Application for Use of State-owned Aquatic Lands

Applicant Name: Cayou Quay Marina, LLC
County: San Juan County
Water Body: Deer Harbor
Type of Authorization - Use: Right of Entry – Support Anchors
Authorization Number: Pending
Term: 5 years

Description: This agreement will allow the use of State-owned aquatic lands for the sole purpose of installing temporary anchors to support existing breakwater. It is located in Deer Harbor, in San Juan County, Washington.

Date of Public Notice: 11/9/10
APPLICATION FOR AUTHORIZATION TO USE STATE-OWNED AQUATIC LANDS

No work can be started on the project area until a use authorization has been granted by the state Department of Natural Resources.

I. SUBMISSION OF APPLICATION

This application form will be reviewed by the state Department of Natural Resources upon receipt at the address given below, and also posted on the DNR website as public information. Applicants will be notified in writing if the application will be accepted for further review. However, this application may be rejected at any time before signed execution of a use authorization.

APPLICATION MUST BE FILLED OUT IN BLUE OR BLACK PEN

Please send the completed application form to your region land manager at:

Washington State Department of Natural Resources
Northwest Region
919 N Township St
Sedo-Woolley, WA 98284-9333
360-856-3500
TTY: 360-856-1371

Enclose a $25.00 non-refundable application processing fee with the application. (This fee is not required for local, state, and other government agencies).

II. APPLICANT INFORMATION

Date of Application: 10-30-10

Authorization to be Issued To (how name is to appear in the lease document): Cayou Quay Marina, LLC

Applicant’s Representative: Audrey Moreland

Relationship to Applicant: Employee

Address: PO Box 102

City: Deer Harbor

State: WA

Zip Code: 98243

Telephone: 360 622-6434

Fax:

E-Mail: Audrey@Dansker.com

FOR OFFICIAL USE ONLY

Support staff: Application Fee Received ☑ JARPA Received ☐ Date: 11/9/10

Land Manager: ☑ New Application ☐ Renewal Application

Land Manager Initials: TMC

Natural Use Code: Z124
II. APPLICANT INFORMATION cont'

Department of Revenue Tax *Registration Number (Unified Business Identifier) is Required: 602-623-821

Which of the following applies to Applicant (Check One and Attach written authority to sign - bylaws, power of attorney, etc):

<table>
<thead>
<tr>
<th>Corporation</th>
<th>Limited Partnership</th>
<th>General Partnership</th>
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<td>State of Registration:</td>
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<td>Sole Proprietorship</td>
<td>Marital Community Spouse:</td>
<td>Government Agency</td>
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Other ☒ (Please Explain:) Limited Liability Corporation – Washington State

Has the site use been authorized before or is it currently under lease? Yes ☐ Lease Number: ___

No ☒ Don’t Know ☐

III. LOCATION

The Body of Water on which the state property is located:
Deer Harbor

County in which the state property is located: San Juan

Government Lot: __________________________

Section: 7 Township: 36N

Range: 2W E ☐ or W ☒

Note: A legal property survey including the legal description and other information about the property is required to obtain a use authorization. WA DNR survey requirements are attached to this form. The survey plat will be attached to the lease/easement as Exhibit A. DO NOT HAVE THIS SURVEY CONDUCTED UNTIL YOU HAVE BEEN NOTIFIED IN WRITING THAT THE APPLICATION HAS BEEN ACCEPTED FOR PROCESSING.

Physical description of Project Area (For example, Marsh, Tideflat adjacent to the Chehalis River, etc.): Approximately 30 ft water depth in the navigable waters of Deer Harbor.

Name of Owner(s) of Uplands, Shorelands, and/or Tidelands shoreward and adjacent to the Property: Cayou Quay Marina, LLC

Address: 449 Channel Road / PO Box 206 City: Deer Harbor State: WA Zip Code: 98243

Phone Number: 360 376-4560 Fax Number E-mail: Erik@Dansker.com

Note: Except for property located within established Harbor Areas, proof of ownership, or authorization to use the adjacent tideland, shoreland, or upland property may be required. If the applicant is the owner of the adjacent land, attach a copy of the deed.

County Parcel No(s). for adjacent properties, upland, and/or adjacent tideland properties: 260732001
## IV. USE OF PROPERTY

Describe, in detail, the proposed use of the Property: 
Temporary Barge Anchors

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<tr>
<th>Question</th>
<th>Answer</th>
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<tbody>
<tr>
<td>Is or will the Property be subleased to another party? Yes ☐ No ☒</td>
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<tr>
<td>If yes, submit a copy of the sublease agreement.</td>
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<tr>
<td>What are the current and past uses of the site? Commercial Long-Term Moorage Marina, Private Mooring Buoys, Commercial Log Boom storage</td>
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<tr>
<td>Do you have any knowledge of contamination of the site by toxic or hazardous substances, or of past uses or practices that might have lead to contamination by such substances? Yes ☐ No ☒</td>
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<td>If so, please explain:</td>
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<tr>
<td>Do you know if any fill material has been placed on the property in question? Yes ☐ No ☒</td>
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<td>If yes, please explain:</td>
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## V. IMPROVEMENTS

Physical improvements are structures placed on the land that cannot be removed without damage to the land. Examples of such structures include: pilings, dolphins, piers, wharves, piling-supported buildings, structures built on fill or concrete foundations, buried pipelines and cables, and support structures for bridges.

| What physical improvements currently exist on the site? (Photos may be required.) Commercial Long-Term Moorage Marina, Private Mooring Buoys. See attached aerial photo. |        |
| If there are physical improvements currently on the site, who owns them? Cayou Quay Marina, LLC; Bellport Deer Harbor Marina; private mooring buoys. |        |
| If there are physical improvements currently on the site, describe their condition: Good |        |
| Which, if any, of the existing physical improvements will be removed, remodeled, or reconstructed? None |        |
| Describe any physical improvements that the applicant is proposing to construct on the site: Four concrete 4000# anchors, four chains with mid-line floats securing moored steel barges. |        |
Has any fill material been placed on the site? Yes □ No ○
If Yes, please describe:

VI. LOCAL, STATE, AND FEDERAL REGULATORY PERMITS Copies of all Government Regulatory Permits, or Permit Waivers Are Required Before Issuance of a DNR Use Authorization. Your project may require all or some of the following.

Please include the following permit applications, permits, or waivers with the application:

JARPA (Joint Aquatic Resource Permit Application) - This one form is used to apply for all of the following individual permits:
1. Section 10 Permit (Required by the US Army Corps of Engineers for any work in or affecting navigable waters, e.g., floats, docks, piers, dredging, pilings, bridges, overhead power lines.)
2. Shoreline Substantial Development, Conditional Use, Variance Permit or Exemption (Issued by Local Government, and is required for work or activity in the 100 year flood plain, or within 200 feet of the Ordinary High Water mark of certain waters; and which included any one of the following: dumping, drilling, dredging, filling, placement or alteration of structures or any activity which substantially interferes with normal public use of the waters.)
3. Hydraulic Project Approval (Required by the Department of Fish and Wildlife if the project includes work that will use, divert, obstruct, or change the natural flow or bed of any fresh or salt water of the state.)
4. Section 404 Permit (Required by the US Army Corps of Engineers if your project will discharge or excavate any dredged or fill material waterward of the Ordinary High Water mark or the Mean Higher High Tide Line in tidal areas.)
5. Section 401 Water Quality Certification (Required by the Department of Ecology if a Section 404 permit is required.)

NPDES (National Pollutant Discharge Elimination System Permit) - Required by the Department of Ecology under delegated authority from the Federal Environmental Protection Agency for projects that include the discharge of fluid on or into surface water.

SEPA (State Environmental Policy Act) Checklist and Environmental Assessments - When you submit a permit application to any agency, if the project is not exempt, the lead agency will ask you to fill out an environmental checklist. Based on checklist answers and the reviewers knowledge of the project site, agency personnel will determine the types of impacts the project may have on the environment. The agency assessments may be the following forms: Determination of Non-significance, Determination of Significance, scoping documents, draft or final Environmental Impact Statements (EIS) or others prepared for the purpose of compliance.

Describe any habitat mitigation required by any of the permitting agencies identified above and identify where such mitigation is proposed to occur.

All answers and statements are true and correct to the best of my knowledge.

Applicant Name (please print):
Erik Smith (Cayou Quay Marina, LLC)

Title:
Owner and Manager

Applicant or Authorized Signature:

Date: 11-5-10
NOTES
1. Not for permitting, construction, or public use.
2. This drawing is only for the purposes of application for allowance to place temporary anchors.
3. Anchors are 4000# concrete, 3'x3'x3' (1 cy with 9ft footprint).

PROPOSED BARGE ANCHOR
SECTION
1" = 50'

125' to 165' (4:1 Scope)

TEMPORARY PLACEMENT OF BARGE ANCHORS AND ANCHOR CHAINS FOR STORM SEASON

CAYOU QUAY MARINA
DEER HARBOR, WA
October 2010