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RECEIVED
JUN 3 2014

June 3, 2014

14-83-CGL

Mr. John Anderson
U.S. Department of Energy Office of Fossil Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Dear Mr. Anderson:

Enclosed please find SeaOne Pascagoula, LLC's application for authority to export Compressed Gas Liquid ("CGL") to certain Free Trade Agreement ("FTA") countries.

SeaOne's initial priority is to use the Port of Pascagoula as the point of export, and we have entered into negotiations with the Mississippi Development Authority and the Jackson County Economic Development Foundation regarding SeaOne's use of the Port. Negotiations have been suspended pending completion of the Department of Energy ("DOE") authorization process, and will be resumed upon issuance of an order approving this application. A map of the site under discussion is attached.

As we have previously noted in several discussions with both DOE and the Federal Energy Regulatory Commission ("FERC"), we do not believe that that DOE has jurisdiction over the export of SeaOne's CGL product. We understand, however, that DOE has concerns that certain formulations of CGL may be utilized as a means of transporting methane and that where the purpose of a CGL export is to export methane, the product should be treated as "natural gas."

We are filing this application to expedite resolution of this issue in order to permit SeaOne to proceed with production for its initial exports of a formulation consisting primarily of natural gas liquids, to Free Trade Agreement countries in the Caribbean Basin and Gulf of Mexico and to make provision for case by case authorization of exports of formulations consisting primarily of methane or where the export is made for the primary purpose of delivering methane. As noted above, preliminary exports are anticipated to take place from the Port of Pascagoula, and exports of similar products from other locations are anticipated to follow.[1]

It is clear that CGL is not LNG, and is therefore not subject to FERC's LNG facility approval jurisdiction under Section 3(e) of the Natural Gas Act ("NGA") as amended by the Energy Policy Act of 2005 Commission staff has indicated agreement with this position. It is also clear that SeaOne's Pascagoula facility is not connected to an interstate pipeline nor is it a facility or unit necessary for the interstate transportation of natural gas or any associated product. Thus, the facility is not otherwise subject to FERC

[1] As previously discussed, the equipment required for SeaOne's CGL process is modular and portable, and therefore SeaOne's plans, and this application, are not tied to a specific location or a traditional "facility".

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jurisdiction, at least until such time as jurisdictional natural gas exports are initiated.

In summary, SeaOne's Pascagoula site, and analogous sites that will follow, are not subject to FERC jurisdiction under the NGA, at least for formulations consisting primarily of gas liquids which are not utilized for a primary purpose of exporting methane, and thus does not require an application to FERC in order to construct. SeaOne intends to commence operations with the production of high-BTU CGL products suitable for such purposes as boiler fuel, and we believe that the Commission staff will agree that this CGL formulation, which is not utilized for the primary purpose of exporting methane, is not natural gas within the meaning of the NGA. We understand that DOE will consider Applications for Determination of Non-Jurisdictional Status, of the various alternative CGL formulations and intend to file such applications at the appropriate time.

Though, as noted above, we do not believe that CGL is "natural gas" or that export of CGL requires DOE's authorization, because it is an urgent matter of survival for SeaOne to resolve the uncertainties which are impeding the project, we agree to accede to DOE jurisdiction for CGL formulations with Btu content of less than 1100 Btu/scf or for exports where circumstances otherwise indicate a primary purpose of exporting methane. Through the attached application we apply for authority to export such products as export contracts meeting the above referenced parameters are executed.

Section 3(c) of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-146), requires that applications to authorize the export of natural gas to nations with which there is in effect a FTA requiring national treatment for trade in natural gas be deemed consistent with the public interests and granted without modification or delay. In light of its statutory obligation to grant such applications without delay or modification, there is no need for DOE to engage in any analysis of factors affecting the public interest. Since no facility approval is currently required in this context and since applications for exports to FTA countries, must be granted without modification or delay in accordance with NGA section 3(c), no Environmental Assessment under the National Environmental Policy Act (NEPA) is required or authorized.[2]

Therefore, pursuant to Section 3 of the Natural Gas Act, 15 U.S.C. § 717b, and Part 590 of the regulations of the Department of Energy, 10 C.F.R Part 590 (2011), SeaOne Maritime, LLC hereby files an original and three (3) copies of its Application for Authorization to Export Compressed Gas Liquid to Certain Free Trade Agreement Countries. A check in the amount of $50 is being provided under separate cover as the filing fee stipulated by 10 C.F.R § 590.207 (2011).

Thank you for your attention to this matter. If you have any questions regarding this filing, please contact the undersigned at (202) 457-6090.

Respectfully submitted,

Squire Patton Boggs (US) LLP
J. Gordon Arbuckle
Counsel for SeaOne Pascagoula, LLC

Attachment

[2] *See, e.g., Xpress Natural Gas LLC,* FE Docket No. 12-168-CNG, January 8, 2013.

STATE OF MISSISSIPPI
PHIL BRYANT, GOVERNOR
MISSISSIPPI DEVELOPMENT AUTHORITY
BRENT CHRISTENSEN
EXECUTIVE DIRECTOR

May 30, 2014

Dr. Bruce Hall
SeaOne Pascagoula, LLC
Three Allen Center
333 Clay Street – Suite 4890
Houston, TX 77002

Dear Dr. Hall:

On behalf of the Mississippi Development Authority (MDA) and the Jackson County Economic Development Foundation (JCEDF), we are pleased to have provided SeaOne Pascagoula, LLC with site and community information sufficient for them to evaluate the feasibility of a proposed CGL export facility in Jackson County Mississippi. Currently the JCEDF maintains an inventory of a number of potentially available industrial sites, with SeaOne Pascagoula, LLC expressing the most interest in a property located on north end of Bayou Casotte.

We are pleased to have the opportunity to support SeaOne in their process of site evaluation and due diligence. As a team, we will work diligently to pursue a mutually beneficial site location.

J. Brent Christensen
Executive Director
Mississippi Development Authority

George L. Freeland, Jr.
Executive Director
Jackson County Economic Development Foundation

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY OFFICE
OF FOSSIL ENERGY

In the Matter of:	)	
	)	
SEAONE PASCAGOULA, LLC	)	**Docket No.14-___-CGL**
	)	

APPLICATION OF SEAONE PASCAGOULA, LLC FOR LONG-TERM AUTHORIZATION TO EXPORT COMPRESSED GAS LIQUID

Pursuant to Section 3 of the Natural Gas Act ("NGA"), 15 U.S.C. Section 717b, and Part 590 of the Department of Energy's ("DOE") regulations, 10 C.F.R. Part 590 (2011), SeaOne Pascagoula, LLC ("SeaOne") hereby submits this application to the Office of Fossil Energy ("FE") for long-term, multi-contract authorization to export Compressed Gas Liquid ("CGL") to nations located in or adjoining the Caribbean Basin and the Gulf of Mexico with which the United States has, or may enter into, Free Trade Agreements ("FTA") requiring national treatment for trade in natural gas (the "FTA Countries"). In support of this application, SeaOne respectfully offers the following:

I.
COMMUNICATIONS

Correspondence and communications regarding this application should be addressed to:

Dr. Bruce Hall
SeaOne Pascagoula, LLC
333 Clay Street – Suite 4890
Houston, TX 77002
Telephone: (713) 739-3030
Facsimile: (713) 739-1525
Email: brucehall@seaonecorp.com

J. Gordon Arbuckle
Squire Patton Boggs (US) LLP
2550 M Street, NW
Washington, DC 20037
Telephone: (202) 457-6090
Facsimile: (202) 457-6315
Email: gordon.arbuckle@squirepb.com

Pursuant to Section 590.103(b) of the DOE regulations,[1] SeaOne hereby certifies that the persons listed above and the undersigned are the duly authorized representatives of SeaOne.

II.
DESCRIPTION OF APPLICANT AND CGL

The exact legal name of the applicant is SeaOne Pascagoula, LLC. SeaOne is a limited liability company formed under the laws of the State of Delaware with its principal place of business located at 333 Clay Street, Suite 4890, Houston, Texas 77002. SeaOne is a wholly-owned subsidiary of SeaOne Holdings, LLC ("SOH"). SOH is a limited liability company formed under the laws of the State of Delaware with its principal place of business located at 333 Clay Street, Suite 4890, Houston, Texas 77002.

CGL is a compressed liquid product consisting of a custom manufactured mixture of hydrocarbon chemicals produced from oil and gas wells. While CGL products are typically composed primarily of Natural Gas Liquids and have a much higher BTU content than the fuels we classify as "natural gas," the CGL products may contain various levels of methane and the process may be utilized as a means of transporting methane. Btu content of traditional "natural gas" fuels is in the 900-1100 Btu/scf range. The CGL products, which by contrast are typically above 1200 Btu/scf, may be used as fuels in burners configured to burn propane or other high-Btu fuels that have traditionally not been subject to export controls. CGL may also provide feedstocks for the production of petrochemicals, fertilizers, vehicle or vessel fuels or a broad range of other products. CGL products capable of efficient utilization as a means of transporting methane will have a Btu content of less than 1100 Btu/scf. This application is filed to cover the export

[1] SeaOne Pascagoula, LLC requests waiver of Section 590.202(a) of DOE's regulations, 10 C.F.R. § 590.202(a), to the extent necessary to include outside counsel on the official service list in this proceeding.

of CGL with a Btu content of the product of 1100 Btu/scf or less or CGL where the product formulation and conditions of export otherwise suggest that export of methane is the primary purpose.

III.
AUTHORIZATION REQUESTED

By the instant application, SeaOne requests long-term, multi-contract authorization to engage in exports of up to 1.5 Bcf per annum of CGL to any nation located in or adjoining the Caribbean Basin and the Gulf of Mexico with which the United States currently has, or may enter into, a Free Trade Agreement requiring national treatment for trade in natural gas, effective for a thirty (30) year term beginning on the date of the first export under the authorization. Prior to any export of CGL SeaOne will file the long-term export contracts for such products that are the subject of the authorization requested herein following execution of such agreements, which has yet to occur.[2]

SeaOne initially intends to export CGL from its proposed Pascagoula Compressed Gas Liquid Export Facility (the "Pascagoula Facility") that is anticipated to be located in the existing Port of Pascagoula, Mississippi. SeaOne is expected to develop, site, own, and operate the Pascagoula Facility and has entered into negotiations with the Mississippi Development Authority and the Jackson County Economic Development Foundation, which will be finalized upon approval of this application. A map of the proposed site is included as Appendix C to this application. This requested authorization applies to CGL which may be exported from the Pascagoula Facility. The equipment used for SeaOne's CGL process is modular and portable, and SeaOne anticipates exports from other locations to follow.

[2] The terms of the individual contracts, including, but not limited to, commencement and termination dates, pricing, volumes and export destinations, will vary and be determined by market conditions.

SeaOne may amend or supplement this application to include other locations as necessary.

SeaOne requests these authorizations both on its own behalf and as agent for other parties who hold title to the CGL at the time of export.

SeaOne's negotiations with prospective customers are of a continuing nature. Therefore, SeaOne requests that export authority be granted on a long-term basis at all points of import to the FTA Countries located in or adjoining the Caribbean Basin and the Gulf of Mexico in order to provide SeaOne with the flexibility necessary to respond quickly to these marketing opportunities. As indicated in the cover letter accompanying this application and as discussed below, SeaOne Pascagoula's initial sales of CGL are expected to be to the Dominican Republic, a country with which the United States has a free trade agreement. Because CGL is manufactured to customer specifications, SeaOne cannot be competitive with other sellers if it must apply for export authorization for each transaction. The subject application is similar to other long-term export arrangements approved by DOE/FE.

IV.
PUBLIC INTEREST

Section 3(c) of the NGA, as amended by the Energy Policy Act of 1992,3 provides that the importation and exportation of natural gas from or to a nation with which there is in effect a free trade agreement shall be deemed to be within the public interest and that applications for such importation and exportation shall be granted without modification or delay. Because SeaOne's application is for authorization to export CGL to FTA countries located in or adjoining the Caribbean Basin and the Gulf of Mexico, SeaOne submits that its application is within the public interest.

[3] Pub. L. 102-486.

V.
ENVIRONMENTAL IMPACT

The Federal Energy Regulatory Commission ("FERC") has concurred with SeaOne that the proposed Pascagoula Facility is only subject to FERC jurisdiction under section 3 of the NGA to the extent that the Department of Energy determines that certain CGL products constitute "natural gas." To the extent that the Pascagoula Facility exports nonjurisdictional products it does not require an application to FERC in order to construct as there will not be a federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act, 42 U.S.C. § 4321, *et seq.*

VI.
REPORTING REQUIREMENTS

With respect to all exports made pursuant to the authorization requested herein, SeaOne will file with the DOE/FE in the month following the close of each calendar month, reports indicating by month whether exports have occurred, and if so, the details of each transaction, including the total volumes of exports in Mcf and the average price for the exports per MMBtu at the international border. The reports shall include the name of the seller, the name of the purchaser, the estimated or actual duration of the agreements, the name of the transporter(s), the point of entry or point of exit, whether the sales are made on an interruptible or firm basis, and if applicable, the method of transportation and any specific related requirements. SeaOne will notify the DOE/FE in writing of the date of the first delivery of compressed gas liquid exported under the requested authorization within two weeks of such delivery.

VII.
CONCLUSION

WHEREFORE, for the foregoing reasons SeaOne respectfully requests that the DOE/FE expeditiously consider the instant application and, pursuant to Section 3 of the NGA and Part 590 of the DOE's regulations, grant its request for long-term export authorizations. SeaOne submits that a grant of such authorizations is consistent with the public interest. Given the length of prior discussions with the DOE and FERC regarding CGL, SeaOne specifically requests DOE/FE's expeditious action on this application in order to assure that SeaOne is able to take advantage of business opportunities that SeaOne expects to materialize in the immediate future.

Respectfully submitted,

J. Gordon Arbuckle
Squire Patton Boggs (US) LLP
Counsel for SeaOne Pascagoula, LLC

Dated at Washington, D.C., June 3, 2014,

Appendix A

Verification

VERIFICATION

STATE OF TEXAS)
)
SS:
COUNTY OF HARRIS)

BEFORE ME, the undersigned authority, on this day personally appeared Bruce Hall, who, having been by me first duly sworn, on oath says that he is President and Chief Operating Officer of SeaOne Pascagoula LLC; that he is familiar with the contents of the foregoing application; and that the matters set forth therein are true and correct to the best of his knowledge, information and belief.

Sworn to and subscribed before me, a Notary Public, this 9th day of May, 2014.

Notary Public

(NOTARIAL SEAL)

My commission expires: 8-26-2014

EDUARDO SOTO
Notary Public, State of Texas
My Commission Expires
August 26, 2014

Appendix B

Opinion of Counsel

SQUIRE PATTON BOGGS

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June 3, 2014

Office of Fuels Program
Fossil Energy, U.S. Department of Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Ave, S.W.
Washington, D.C. 20585

Re: SeaOne Pascagoula LLC, Application for Long-term Authorization to Export Compressed Gas Liquid to the Dominican Republic and other FTA countries located in or adjoining the Caribbean Basin and the Gulf of Mexico

Dear Sir:

This opinion of counsel is provided in accordance with the requirements of Section 590.202(c) of the U.S. Department of Energy's regulations, 10 C.F.R. § 590.202(c). I have examined the Certificate of Incorporation of SeaOne Pascagoula, LLC and other authorities as necessary, and have concluded that the proposed exportation of compressed gas liquid by SeaOne is within its corporate powers. Further, SeaOne is authorized to do business in Texas and other U.S. states and to engage in foreign commerce.

Respectfully submitted,

J. Gordon Arbuckle
Squire Patton Boggs (US) LLP
Counsel for SeaOne Pascagoula, LLC

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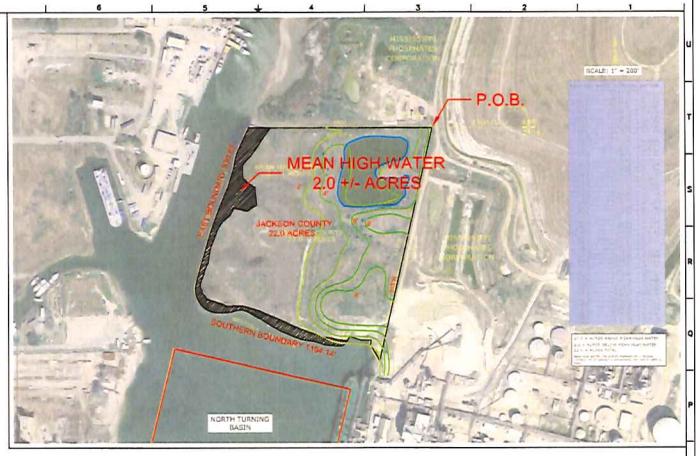
Appendix C

Diagram of Proposed Pascagoula Facility



N

P.O.B.

NORTH 929'-2"

400'

4' ELEV

16' ELEV

JACKSON COUNTY
22.0 ACRES
30.35361N,88.50604E

CGL FACILITY
SITE PLAN

FUTURE EXPANSION

CGL ATB VESSEL
900'X150'X23.29'

Water Depth = 37'

900'X150'X23.29'
CGL ATB VESSEL

900'

1215'

S13°W

WEST BOUNDARY 964'

REROUTE
EXISTING
GAS LINE

RELOCATED
BEACON LIGHT

EXISTING LIGHT
BEACON LIGHT
TO BE
RELOCATED

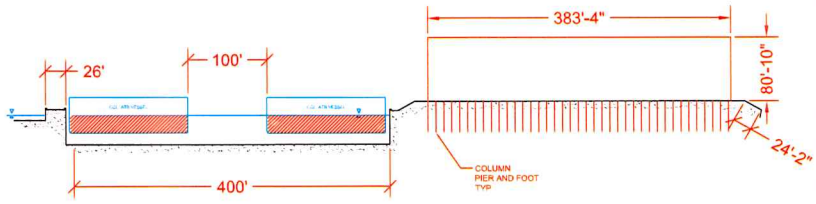
MISSISSIPPI PHOSPHATES CORPORATION

SOUTHERN BOUNDARY 1194'

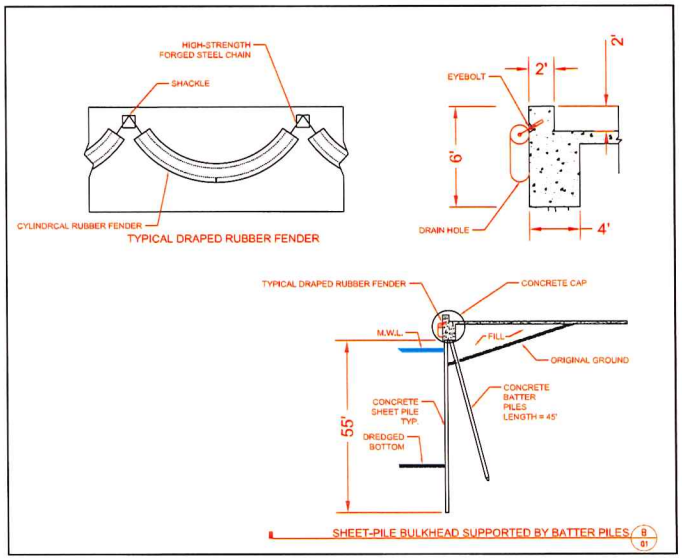
NORTH TURNING BASIN 900'
WATER DEPTH =37.1 FEET

SUBMARINE PILE
REMOVE BY STATE

RANGE "B"



SECTION: PORT FACILITY



SHEET-PILE BULKHEAD SUPPORTED BY BATTER PILES

SEAONE

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