

## INTEROFFICE CORRESPONDENCE

X-2695

DATE Dallas 21, Texas  
October 31, 1958

FROM: Will Swerdloff

S-168-58

TO: P. D. Blackburn

PF-CM 1

SUBJECT: Louisiana Stream Control Commission Hearing  
October 29, 1958  
Cameron Meadows Plant

I have just returned from presenting our application for a waste disposal permit at the Cameron Meadows Plant to the Louisiana Stream Control Commission at Baton Rouge. We were granted our permit without any trouble although several companies nearly failed to get theirs because they did not have a representative present.

Ted Shaikewitz and I stayed throughout the entire hearing and observed the proceedings. The Louisiana Stream Control Commission had been successful in eliminating pollution from many industries in Louisiana where formerly this was considered impossible. It was apparent from their discussions and cases appearing before them that they are now starting to put pressure on the producing part of the oil industry. At the present time they are doing considerable work in the Gulf Coast marsh area and in the offshore. One inspector is on duty in this area. Recently they cited 73 leases out of a field containing 79 leases at a public hearing.

Kerr-McGee's offshore drilling operations were given a rather severe treatment at the meeting we attended. The Commission has been citing them since June. They had just called in a drilling barge to dry dock for repairs after two small oil leaks had been discovered by the pollution inspector. Some members of the Commission wanted to deal severely with them at once but they were finally persuaded to give them until January 1 to completely clean up their offshore oil operations.

They plan to institute proceedings early next year against oil operators in the northern part of Louisiana, particularly around Cross Lake and its drainage basin. The technical staff of the Commission was instructed to prepare detailed summaries of evidence so that individual operators may be brought into court for allowing waste oil to escape into streams and ditches. Apparently waste oil will be given attention before salt water is emphasized.

After the hearing I spent the afternoon with Mr. Ken Biglan and some of his staff at the Commission's technical headquarters. We discussed the attached article which appeared in the October 20 issue of the Wall Street Journal and also an article in the October 29 issue of Times-Picayune. In the Times-Picayune article Senator A. O. Rappelet of southern Louisiana accused the Wildlife and Fisheries Law Enforcement Division of accepting bribes to allow illegal size shrimp to be caught. The state of the shrimp and oyster industry as well as the developing political situation in the state government makes it highly likely that there will be a witch hunt in southern Louisiana for people to blame for the decreased number of shrimp caught.

RECEIVED

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ATTENTION: ONLY ONE SUBJECT IN EACH LETTER - WRITE - DO NOT TELEGRAPH OR TELEPHONE EXCEPT IN EMERGENCY

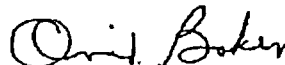
Oct. 31, 1958

In the opinion of the biologists at L.S.U. and the State Stream Control Commission there is a direct relationship between shrimp catches and the rainfall the year preceding. Heavy rainfall washes through the marsh carrying organic food materials into the Gulf. These food materials are consumed by the plankton and the plankton population increases enormously. The shrimp feed on the plankton and next year there will be a large shrimp crop. The shrimp catch has been low due to the drouth in recent years and also to the activity of the Corps of Engineers in providing better ship channels and levees for flood control which prevent water escaping from the Mississippi River into the marshlands. The activities of the Gulf States Marine Fisheries Commission, of which Senator Rappalet is a prominent member, should be watched carefully.

It is my recommendation that a highly increased vigilance be used in all of our offshore and gulf coast operations to prevent any oil escaping into the water even in small amounts. I am aware of our present practices in these matters and it is my feeling we will have to make some changes.

I would particularly call your attention to the practice of blowing sand traps in the offshore and the separation at Block 126 of oil, sand and salt water. Some of the sand is stuck into small lumps by a 209°F melting point wax. These lumps float on the interface between the oil and seawater in the trap installed at Block 126. If they escape without being hauled to shore they float on the surface and provide evidence of pollution which perhaps could be traced directly to our location. This unit has not been in operation very long and it would be helpful if some engineering study could be given to its performance and a report forwarded to the Dallas office.

In my opinion this whole problem will become increasingly intense as the next governor's election approaches. Greater political pressure will be applied to all state agencies to enforce the existing regulations, a copy of which is attached.



Ovid Baker  
for Will Swerdloff

OB/dm  
Attach.

cc: RDH, HHS, CVE, JES(3), JAU(3)  
MVOBradley, EIDowning, HFort

## Gulf Fishermen Fret, Seek Federal Help as Shrimp Catches Shrink

Most Blame Oil Wells; Some  
Try New Waters, Run Into  
Mexican Patrols' Gunfire

By JACK R. HANICKE  
Staff Reporter of THE WALL STREET JOURNAL

BILOXI, Miss.—A tiny but toothsome creature is giving a lot of learned gentlemen a terribly bad time.

It's the *Crango vulgaris*, more familiarly known as the shrimp. And though he may seem to be of little interest to men of affairs (other than in the eating), he is receiving a startling amount of attention from many influential people, in and out of Government.

Within the past week, for example, a distinguished group of more than 100 scientists, public officials and industry authorities gathered here in this quaint Gulf Coast town to diligently deliberate on the habits and habitats of shrimp.

Their problem: Shrimp are disappearing from Gulf Coast waters.

Their purpose: To find out why, and to try to prevent it.

Speculation—and Plans

At this point, nobody knows for certain what's causing the shrimp disappearance. But there's speculation aplenty—and plans to spend public and private money to look into the matter further.

Shrimp men now tend to put most of the blame on the oil companies, who've been churning up Gulf waters with their offshore oil drilling. Uncle Sam is coming in for some knocks, too. The Army Corps of Engineers, for instance, now is dredging a \$92 million, 70-mile canal across marsh land to give New Orleans a new outlet to the sea. Shrimp men are protesting that the dredged-up bank will dam up coastal areas, preventing shrimp and other species in the fish fraternity from entering.

To understand the problem, one must first understand shrimp. Little is known about the reproductive processes of the shrimp; even the experts admit this. The little crustaceans spawn far out at sea but young shrimp do require an inland, brackish marsh area in which to grow. Adult shrimp, about the size of a man's thumb but sometimes larger, generally congregate just beyond marsh areas—which happens to be where several oil companies (Gulf, Humble and Magnolia, among them) have found some of their best oil-producing sites.

To fill in gaps in knowledge about shrimp, the folks gathered here at the session of the Gulf States Marine Fisheries Commission decided to ask Congress at its next session for \$904,000 for a one-year research program on shrimp (their sex life, their habits, travels and such) and an additional \$507,000 each year thereafter for further studies. This year, interestingly enough, the U.S. Interior Department is spending about \$300,000 on shrimp studies alone.

The high-level cogitation over shrimp, which could degenerate into a wingding of a fight, involves a small but surprisingly plump industry.

THE WALL STREET JOURNAL,  
Monday, October 20, 1958

### Catches Are Sliding

But shrimp catches in these parts are skidding. Last year, for example, shrimpers hauled in 186.7 million pounds, down for the third straight year from the 237.2 million-pound haul in 1954. So far this year, the catch is lagging about 7% below the 1957 level.

The impact of this shrimp decline has been widespread. Some Texas and Louisiana shrimpers, for example, have fled off to more lucrative grounds off the Mexican coast, and thereby have drawn the ire—and occasional gunfire—of Mexican coastal patrols. Many a shrimp cannery in this area has been forced to run under capacity because of small shrimp hauls. The price of shrimp from this area has been going up, making it more difficult for domestic producers to compete with shrimp exporters in Mexico and the Far East. And, finally, the shortage is spurring added efforts to prevent further disappearance of the shrimp.

In addition to the plea for Federal funds, some shrimp men are plotting to take their plight to state legislatures. Louisiana cannery, for instance, have proposed 14 changes in state laws aimed at protecting their shrimp supply.

Another proposal—which would cost an estimated \$8 million in Federal funds—would be aimed at transposing fresh water from the Mississippi River into the salty marsh lands through canals. This, say proponents, presumably would counteract the effects of oil wastes, as far as the shrimp are concerned.

Declares one cannery: "I look up and down the coast and all I can see are oil refineries, petrochemical plants and oil wells. And my cannery is running at half capacity."

## Rappelet Says Graft Plan Rumored in State Agency

### Asserts 'Payoff' for Illegal Catch Is 'Gossiped'

State Sen. A. O. Rappelet charged Tuesday that a system of graft has been "rumored to exist" in the Louisiana wildlife and fisheries commission law enforcement division.

The commission disclaimed knowledge of any such system of graft and decided to appoint a committee to investigate.

The senator charged at the commission meeting at the Monteleone hotel that small shrimp of illegal size are being caught and sold in his parish area against Louisiana law and with the knowledge of commission agents.

E. R. McDonald of Newellton, La., commission chairman, clarified that no direct accusations were made against members of the commission or any certain member of its law enforcement division.

#### GOSSIP HELD SOURCE

Rappelet said, "Gossip in our area has it that a system of graft is paying off to operate so that small shrimp can be marketed."

McDonald accepted a resolution by Warren Simon, commission attorney, to appoint a committee made up of three commission members. The committee would employ special investigators, who would be unknown except to the committee, to investigate "everybody from the chairman to the agents."

F. L. Clement, commission director, said, "If I am given proof that anyone has been bought or bribed that would hold up before a civil service court, I would have him dismissed."

#### DISPLAYS SMALL SHRIMP

The director told the shouting senator, "You are way out of line by coming here and making this public. You have brought nothing that could be considered proof and you are reflecting on the honesty of the entire department. I am astounded and disgusted."

Rappelet displayed a large jar of small shrimp which he said were taken from a shrimp boat Monday afternoon.

"If Rappelet can find these shrimp, if the members of this board can find these shrimp, why can't the agents pick them up?" he asked.

The Lafourche lawmaker asserted that strict enforcement of the law was made during the closed season on shrimp from June 30 to Aug. 15.

#### REPORT BACKED

"Since that time, however, there has been a complete breakdown of law enforcement," he charged. "So much so that some fishermen have said agents have told them to trawl this shrimp and they would be paid for it."

A delegation headed by James Summeragill of Golden Meadow, president of the newly-organized Louisiana Shrimpers' Association, backed up Rappelet's accusation that law enforcement is strangling the Louisiana shrimp industry.

This industry has dropped from a \$30 or \$40 million a year business to about an \$8 million a year business, Rappelet said.

#### DEMANDS ENFORCEMENT

"We want some law enforcement without any under-the-table hash-off," the senator added.

R. P. Easterly, chief of the commission enforcement division, followed a comment by Rappelet that no one present was being accused by angrily demanding that the senator "set everybody straight on just who you are accusing."

"I don't play ball that way," Easterly said. "Nobody can bribe me and nobody can buy me. If someone is bribing agents there, I'll remedy this."

Easterly pointed out that agents from other sections of the state were switched to the Lafourche parish area during the closed season from June 30 to Aug. 15.

#### BOOK DARES RAPPELET

"We don't really have the money to switch these agents to the area," Easterly continued. "We are doing the best we can with what we've got to do with. If they're bribing agents, I'll correct this situation if I get the money from this commission to do it with."

Julius Book, assistant chief of the enforcement division, told Sen. Rappelet, "If you are insinuating that I am taking graft, I'll settle with you outside of this room."

Rappelet cited one case in which he said a shrimper's trawl was seized because he was taking illegally small shrimp. The trawl was returned and the shrimper permitted to file charges of theft against the agent making the seizure, he said.

Easterly said Rappelet made a "bad accusation." He added, "No one gave me any orders not to enforce the shrimp law. I do not condone wrong. If evidence is presented to me, I will see that something is done about it."

**RULES GOVERNING DISPOSAL OF WASTE OIL, OIL FIELD  
BRINE, AND ALL OTHER MATERIALS RESULTING FROM THE  
DRILLING FOR, PRODUCTION OF, OR TRANSPORTATION OF  
OIL, GAS OR SULPHUR**

**(As Amended January 27, 1953)**

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**ADOPTED**

**BY**

**THE STREAM CONTROL COMMISSION**

**STATE OF LOUISIANA**

**UNDER AUTHORITY OF SECTION 1435, CHAPTER 3, PART I,  
OF TITLE 56, LOUISIANA REVISED STATUTES OF 1950**

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**JANUARY 27, 1953**

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BRINE, AND ALL OTHER MATERIALS RESULTING FROM THE  
DRILLING FOR, PRODUCTION OF, OR TRANSPORTATION OF  
OIL, GAS OR SULPHUR**

(As Amended January 27, 1953)

1. Crude oil, waste oil, oil sludge, oil-water emulsion, or oil bearing mixtures of any kind shall be gathered and destroyed by burning or otherwise on the lease where the wastes originate, and in such manner as to eliminate any pollution hazard.
2. No oily fluids shall be discharged to, or allowed to flow on the ground, or be carried from the original lease in open ditches, or discharged or allowed to flow into any stream, lake or other body of water.
3.
  - a. Each producing well, except those over marsh and water, all oil booster pumps, and any pump used to move oil or oily fluids, shall be provided with a surrounding gathering ditch or equally effective device, to prevent the escape of oily wastes from the location, such ditch to be graded to a gathering sump which shall be cleaned regularly by removal and destruction of oily wastes. All spillage of oil shall be promptly gathered and destroyed.
  - b. On all pumping wells, over water or marsh, there shall be installed an adequate impervious deck or other device with catch tank installed around the wellhead. The catch tank should be equipped with a "stiff-leg" to enable the operator to dispose of excess rainfall.
  - c. All drilling barges, whether for workover or drilling new wells shall be equipped with a device at the open end or ends of keyways to prevent oil or oil fluids from escaping therefrom. This device shall be so installed as to be adjustable for tidal changes and all oil collected within keyways shall be picked up and disposed of in compliance with paragraphs 1 and 2.

- d. All barges containing drilling, workover or power units shall be equipped with a coaming or other device as to drain all oil or oily fluids into a catch tank.
  - e. All necessary steps shall be taken to avoid loss of oil during workover operation.
4. All storage tanks, gun barrels, tank batteries, and similar equipment shall be provided with an adequate fire wall maintained in good condition. The area inside the fire wall shall be graded to a surrounding ditch leading to a gathering sump inside the fire wall, such sump to be cleaned regularly by removal and destruction of oily wastes. In water, swamp or marsh areas, where the building of dikes or fire-walls is impracticable, the tank battery shall be equipped with an impervious deck, surrounded with a steel gutter leading to a sump, where the oil and water shall be trapped and disposed of. If, however, the operator desires, he may accomplish the same purpose by any other method previously approved by the Stream Control Commission.
5. Oil gathering lines, or any other lines used for transporting oil, shall be regularly inspected and all leaks shall be immediately repaired. Waste from leaks shall be collected and destroyed immediately upon discovery. All barges used for the transportation of crude oil or petroleum products shall be in first class condition. Leaking barges shall be repaired before reuse. Loading racks, barge-loading outlets, and similar installations shall be operated at all times with full precaution against spillage. Such installations shall be surrounded by a ditch graded to a gathering sump, or shall be provided with an impervious deck surrounded by a steel gutter leading to a sump, or with such other equipment adequate for the accomplishment of the same purpose as may be approved by the Stream Control Commission. All such gathering sumps shall be cleared regularly by removal and destruction or other safe disposal of the oily waste. After each operation of barge or tanker loading equipment, loading hose and connections shall be carefully drained, and the gathering sumps shall be emptied, preferably to the barge or tanker.
6. No salt water shall be discharged from a lease until all oily waste has been completely separated therefrom, except in cases where the transfer of such salt water from the

lease to a central treating plant has been approved in writing by the Stream Control Commission or one of its agents. Separating pits or other equally effective device, for the separation of oily wastes from oil field brine shall be constructed and operated in such a manner that no oily waste will be carried from the lease, except to central treating plants, and shall meet any reasonable minimum requirements set up in any particular field or lease by the Stream Control Commission. In oil field brines discharged to streams the oil content shall not exceed 30 p.p.m.

7. No oil field brine shall be discharged into any stream, lake or other body of water, or into any ditch or surface drainage leading to any stream, lake or other body of water, when it is determined by the Stream Control Commission that such discharge would adversely affect the palatability of a source of potable water to an appreciable degree, or would be deleterious to the public health, or to the prosecution of an industry or lawful occupation for which or in which any such waters may be lawfully used or employed, or whereby the carrying on of any agricultural pursuit may be injuriously affected or whereby the lawful conduct of any livestock industry or the use of any such waters for domestic animals may be prevented, injuriously affected or impaired, or whereby any lawful use of any such waters by the State of Louisiana, or by any political subdivision, or by any corporation, association, partnership, or person, or any other legal entity may be lessened or impaired, or materially interfered with, or whereby any fish life, or any beneficial animal or vegetable life in said waters may be destroyed, or the growth or propagation thereof prevented or injuriously affected; provided that oil-free brine may be discharged under maximum dilution ratios prescribed for any particular stream or field by the Stream Control Commission, or during any particular period in which such discharge is determined by the Commission to be free from pollution hazard, or necessary in the public interest.
8. Wherever possible, disposition of oil field brine shall be accomplished by discharge through disposal wells to underground horizons below the fresh water level, such wells to be so drilled, cased, cemented, equipped, and operated that no fresh water horizon shall be polluted; provided that this rule shall not apply in fields or areas where it is determined by the Stream Control Commission that disposal-



tion of the brine is or may be accomplished by discharge into water bodies normally or seasonably sufficiently saline to preclude any actual or potential pollution hazard due to such discharge.

**BY ORDER OF THE  
STREAM CONTROL COMMISSION**

L. D. Young, Jr.,  
*Chairman*