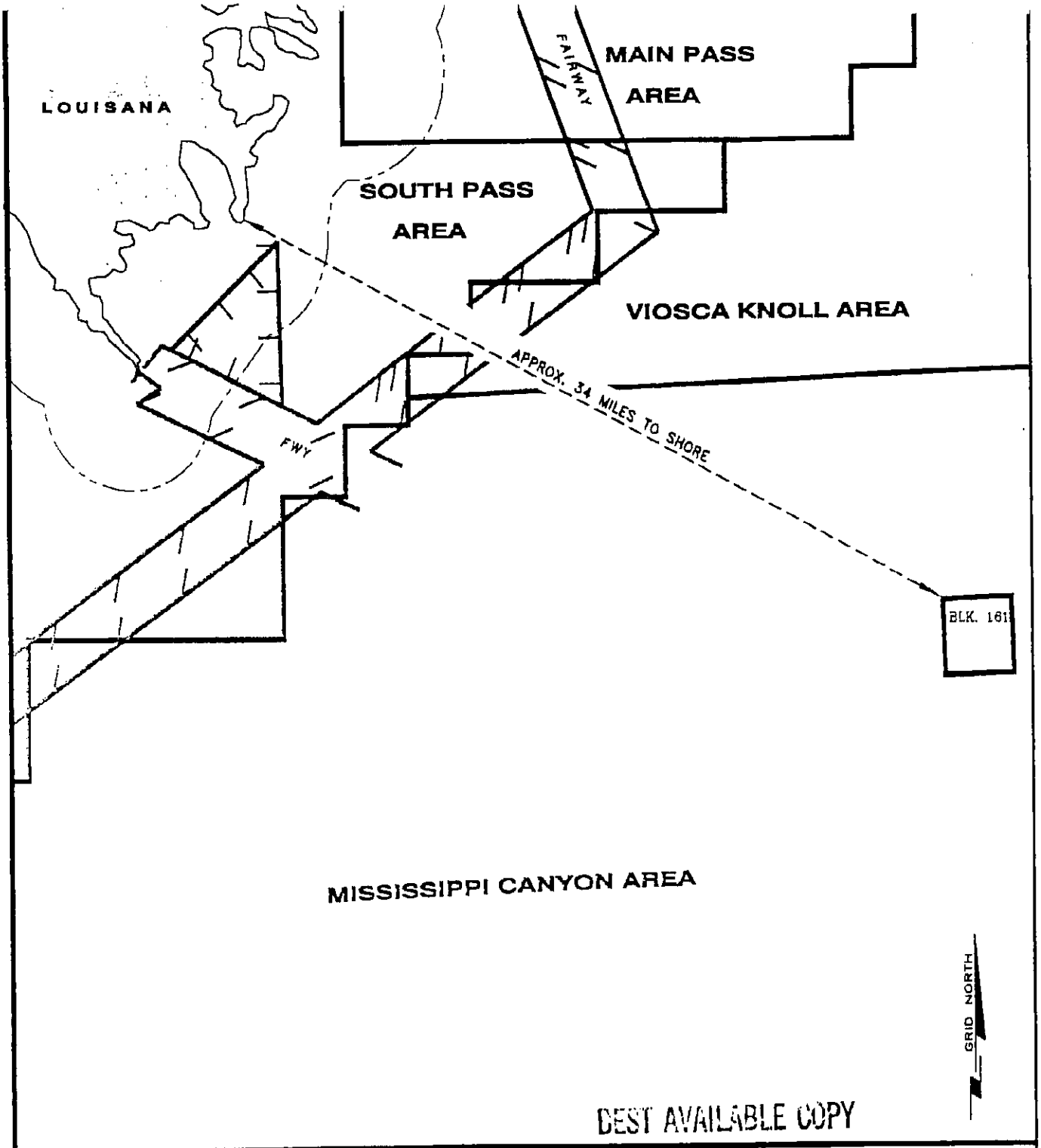
No new nearshore or onshore pipelines or facilities will be constructed.

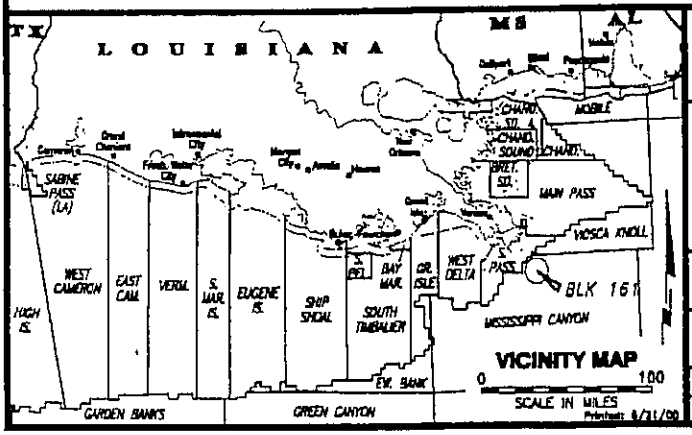
I. TRANSPORTATION INFORMATION

Hydrocarbons from Lease OCS-G 21163, Well No. SS001 will be produced via a proposed 4.5-inch right-of-way pipeline and new control umbilical terminating at BP's "Pompano" platform (Complex ID No. 24130-1) in Viosca Knoll Block 989.

Walter does not anticipate the need to build, expand or modify any refineries, gas plants or compressor stations as the result of the activities proposed in this Initial DOCD.

There will be no need for barging of condensate or crude production.





WALTER OIL & GAS CORPORATION

VICINITY MAP
OCS-G-21163
BLOCK 161
MISSISSIPPI CANYON AREA
GULF OF MEXICO

JOHN E. CHANCE & ASSOCIATES, INC.

GEODETIC DATUM: NAD 1927 PROJECTION: U.T.M. 16 GRID UNITS: US SURVEY FEET	SCALE IN FEET 0 30,000'		
Job No.: 00-1872	Date: 6/21/00	Drwn: MCM	Chart: 1 Of: 1
Dwgfile: H:\2000\001872\CAD\MARINE\001872			

ATTACHMENT B-2

Appendix C
Geological, Geophysical & H_2S INFORMATION

In accordance with 43 CFR 2.13 (c)(9), those items considered proprietary have been omitted from the Public Information copy and have been referenced accordingly.

A. STRUCTURE CONTOUR MAPS

PROPRIETARY DATA

B. INTERPRETED 2-D or 3-D SEISMIC LINES

No new drilling operations are being proposed in this plan.

C. GEOLOGICAL STRUCTURE CROSS-SECTIONS

PROPRIETARY DATA

D. SHALLOW HAZARDS REPORT

KC Offshore, LLC performed a Geophysical Survey of Block 161 and parts of Blocks 116, 117 and 160, Mississippi Canyon Area during March 2000. The purpose of the survey was to evaluate geologic conditions and inspect for potential hazards or constraints to lease development. Copies of this report were submitted with the Initial Exploration Plan (Control No. 06861).

No new drilling operations are being proposed in this plan.

E. SHALLOW HAZARDS ASSESSMENT

No new drilling operations are being proposed in this plan.

F. HIGH RESOLUTION SEISMIC LINES

PROPRIETARY DATA

G. DEPTH OF GEOPRESSURE

PROPRIETARY DATA

I. HYDROGEN SULFIDE INFORMATION

In accordance with Title 30 CFR 250.417(c), Walter requests Mississippi Canyon Block 161 be classified by the Minerals Management Service as an area where the absence of hydrogen sulfide has been confirmed based upon the following:

PROPRIETARY DATA

Appendix D
BIOLOGICAL INFORMATION

CHEMOSYNTHETIC INFORMATION

Chemosynthetic communities that lie in water depths in excess of 400 meters (1312 feet) are of concern for environmental protection measures. Water depth is 2924 feet at the existing surface location in Mississippi Canyon Block 161.

This topic was addressed prior to exploratory drilling under the Initial EP.

No new drilling operations are being proposed in this plan.

TOPOGRAPHIC FEATURES INFORMATION

MMS and the National Oceanic and Atmospheric Administration - Fisheries (NOAA-Fisheries) 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 NOAA-Fisheries.

A topographic feature does not affect the activities proposed in this plan.

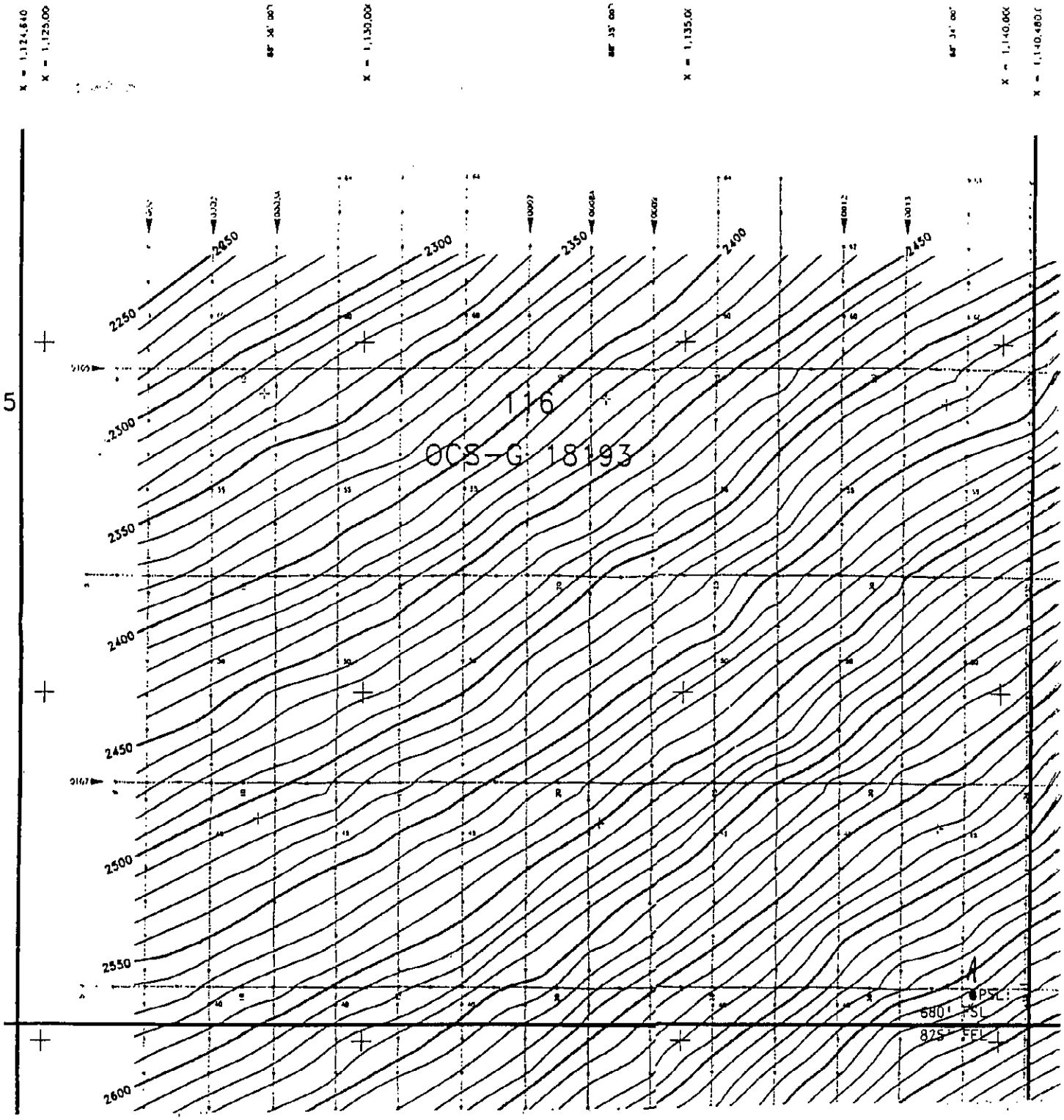
LIVE BOTTOM (PINNACLE TREND) INFORMATION

MMS and the National Oceanic and Atmospheric Administration - Fisheries (NOAA-Fisheries) have entered into a programmatic consultation agreement for Essential Fish Habitat that relates to bottom-disturbing activities occurring within 100 feet of any pinnacle trend feature with vertical relief greater than or equal to 8 feet. If any bottom-disturbing activities are proposed (including anchors or cables from a semi-submersible drilling rig), within 100 feet of any pinnacle trend feature as defined above, the MMS is required to consult with the NOAA-Fisheries.

The activities proposed in this plan are not affected by a live bottom (pinnacle trend) stipulation.

ROV SURVEY INFORMATION (If required)

No new drilling operations are being proposed in this plan.



1,000 0 1,000 2,000

SCALE IN FEET

SEE FIGURE 1 FOR GENERAL NOTES

X, Y COORDINATES, IN FEET, AND BEARINGS ARE BASED ON THE UNIVERSAL TRANSVERSE MERCATOR SYSTEM, ZONE 16 (NAD 27) CLARKE 1866

LEGEND:

- SURVEY TRACK AND POSITION FIX
- SURVEY DIRECTION AND LINE NO.
- WELL (ABANDONED)
- 3000 BATHYMETRIC CONTOUR, INTERVAL = 10 FEET WITH EVERY 50-FOOT CONTOUR HIGHLIGHTED. VERTICAL DATUM FOR BATHYMETRY IS BELOW SEA LEVEL (BSL).

ATTACHMENT J-4

GEOPHYSICAL SURVEY
BATHYMETRY AND SURFICIAL FEATURES MAP
BLOCK 161 AND PARTS OF BLOCKS 116, 117 & 160
MISSISSIPPI CANYON
OFFSHORE LOUISIANA

WALTER OIL & GAS CORPORATION

KC OFFSHORE, L.L.C.
A VERITAS DGC COMPANY
36498 PERKINS RD., PRAIRIEVILLE, LOUISIANA 70769

DRN. AJ	PREP JLR	CAL. TAD	APP. MAC	FILE NO. 11-00-044

Appendix E
WASTES AND DISCHARGES INFORMATION

All offshore discharges associated with Walter's proposed operations will be conducted in accordance with the regulations implemented by Minerals Management Service (MMS), U.S. Coast Guard (USCG) and the U.S. Environmental Protection Agency (EPA).

Walter has coverage under the EPA Region VI NPDES General Permit GMG290000, which regulates overboard discharges, including restrictions and limitations of waste generated from oil and gas operations in the Western Gulf of Mexico by letter submitted on July 26, 2004.

A. Discharges

The type and general characteristic of the wastes, the amount to be discharged (volume or rate), the maximum discharge rate, a description of any treatment or storage, and the discharge location and method for each type of discharge is provided for in tabular format as **Attachment E-1**.

B. Disposed Wastes

The type and general characteristics of the wastes, the amount to be disposed of (volume, rate, or weight), the daily disposal rate, the name and location of the disposal facility, a description of any treatment or storage, and the methods for transporting and final disposal is provided for in tabular format as **Attachment E-2**.

Attachment E-1
WASTE AND DISCHARGE INFORMATION

Projected Ocean Discharges – there are no discharges anticipated during the operations proposed in this plan to commence production of Mississippi Canyon Block 161 No. SS001ST01BP01.

Attachment E-2
Projected Wastes to be Disposed of:

There are no projected wastes to be disposed of during the operations proposed in this plan to commence production of Mississippi Canyon Block 161 No. SS001ST01BP01.

Appendix F
OIL SPILL INFORMATION

Information to Comply with the Oil Pollution Act of 1990 (OPA) and the Coastal Zone Management Act (CZMA)

A. Site-Specific OSRP

Lease OCS-G 21163 is not located in the Eastern Gulf of Mexico therefore a site-specific OSRP is not required.

B. Regional OSRP Information

Walter Oil & Gas Corporation's Regional Oil Spill Response Plan (OSRP) was approved on August 20, 2003 for period ending July 31, 2005. The latest revision was approved on June 29, 2005. The Regional Oil Spill Plan Biennial Update was approved on August 12, 2005. The Regional OSRP will cover activities proposed in this Initial DOCD.

C. OSRO Information

Walter's primary equipment provider is Clean Gulf Associates (CGA). The Marine Spill Response Corporation's (MSRC) STARS network will provide closest available personnel, as well as an MSRC supervisor to operate the equipment.

D. Worst Case Scenario Comparison

The well addressed in this plan produces dry gas only. The worst-case discharge (WCD) proposed in this Initial DOCD does not supersede the worst-case discharge as approved in our Regional OSRP. See below:

Category	Regional OSRP	DOCD
Type of Worst-case Scenario[1]	Production	Production
Facility Location (area/block)	EW 871	MC 161
Facility Designation[2]	Subsea Wells 001 & 004	SS001ST01BP01
Distance to Nearest Shoreline	64	34
Worst-case Scenario Volume[3]		
Storage tanks (maximum capacity)	NA	NA
Flowlines (maximum capacity)	NA	NA
Lease term pipelines (calculated)	NA	NA
Uncontrolled blowout (daily volume)	10,105 bbls	NA
Total Worst-case Scenario Volume	**10,105 bbls**	**NA**
Type of Oil (crude oil, condensate)	Oil	NA
API Gravity(s)[4]	37.1°	NA

[1] Types of worst-case discharge scenarios include (1) oil production platform, including caissons, subsea completions or manifolds, (2) exploratory or development drilling operations including subsea completion or manifold, and mobile drilling rig, and (3) pipeline facility (see 30 CFR 254.47(a),(b), and (c)).

[2] E.g., Well No. 2, Platform JA, Pipeline Segment No. 6373.

[3] Take your regional OSRP worst-case scenario volume from the appropriate section of your regional OSRP. For EP's, determine the worst-case scenario volume using the criteria at 30 CFR 254.47(b). For DOCD's, determine the worst-case scenario volume using the criteria at 30 CFR 254.47(a), (b), and (c), as appropriate.

[4] Provide API gravity of each oil given under "Type of Oil" above. Estimate for EP's.

Since Walter has the capability to respond to the WCD spill scenario included in its Regional OSRP and since the WCD scenario determined for our Initial DOCD does not replace the WCD scenario determined for our Regional OSRP, I hereby certify that Walter Oil & Gas has the capability to respond, to the maximum extent practicable, to a WCD resulting from the activities proposed in our Initial DOCD.

Information for MMS to Comply with the National Environmental Policy Act (NEPA) and Coastal Zone Management (CZMA)

Facility tanks, production vessels

Tanks with a capacity of 25 bbls or more of oil as defined at 30 CFR 254.6 are listed below.

Type of Storage Tank	Type of Facility	Tank Capacity (bbls)	Number of Tanks	Total Capacity (bbls)	Fluid Gravity (API)
NA	NA	NA	NA	NA	NA

Diesel oil supply vessels

There will be no diesel oil supply vessels required for the operations proposed in this DOCD.

Size of Fuel Supply Vessel	Capacity of Fuel Supply Vessel	Frequency of Fuel Transfers	Route Fuel Supply Vessel will Take
NA	NA	NA	NA

Support vessels fuel tanks

Type of Vessel	Number in Field Simultaneously	Estimated Maximum Fuel Tank Storage Capacity
Tug boat(s)	NA	140,000 gals
Supply boat(s)	NA	25,000 - 35,000 gals
Service boat(s)	NA	25,000 - 35,000 gals
Crew boat(s)	NA	25,000 – 35,000 gals

Produced Liquid Hydrocarbons Transportation Vessels

If liquid hydrocarbons are produced, they will not be transported by means other than a pipeline.

Oil-base and synthetic-based drilling fluids

No new drilling operations are being proposed in this plan.

Blowout Scenario

No new drilling operations are being proposed in this plan.

Spill Response Sites

Primary Response Equipment Location	Preplanned Staging Location(s)
Houma, LA and Lake Charles, LA	Morgan City, LA

Spill response Discussion for NEPA Analysis

Should a WCD spill scenario occur from this exploration operation, Walter Oil & Gas Corporation's Qualified Individual (QI) would notify OOPS who will call together the Incident Command (IC) Team. The Incident Command Post would be determined. The IC would relay the actual conditions to determine the trajectory of the spill and the probability of impacting a land segment.

An over flight will be conducted to determine the extent of the spill and how quickly it is dissipating. Mechanical recovery (Skimmers) may include a fast response unit. If an offshore response is necessary, dispersants, if approved by the USCG would be applied by Airborne Support Inc. The dispersant rational would depend upon the size of the slick. PHI or Air Logistics would supply the spotter aircraft and spotter personnel.

If the spill went unabated, shoreline impact would depend upon existing environmental conditions. Onshore response may include the deployment of shoreline boom on beach areas, or protection and sorbent boom on vegetated areas. Strategies would be based upon surveillance and real time trajectories that depict areas of potential impact given actual sea and weather conditions. Detailed spill response discussions are included in Appendix H of Walter Oil & Gas Corporation's Regional Oil Spill Response Plan.

The probability that an oil spill starting within Mississippi Canyon Block 161 will contact a County or Parish has been projected utilizing information from the MMS Oil Spill Risk Analysis Model (OSRAM). The results are as follows:

Area / Block	Lease No.	Launch Area	Land Segment	% Probability within 3 / 10 / 30 days
MC161	G-21163	57	Cameron, LA	- / - / 1
			Vermilion, LA	- / - / 1
			Terrebonne, LA	- / 1 / 2
			LaFourche, LA	- / 1 / 2
			Plaquemines, LA	4 / 14 / 21
			St Bernard, LA	- / 1 / 3
			Hancock and Harrison, MS	- / - / 1
			Jackson, MS	- / - / 1
			Mobile, AL	- / - / 1
			Baldwin, AL	- / - / 1
			Escambia, AL	- / - / 1
			Okaloosa, AL	- / - / 1
			Walton, FL	- / - / 1
			Bay, FL	- / - / 1

NOTE: "-" equals < .5 percent

Walter will make every effort to respond to the Worst Case Discharge as effectively as possible.

Pollution Prevention Measures

Walter Oil & Gas Corporation does not propose any additional safety, pollution prevention, or early spill detection measures beyond those required by 30 CFR 250.

Walter Oil & Gas Corporation will utilize the best management practices available for ensuring all operations are performed in a safe and workmanlike conduct.

Appendix G
AIR EMISSIONS INFORMATION

Included in this section, as **Attachment G-1** is the Projected Air Quality Emissions Report prepared in accordance with Appendix G of NTL No. 2003-G17 addressing production operations.

There are no existing facilities or activities co-located with the current proposed activities; therefore, the Complex Total Emissions are the same as the Plan Emissions.

Screening Questions for DOCD's	Yes	No
Is any calculated Complex Total (CT) Emission amount (in tons) associated with your proposed development activities more than 90% of the amounts calculated using the following formulas: CT = $3400D^{2/3}$ for CO, and CT = 33.3D for other other air pollutants (where D = distance to shore in miles)?		X
Do your emission calculations include any emission reduction measures or modified emission factors?		X
Does or will the facility complex associated with your proposed development and production activities process production from eight or more wells?		X
Do you expect to encounter H_2S at concentrations greater than 20 parts per million (ppm)?		X
Do you propose to flare or vent natural gas in excess of the criteria set forth under 250.1105(a)(2) and (3)		X
Do you propose to burn produced hydrocarbon liquids?		X
Are your proposed development and production activities located within 25 miles from shore?		X
Are your proposed development and production activities located within 200 kilometers of the Breton Wilderness Area?	X	

The following information was prepared by:

Kathy Camp
K. Camp & Associates, Inc.
713.201.9627
Email: Kathy.camp@kcampassociates.com

DOCD AIR QUALITY SCREENING CHECKLIST

OMB Control No. 1010-0049
OMB Approval Expires: August 31, 2006

COMPANY	Walter Oil & Gas
AREA	Mississippi Canyon
BLOCK	161
LEASE	21163
PLATFORM	NA
WELL	SS001ST01BP01
COMPANY CONTACT	Judy Archer
TELEPHONE NO.	713.659.1221
REMARKS	Produce Well SS001

LEASE TERM PIPELINE CONSTRUCTION INFORMATION:

YEAR	NUMBER OF PIPELINES	TOTAL NUMBER OF CONSTRUCTION DAYS
1999		
2000		
2001		
2002		
2003		
2004		
2005		
2006		
2007		
2008		
2009		

AIR EMISSION CALCULATIONS - FIRST YEAR

COMPANY	AREA	BLOCK	LEASE	PLATFORM	WELL		CONTACT	PHONE	REMARKS
Walter Oil & Gas	Mississippi Canyon	161	21163	NA	SS001ST01BP01		Judy Archer	713.659.1221	#REF!

OPERATIONS	EQUIPMENT	RATING	MAX. FUEL	ACT. FUEL	RUN TIME		MAXIMUM POUNDS PER HOUR					ESTIMATED TONS				
	Diesel Engines	HP	GAL/HR	GAL/D												
	Nat. Gas Engines	HP	SCF/HR	SCF/D												
	Burners	MMBTU/HR	SCF/HR	SCF/D	HR/D	DAYS	PM	SOx	NOx	VOC	CO	PM	SOx	NOx	VOC	CO
DRILLING	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	BURNER diesel	0			0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	AUXILIARY EQUIP<600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(tugs)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PIPELINE INSTALLATION	PIPELINE LAY BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PIPELINE BURY BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FACILITY INSTALLATION	DERRICK BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	MATERIAL TUG diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PRODUCTION	RECIP.<600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	RECIP.>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TURBINE nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.2 cycle lean nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.4 cycle lean nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.4 cycle rich nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	BURNER nat gas	0	0.00	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	MISC.	**BPD**	**SCF/HR**	**COUNT**												
	TANK-	0			0	0				0.00					0.00	
	FLARE-		0		0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	PROCESS VENT-		0		0	0				0.00					0.00	
	FUGITIVES-			0.0		0				0.00					0.00	
	GLYCOL STILL VENT-		0		0	0				0.00					0.00	
DRILLING	OIL BURN	0			0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WELL TEST	GAS FLARE		0		0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
2006 YEAR TOTAL							**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
EXEMPTION CALCULATION	**DISTANCE FROM LAND IN MILES**											**1132.20**	**1132.20**	**1132.20**	**1132.20**	**35683.29**
	34.0															

AIR EMISSIONS CALCULATIONS - SECOND YEAR

COMPANY	AREA	BLOCK	LEASE	PLATFORM	WELL		CONTACT			PHONE	REMARKS					
Walter Oil & Gas	Mississippi Canyon	161	21163	NA	SS001ST01BP01		Judy Archer			713.659.1221	#REF!					
OPERATIONS	**EQUIPMENT**	**RATING**	**MAX. FUEL**	**ACT. FUEL**	**RUN TIME**		**MAXIMUM POUNDS PER HOUR**					**ESTIMATED TONS**				
	Diesel Engines	**HP**	**GAL/HR**	**GAL/D**												
	Nat. Gas Engines	**HP**	**SCF/HR**	**SCF/D**												
	Burners	**MMBTU/HR**	**SCF/HR**	**SCF/D**	**HR/D**	**DAYS**	**PM**	**SOx**	**NOx**	**VOC**	**CO**	**PM**	**SOx**	**NOx**	**VOC**	**CO**
DRILLING	PRIME MOVER>600hp diesel	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	BURNER diesel	0			0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	AUXILIARY EQUIP<600hp diesel	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(tugs)	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PIPELINE INSTALLATION	PIPELINE LAY BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PIPELINE BURY BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FACILITY INSTALLATION	DERRICK BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	MATERIAL TUG diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PRODUCTION	RECIP.<600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	RECIP.>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TURBINE nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.2 cycle lean nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.4 cycle lean nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.4 cycle rich nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	BURNER nat gas	0	0.00	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	MISC.	**BPD**	**SCF/HR**	**COUNT**												
	TANK-	0			0	0				0.00					0.00	
	FLARE-		0		0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	PROCESS VENT-		0		0	0				0.00					0.00	
	FUGITIVES-			0.0		0				0.00					0.00	
	GLYCOL STILL VENT-		0		0	0				0.00					0.00	
DRILLING WELL TEST	OIL BURN	0			0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GAS FLARE		0		0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
2007 YEAR TOTAL							**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
EXEMPTION CALCULATION	**DISTANCE FROM LAND IN MILES**											**1132.20**	**1132.20**	**1132.20**	**1132.20**	**35683.29**
	34.0															

AIR EMISSIONS CALCULATIONS - THIRD YEAR

COMPANY	AREA	BLOCK	LEASE	PLATFORM	WELL		CONTACT	PHONE	REMARKS
Walter Oil & Gas	Mississippi Canyon	161	21163	NA	SS001ST01BP01		Judy Archer	713.659.1221	#REF!

OPERATIONS	EQUIPMENT	RATING	MAX. FUEL	ACT. FUEL	RUN TIME		MAXIMUM POUNDS PER HOUR					ESTIMATED TONS				
	Diesel Engines	HP	GAL/HR	GAL/D												
	Nat. Gas Engines	HP	SCF/HR	SCF/D												
	Burners	MMBTU/HR	SCF/HR	SCF/D	HR/D	DAYS	PM	SOx	NOx	VOC	CO	PM	SOx	NOx	VOC	CO
DRILLING	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	BURNER diesel	0			0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	AUXILIARY EQUIP<600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(tugs)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PIPELINE INSTALLATION	PIPELINE LAY BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PIPELINE BURY BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FACILITY INSTALLATION	DERRICK BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	MATERIAL TUG diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PRODUCTION	RECIP.<600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	RECIP.>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TURBINE nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.2 cycle lean nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.4 cycle lean nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.4 cycle rich nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	BURNER nat gas	0	0.00	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	MISC.	BPD	SCF/HR	COUNT												
	TANK-	0			0	0				0.00					0.00	
	FLARE-		0		0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	PROCESS VENT-		0		0	0				0.00					0.00	
	FUGITIVES-			0.0		0				0.00					0.00	
	GLYCOL STILL VENT-		0		0	0				0.00					0.00	
DRILLING	OIL BURN	0			0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WELL TEST	GAS FLARE		0		0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
2008 YEAR TOTAL							**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
EXEMPTION CALCULATION	**DISTANCE FROM LAND IN MILES**											**1132.20**	**1132.20**	**1132.20**	**1132.20**	**35683.29**
	34.0															

AIR EMISSIONS CALCULATIONS - FOURTH YEAR

COMPANY	AREA	BLOCK	LEASE	PLATFORM	WELL		CONTACT	PHONE	REMARKS
Walter Oil & Gas	Mississippi Canyon	161	21163	NA	SS001ST01BP01		Judy Archer	713.659.1221	#REF!

OPERATIONS	EQUIPMENT	RATING	MAX. FUEL	ACT. FUEL	RUN TIME		MAXIMUM POUNDS PER HOUR					ESTIMATED TONS				
	Diesel Engines	HP	GAL/HR	GAL/D												
	Nat. Gas Engines	HP	SCF/HR	SCF/D												
	Burners	MMBTU/HR	SCF/HR	SCF/D	HR/D	DAYS	PM	SOx	NOx	VOC	CO	PM	SOx	NOx	VOC	CO
DRILLING	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PRIME MOVER>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	BURNER diesel	0			0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	AUXILIARY EQUIP<600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(tugs)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PIPELINE INSTALLATION	PIPELINE LAY BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PIPELINE BURY BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FACILITY INSTALLATION	DERRICK BARGE diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	MATERIAL TUG diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(crew)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	VESSELS>600hp diesel(supply)	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PRODUCTION	RECIP.<600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	RECIP.>600hp diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUPPORT VESSEL diesel	0	0	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TURBINE nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.2 cycle lean nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.4 cycle lean nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	RECIP.4 cycle rich nat gas	0	0	0.00	0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	BURNER nat gas	0	0.00	0.00	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	MISC.	**BPD**	**SCF/HR**	**COUNT**												
	TANK-	0			0	0				0.00					0.00	
	FLARE-		0		0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
	PROCESS VENT-		0		0	0				0.00					0.00	
	FUGITIVES-			0.0		0				0.00					0.00	
	GLYCOL STILL VENT-		0		0	0				0.00					0.00	
DRILLING WELL TEST	OIL BURN	0			0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	GAS FLARE		0		0	0		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
2009	**YEAR TOTAL**						**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
EXEMPTION CALCULATION	**DISTANCE FROM LAND IN MILES**											**1132.20**	**1132.20**	**1132.20**	**1132.20**	**35683.29**
	34.0															

AIR EMISSION CALCULATIONS

OMB Control No. 1010-0049
OMB Approval Expires: August 31, 2006

COMPANY	AREA	BLOCK	LEASE	PLATFORM	WELL
Walter Oil & Gas	Mississippi Canyon	161	21163	NA	SS001ST01BP01

Year	Emitted Substance				
	PM	SOx	NOx	VOC	CO
2006	0.00	0.00	0.00	0.00	0.00
2007	0.00	0.00	0.00	0.00	0.00
2008	0.00	0.00	0.00	0.00	0.00
2009	0.00	0.00	0.00	0.00	0.00
Allowable	1132.20	1132.20	1132.20	1132.20	35683.29

Appendix H
ENVIRONMENTAL IMPACT ANALYSIS (EIA)

A. ENVIRONMENTAL IMPACT ANALYSIS MATRIX

Walter Oil & Gas has placed an "X" in each IPF category that we believe (by using good engineering judgment) would be impacted by the activity proposed in this plan.

Environmental Resources	Impact Producing Factors (IPFs) Categories and Examples					
	Emissions (air, noise, light, etc.)	**Effluents (muds, cuttings, other discharges to the water column or seafloor)**	**Physical disturbances to the seafloor (rig or anchor emplacements, etc.)**	**Wastes sent to shore for treatment or disposal**	**Accidents (e.g., oil spills, chemical spills, H_2S releases)**	**Other IPFs you identify**
Site-specific at Offshore Location						
Designated topographic features		(1)	(1)		(1)	
Pinnacle Trend area live bottoms		(2)	(2)		(2)	
Eastern Gulf live bottoms		(3)	(3)		(3)	
Chemosynthetic communities		(4)	(4)		(4)	
Water quality		X			X	
Fisheries		X	X		X	
Marine mammals	(8) X			X	(8) X	
Sea turtles	(8) X			X	(8) X	
Air quality	(9) X					
Shipwreck sites (known or potential)			(7)			
Prehistoric archaeological sites			(7)			
Vicinity of Offshore Location						
Essential fish habitat		X			(6) X	
Marine and pelagic birds	X			X	X	
Public health and safety					(5)	
Coastal and Onshore						
Beaches				X	(6) X	
Wetlands					(6) X	
Shore birds and coastal nesting birds					(6) X	
Coastal wildlife refuges					X	
Wilderness areas					X	
Other Resources You Identify						
None						

Footnotes for Environmental Impact Analysis Matrix

1. Activities that may affect a marine sanctuary or topographic feature. Specifically, if the well or platform site or any anchors will be on the seafloor within the:
   (a) 4-mile zone of the Flower Garden Banks, or the 3-mile zone of Stetson Bank,
   (b) 1000-m, 1-mile or 3-mile zone of any topographic feature (submarine bank) protected by the Topographic Features Stipulation attached to an OCS lease;
   (c) Essential Fish Habitat (EFH) criteria of 500 ft from any no-activity zone; or

(d) Proximity of any submarine bank (500 ft buffer zone) with relief greater than 2 meters that is not protected by the Topographic Features Stipulation attached to an OCS lease.

2. Activities with any bottom disturbance within a OCS lease block protected through the Live Bottom (Pinnacle Trend) Stipulation attached to an OCS lease.
3. Activities within any Eastern Gulf OCS block where seafloor habitats are protected by the Live Bottom (Low-Relief) Stipulation attached to an OCS lease.
4. Activities on blocks designated by the MMS as being in water depths 400 meters or greater.
5. Exploration or production activities where H_2S concentrations greater than 500 ppm might be encountered.
6. All activities that could result in an accidental spill of produced liquid hydrocarbons or diesel fuel that you judge would impact these environmental resources. If the proposed action is located a sufficient distance from a resource that no impact would occur, the EIA can note that in a sentence or two.
7. All activities that involve seafloor disturbances, including anchor emplacements, in any OCS block designated by the MMS as having high-probability for the occurrence of shipwrecks or prehistoric sites, including such blocks that will be affected that are adjacent to the lease block in which your planned activity will occur. If the proposed activities are located a sufficient distance from a shipwreck or prehistoric site that no impact would occur, the EIA can note that in a sentence or two.
8. All activities that you determine might have an adverse effect on endangered or threatened marine mammals or sea turtles or their critical habitats.
9. Production activities that involve transportation of produced fluids to shore using shuttle tankers or barges.

B. ANALYSIS

Site-specific at Offshore Location

1. Designated Topographic Features

The topographic features of the Central Gulf provide habitat for coral reef community organisms. Since 1973 stipulations have been made a part of leases on or near these biotic communities so that impacts from nearby oil and gas activities were mitigated to the greatest extent possible. This stipulation does not prevent the recovery of oil and gas resources, but serves to protect valuable and sensitive biological resources.

There are no IPF's (including effluents, physical disturbances to the seafloor, and accidents) from the proposed activities in Mississippi Canyon Block 161 that could cause impacts to topographic features.

No new drilling operations are being proposed in this plan.

The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

2. Pinnacle Trend Area Live Bottoms

A small portion of the northeastern Central Planning Area includes portions of 70 lease blocks that are characterized by a pinnacle trend. The pinnacle trend extends into the northwest portion of the Eastern Planning Area. The pinnacles are a series of topographic irregularities with variable biotal coverage, which provide structural habitat for a variety of pelagic fish. The Live Bottom (Pinnacle Trend) Stipulation is intended to protect the pinnacle trend and associated hard-bottom communities from damage and, at the same time, provide for recovery of potential oil and gas resources.

There are no IPF's (including effluents, physical disturbances to the seafloor, and accidents) from the proposed activities in Mississippi Canyon Block 161 that could cause impacts to pinnacle trend area live bottoms.

No new drilling operations are being proposed in this plan.

The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

3. Eastern Gulf Live Bottoms

A small portion of the northeastern Central Planning Area includes portions of 70 lease blocks that are characterized by a pinnacle trend. The pinnacle trend extends into the northwest portion of the Eastern Planning Area. The pinnacles are a series of topographic irregularities with variable biotal coverage, which provide structural habitat for a variety of pelagic fish. The Live Bottom (Pinnacle Trend) Stipulation is intended to protect the pinnacle trend and associated hard-bottom communities from damage and, at the same time, provide for recovery of potential oil and gas resources.

There are no IPF's (including effluents, physical disturbances to the seafloor, and accidents) from the proposed activities in Mississippi Canyon Block 161 that could cause impacts to Eastern Gulf live bottoms.

No new drilling operations are being proposed in this plan.

The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

4. Chemosynthetic Communities

Chemosynthetic communities are defined as persistent, largely sessile assemblages of marine organisms dependent upon chemosynthetic bacteria as their primary found source (MacDonald, 1992). Chemosynthetic clams, mussels, and tubeworms have been discovered in association with hydrocarbon seeps in the northern Gulf of Mexico. Initial discoveries of cold-water seep communities indicated that they are primarily associated with hydrocarbon and H_2S seep areas (Kennicutt and Gallaway, 1985; Brooks et al., 1986a). Since the initial discovery in 1986 of chemosynthetic communities dependent on hydrocarbon seepage in the Gulf of Mexico, their geographic range has been found to include the Texas, Louisiana and Alabama continental slope with a depth range varying from less than 500 m to 2200 m (MacDonald, 1992). To date, there are 43 sites (in 40 blocks) across the northern Gulf of Mexico continental slope where the presence of chemosynthetic metazoans (dependent on hydrocarbon seepage) has been definitively documented (MacDonald, 1992).

There are no IPF's (including effluents, physical disturbances to the seafloor, and accidents) from the proposed activities in Mississippi Canyon Block 161 that could cause impacts to Chemosynthetic Communities.

Chemosynthetic biologic communities that lie in water depths in excess of 400 meters (1312 feet) are of concern for environmental protection measures. The site-specific offshore location of the proposed activity is in water depths less than 400 meters (1312 feet).

No new drilling operations are being proposed in this plan.

5. Water Quality

Effluents and accidents from the proposed activities in Mississippi Canyon Block 161 could potentially cause impacts to water quality. Routine impact-producing factors that could result in water quality degradation from offshore OCS oil and gas operations include rig / anchor emplacement, platform and pipeline installation and removal, and the discharge of operational wastes.

With regards to marine trash and debris, effective June 19, 2003, the Minerals Management Service issued NTL 2003-G11 pursuant to 30 CFR 150.103 to provide guidance and assist the operators in preventing intentional and / or accidental introduction of trash and debris into the marine environment. With this assistance and with laws such as MARPOL-Annex V, the Marine Plastic Pollution Research and Control Act, and regulations imposed by various agencies including the U.S. Coast Guard and the U.S. Environmental Protection Agency, our employees will ensure that all offshore personnel, including contractors and other support services-related personnel have complete understanding of the requirement that Operators be proactive in avoiding accidental loss of solid waste items on the OCS.

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. Since all discharges will be made in accordance with a general National Pollutant Discharge Elimination System (NPDES) permit issued by U.S. Environmental Protection Agency (USEPA), operational discharges are not expected to cause significant adverse impacts to water quality.

Offshore accidents, such as blowouts and spills could also occur and have the potential to alter offshore water quality. Sediment disturbance is expected to result in minor, localized, temporary increases in water-column turbidity in offshore waters. Given the low frequency of blowouts, minimum impacts on water quality due to resuspension of sediments are expected.

Oil spills related to the proposed action are assumed to be mostly very small events (and for spills greater than 50 bbl) to occur very infrequently. It is unlikely that an accidental oil spill would occur from the proposed activities. If a spill were to occur, the dissolved components and small oil droplets would temporarily affect the water quality of marine waters. Dispersion by currents and microbial degradation would remove the oil from the water column or dilute the constituents to background levels.

The activities proposed in this plan will be covered by our Regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

6. Fisheries

Effects on commercial fisheries from activities associated with this plan in Mississippi Canyon Block 161 could come from oil spills, subsurface blowouts, and offshore discharges of drilling mud and produced waters.

An accidental oil spill that may occur as a result of the proposed action has the potential to cause some detrimental effects to fisheries. However, it is unlikely that an accidental surface or subsurface oil spill would occur from the proposed activities. If a spill were to occur in open waters of the OCS proximate to mobile adult finfish or shellfish, the effects would likely be sublethal and the extent of damage would be reduced to the capability of adult fish and shellfish to avoid a spill, to metabolize hydrocarbons, and to excrete both metabolites and parent compounds. The effect of oil spills on fisheries is expected to cause less than 1 percent decrease in commercial populations or in commercial fishing. At the expected level of effect, the resultant influence on Central Gulf fisheries is negligible and will be indistinguishable from natural population variations. The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

7. Marine Mammals

Marine mammals may be adversely impacted by several IPF's (including vessel traffic, noise, accidental oil spills, and loss of trash and debris), all of which could occur due to the proposed action in Mississippi Canyon Block 161. Chronic and sporadic sublethal effects could occur that may stress and / or weaken individuals of a local group or population and make them more susceptible to infection from natural or anthropogenic sources. Few lethal effects are expected from oil spills, chance collisions with service vessels and ingestion of plastic material. Oil spills of any size are estimated to be aperiodic events that may contact cetaceans. Disturbance (e.g., noise) may stress animals, weaken their immune systems, and make them more vulnerable to parasites and diseases that normally would not be fatal.

The net result of any disturbance would depend on the size and percentage of the population affected, ecological importance of the disturbed area, environmental and biological parameters that influence an animal's sensitivity to disturbance and stress, and the accommodation time in response to prolonged disturbance (Geraci and St. Aubin, 1980). Collisions between cetaceans and ships could cause serious injury or death (Laist et al., 2001). Sperm whales are one of 11 whale species that are hit commonly by ships (Laist et al., 2001). Collisions between OCS vessels and cetaceans within the project area are expected to be unusual events.

The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

The Minerals Management Service issued NTL 2003-G10 pursuant to 30 CFR 250.103, 250.23(o) and 250.204(s) to explain how Operators must implement measures to minimize the risk of vessel strikes to protected species and report observations of injured or dead protected species effective June 19, 2003. We will ensure that our contract vessel operators are aware of their requirement to report sightings of any injured or dead protected species immediately to the MMS Protected Species Biologist by telephone.

With regards to marine trash and debris, effective June 19, 2003, the Minerals Management Service issued NTL 2002-G13 pursuant to 30 CFR 150.103 to provide guidance and assist the operators in preventing intentional and / or accidental introduction of trash and debris into the marine environment. With this assistance and with laws such as MARPOL-Annex V, the Marine Plastic Pollution Research and Control Act, and regulations imposed by various agencies including the U.S. Coast Guard and

the U.S. Environmental Protection Agency, our employees will ensure that all offshore personnel, including contractors and other support services-related personnel have complete understanding of the requirement that Operators be proactive in avoiding accidental loss of solid waste items on the OCS.

8. Sea Turtles

IPF's that could impact sea turtles include vessel traffic, noise, trash and debris, and accidental oil spills.

The activities proposed in Mississippi Canyon Block 161 will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F). The Minerals Management Service issued NTL 2003-G10 pursuant to 30 CFR 250.103, 250.23(o) and 250.204(s) to explain how Operators must implement measures to minimize the risk of vessel strikes to protected species and report observations of injured or dead protected species effective June 19, 2003. We will ensure that our contract vessel operators are aware of their requirement to report sightings of any injured or dead protected species immediately to the MMS Protected Species Biologist by telephone.

With regards to marine trash and debris, effective June 19, 2003, the Minerals Management Service issued NTL 2002-G13 pursuant to 30 CFR 150.103 to provide guidance and assist the operators in preventing intentional and / or accidental introduction of trash and debris into the marine environment. With this assistance and with laws such as MARPOL-Annex V, the Marine Plastic Pollution Research and Control Act, and regulations imposed by various agencies including the U.S. Coast Guard and the U.S. Environmental Protection Agency, our employees will ensure that all offshore personnel, including contractors and other support services-related personnel have complete understanding of the requirement that Operators be proactive in avoiding accidental loss of solid waste items on the OCS.

9. Air Quality

The proposed drilling and production activities are located 34 miles from the nearest Louisiana shoreline and within 100 km of the Breton National Wilderness Area.

No new drilling operations are being proposed in this plan.

The Projected Air Quality Emissions Report (Attachment G-1) indicates that the MMS exemption level will not be exceeded during the operations proposed in the DOCD. There are no existing facilities or activities co-located with the current proposed activities; therefore, the Complex Total Emissions are the same as the Plan Emissions.

10. Shipwreck Sites (Known or Potential)

There are no IPF's that could cause impacts to known or potential shipwreck sites from the proposed development activities in Mississippi Canyon Block 161.

However, in the event items of significant cultural resource potential are discovered during the proposed operations, Walter will immediately halt all operations and notify the appropriate department at the Minerals Management Service for further evaluation and assistance.

11. Prehistoric Archaeological Sites

There are no IPF's (including physical disturbances to the seafloor) from the proposed activities in Mississippi Canyon Block 161 that could cause impacts to prehistoric archaeological sites. The proposed activities are not located in an OCS Block designated by MMS as having high-probability for the occurrence of prehistoric archaeological sites.

Vicinity of Offshore Location:

1. Essential Fish Habitat

There are no IPF's that could impact to essential fish habitats as a result of the proposed operations in Mississippi Canyon Block 161 (include effluents and accidents).

No new drilling operations are being proposed in this plan.

The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

2. Marine and Pelagic Birds

IPF's that could impact marine and pelagic birds as a result of the proposed operations in Mississippi Canyon Block 161 include air emissions, accidents and discarded trash and debris. Emissions of pollutant into the atmosphere from the activities associated with the proposed operations in this plan are not projected to have significant impacts on air quality that could harm marine and pelagic birds because of the prevailing atmospheric conditions, emission heights, emission rates and pollutant concentrations.

An accidental oil spill that may occur as a result of the proposed action has the potential to cause some detrimental effects on marine and pelagic birds. Some physical oiling could occur during dives, as well as secondary toxic effects through the uptake of prey. However, it is unlikely that an accidental surface or subsurface oil spill would occur from the proposed activities. The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

With regards to marine trash and debris, coastal and marine birds can commonly become entangled and snared in discarded trash and debris. Effective June 19, 2003, the Minerals Management Service issued NTL 2003-G13 pursuant to 30 CFR 150.103 to provide guidance and assist the operators in preventing intentional and / or accidental introduction of trash and debris into the marine environment. With this assistance and with laws such as MARPOL-Annex V, the Marine Plastic Pollution Research and Control Act, and regulations imposed by various agencies including the U.S. Coast Guard and the U.S. Environmental Protection Agency, our employees will ensure that all offshore

personnel, including contractors and other support services-related personnel have complete understanding of the requirement that Operators be proactive in avoiding accidental loss of solid waste items on the OCS.

3. Public Health and Safety Due to Accidents

There are no IPF's (including an accidental H_2S releases) from the proposed activities in Mississippi Canyon Block 161 that could cause impacts to public health and safety.

In accordance with 30 CFR 250.417(c) and NTL 2003-G17 (Appendix C) we have submitted sufficient information to justify our request that the area of our proposed activities be classified by MMS as H_2S absent.

Coastal and Onshore:

1. Beaches

Primary IPF's associated with offshore oil and gas exploration and development, and most widely recognized as major threats to the enjoyment and use of recreational beaches, are oil spills (accidents) and marine trash and debris. The operations proposed in this plan are not projected to have significant impacts on coastal beaches.

An accidental oil spill that may occur as a result of the proposed action has the potential to cause some detrimental effects on coastal beaches. However, it is unlikely that an accidental surface or subsurface oil spill would occur from the proposed activities. Walter is aware of the close proximity of the shore (34 miles). The level of response to a spill will be based on volume, weather, and the characteristics of the product spilled. Walter's objectives for spill response are to ensure the safety of citizens and response personnel; control the source of the spill, have a coordinated response effort; maximize the protection of environmental sensitive areas; contain, recover and remove as much of the spill product as possible; recover and rehabilitate injured wildlife; minimize economic impacts; and keep the general public informed of the response activities. The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

With regards to marine trash and debris, effective June 19, 2003, the Minerals Management Service issued NTL 2002-G13 pursuant to 30 CFR 150.103 to provide guidance and assist the operators in preventing intentional and / or accidental introduction of trash and debris into the marine environment. With this assistance and with laws such as MARPOL-Annex V, the Marine Plastic Pollution Research and Control Act, and regulations imposed by various agencies including the U.S. Coast Guard and the U.S. Environmental Protection Agency, our employees will ensure that all offshore personnel, including contractors and other support services-related personnel have complete understanding of the requirement that Operators be proactive in avoiding accidental loss of solid waste items on the OCS.

2. Wetlands

The primary IPF associated with offshore oil and gas exploration and development, and most widely recognized as major threats to the wetlands are oil spills (accidents). The

operations proposed in this plan are not projected to have significant impacts on wetlands.

Walter is aware of the close proximity of the Delta National Wildlife Refuge (34 miles). There are two marsh zones that occur: fresh marsh near the main tributaries and brackish marsh near the GOM. The probability that an oil spill starting within Mississippi Canyon Block 161 will contact a County or Parish (thereby encountering any wetlands within same) has been projected utilizing information from the MMS Oil Spill Risk Analysis Model (OSRAM). The results can be found in Appendix F of this plan, under the "Spill Response Discussion for NEPA Analysis".

If the spill went unabated, shoreline impact would depend upon existing environmental conditions. Onshore response may include the deployment of shoreline boom on beach areas, or protection and sorbent boom on vegetated areas. Strategies would be based upon surveillance and real time trajectories that depict areas of potential impact given actual sea and weather conditions. Detailed spill response discussions are included in Appendix H of Walter Oil & Gas Corporation's Regional Oil Spill Response Plan. The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

3. Shore Birds and Coastal Nesting Birds

The primary IPF associated with offshore oil and gas exploration and development, and most widely recognized as major threats to the shore birds and coastal nesting birds are oil spills (accidents). The operations proposed in this plan are not projected to have significant impacts on shore birds and coastal nesting birds.

Mississippi Canyon Block 161 is approximately 34 miles from the Delta National Wildlife Refuge (NWR). The Delta NWR supports a wide variety of wildlife species. Wintering waterfowl take advantage of the rich food resources found in the delta. Large numbers of wading birds nest on the refuge, and thousands of shorebirds can be found on tidal mudflats and deltaic splays. Commonly observed species include greater and lesser yellowlegs, long-billed dowitchers, dunlins, western sandpipers, Wilson's plovers, killdeer and willets. The operations proposed in this plan are not projected to have significant impacts on shore birds and coastal nesting birds.

An accidental oil spill that may occur as a result of the proposed action has the potential to cause some detrimental effects on shore birds and coastal nesting birds. However, it is unlikely that an accidental surface or subsurface oil spill would occur from the proposed activities. Walter is aware of the close proximity of the shore (34 miles). The level of response to a spill will be based on volume, weather, and the characteristics of the product spilled. Walter's objectives for spill response are to ensure the safety of citizens and response personnel; control the source of the spill, have a coordinated response effort; maximize the protection of environmental sensitive areas; contain, recover and remove as much of the spill product as possible; recover and rehabilitate injured wildlife; minimize economic impacts; and keep the general public informed of the response activities. The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

4. Coastal Wildlife Refuges

The primary IPF associated with offshore oil and gas exploration and development, and most widely recognized as major threats to the coastal wildlife refuges are oil spills (accidents). The operations proposed in this plan are not projected to have significant impacts on coastal wildlife refuges.

Mississippi Canyon Block 161 is approximately 34 miles from the Delta National Wildlife Refuge (NWR). The Delta NWR was established in 1935 in the active delta at the mouth of the Mississippi River. It comprises approximately 48,800 acres of marshlands and open water in Plaquemines Parish, Louisiana. The marsh habitat on Delta NWR is classified as Palustrine Emergent Wetlands. Two basic marsh zones occur within the marsh habitat: fresh marsh nearest the main tributaries and brackish marsh near the Gulf of Mexico.

The Delta NWR supports a wide variety of wildlife species. Wintering waterfowl take advantage of the rich food resources found in the delta. Large numbers of wading birds nest on the refuge, and thousands of shorebirds can be found on tidal mudflats and deltaic splays. Commonly observed species include greater and lesser yellowlegs, long-billed dowitchers, dunlins, western sandpipers, Wilson's plovers, killdeer and willets.

Detailed spill response discussions are included in Appendix H of Walter Oil & Gas Corporation's Regional Oil Spill Response Plan. The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

5. Wilderness Areas

The primary IPF associated with offshore oil and gas exploration and development, and most widely recognized as major threats to wilderness areas are oil spills (accidents). The closest designated wilderness is the Breton Wilderness Area (designated in 1975) is located off the delta of the great Mississippi River. Breton Island actually consists of two adjacent islands (north and south) with a combined length of about three miles and a width of less than one mile. Part of a long chain of barrier islands, they comprise only a small section of Breton National Wildlife Refuge. Walter is aware of the close proximity of the Breton Islands (approximately 30 miles). The operations proposed in this plan are not projected to have significant impacts on wilderness areas.

The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

Other Environmental Resources Identified: None

C. IMPACTS ON YOUR PROPOSED ACTIVITIES

The site-specific environmental conditions have been taken into account for the proposed activities under this plan. No impacts are expected on the proposed activities from site-specific environmental conditions.

D. ALTERNATIVES

No alternatives to the proposed activities described in this Initial DOCD were considered to reduce environmental impacts.

E. MITIGATION MEASURES

No mitigation measures other than those required by regulation will be considered to avoid, lessen or eliminate potential impacts on environmental resources.

F. CONSULTATION

No outside sources were consulted regarding the potential environmental impacts associated with the activities proposed under this Initial DOCD.

G. REFERENCES

Although not always cited, the following were utilized in preparing the EIA:

Gulf of Mexico OCS Oil and Gas Lease Sales 169, 172, 175, 178 and 182; Central Planning Area, Final EIS (OCS EIS/EA MMS 97-0033)

Gulf of Mexico OCS Oil and Gas Lease Sales 2003-2007; Central and Western Planning Area Sales; Final EIS (OCS EIS/EA MMS 2002-052)

NTL 2003-G11, effective June 19, 2003, for Marine Trash and Debris Awareness and Elimination

NTL 2003-G10, effective June 19, 2003 for Vessel Strike Avoidance and Injured / Dead Protected Species Reporting

NTL 2003-G17, effective August 27, 2003 for Information Requirements for Exploration Plans and Exploration Operations Coordination Documents

Appendix I
Coastal Zone Management Consistency Information

The States of Texas, Louisiana, Mississippi, Alabama and Florida have federally approved coastal zone management programs (CZMP). Applicants for an OCS plan submitted to the Minerals Management Service must provide a certification with necessary data and information for the affected State to determine that the proposed activity(s) complies with the enforceable policies of each States' approved program, and that such activity will be conducted in a manner consistent with the program.

Coastal Zone Management Consistency Certifications for the States of Louisiana and Mississippi are required for the exploratory activities proposed in this plan and are included as Attachments I-1a and I-1b.

Enforceable Policies

State of Louisiana:

Although Louisiana does not require the "Enforceable Policies" be discussed at this time, Walter will comply with the enforceable policies of the state's approved program..

State of Mississippi:

Mississippi Coastal Program (MCP) Enforceable Policies

Goal 1

To provide for reasonable industrial expansion in the coastal area and to ensure the efficient utilization of waterfront industrial sites so that suitable sites are conserved for water dependent industry.

Walter Oil & Gas will be utilizing an existing onshore support base located in Fourchon, LA and will not require an industrial expansion in the coastal area.

Goal 2

To favor the preservation of the coastal wetlands and ecosystems, except where a specific alteration of specific coastal wetlands would serve a higher public interest in compliance with the public purposes of the public trust in which the coastal wetlands are held.

The activities proposed in this plan are approximately 34 miles from the Mississippi coast and are referenced in detail in the Environmental Impact Analysis (Appendix H).

Goal 3

To protect, propagate and conserve the state's seafood and aquatic life in connection with the revitalization of the seafood industry of the State of Mississippi.

The activities proposed in this plan should have little impact to the seafood industry since this location is approximately 34 miles from the Mississippi coast and are referenced in detail in the Environmental Impact Analysis (Appendix H).

Goal 4

To conserve the air and waters of the state, and to protect, maintain and improve the quality thereof for public use, for the propagation of wildlife, fish and aquatic life, and for domestic, agricultural, industrial, recreational and other legitimate beneficial uses.

The activities proposed in this plan should have little impact to the air and waters of the state. This goal is discussed in detail in the General Information (Appendix B), Air Emissions Information (Appendix G) and in the Environmental Impact Analysis (Appendix H).

Goal 5

To put to beneficial use, to the fullest extent of which they are capable, the water resources of the state; and to prevent the waste, unreasonable use, or unreasonable method of use of water.

The activities proposed in this plan will be covered by our regional OSRP (refer to information submitted in accordance with NTL 2003-G17 Appendix F).

Goal 6

To preserve the state's historical and archaeological resources, to prevent their destruction, and to enhance these resources wherever possible.

This goal is discussed in detail in the General Information (Appendix B) and in the Environmental Impact Analysis (Appendix H).

Goal 7

To encourage the preservation of natural scenic qualities in the coastal area.

The activities proposed in this plan are approximately 34 miles from the Mississippi coast and are discussed in detail in the Waste Discharge Information (Appendix E), Oil Spill Information (Appendix F), Air Emissions Information (Appendix G) and in the Environmental Impact Analysis (Appendix H).

Goal 8

To assist local governments in the provision of public facilities services in a manner consistent with the coastal program.

Walter Oil & Gas will coordinate any activities required to be reported to the local governments or permitted with the local governments when applicable.

COASTAL ZONE MANAGEMENT

CONSISTENCY CERTIFICATION

INITIAL DEVELOPMENT OPERATIONS COORDINATION DOCUMENT

Mississippi Canyon Block 161

LEASE OCS-G 21163

The proposed activities described in this Plan comply with the enforceable policies of the Louisiana Coastal Resources Program and will be conducted in a manner consistent with such Program.

WALTER OIL & GAS CORPORATION
Lessee or Operator

Judy Archer /ka
Certifying Official
Judy Archer
Regulatory / Environmental Coordinator

December 12, 2005
Date

COASTAL ZONE MANAGEMENT

CONSISTENCY CERTIFICATION

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Lessee or Operator

Judy Archer/kc
Certifying Official
Judy Archer
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December 12, 2005
Date

Appendix J
OCS Plan Information Form

An OCS Plan Information Form was prepared in accordance with Appendix J of NTL 2003-G17 and is located in Appendix A as **Attachment A-1**.