

U.S. Department of the Interior
 Bureau of Land Management
 Glenwood Springs Energy Office
 2425 S. Grand Avenue, Suite 101
 Glenwood Springs, CO 81601

Statutory Categorical Exclusion, CO140-2008-077

Project: Proposal to Directionally Drill 7 Additional Wells into Federal Leases COC27874 from Existing BLM Pad (GV8-14) west of Parachute

Location: T7S, R96W Section 14, NE¹/₄NE¹/₄, 6th PM

Proposal: Williams Production RMT Company proposes to directionally drill seven federal wells on the existing GV8-14 pad (Table 1). The original GV8-14 well was drilled in 1990; well has been shut-in since early 2007 because access to pad across private land has been denied. Williams has been granted approval (EA #CO140-08-034) to construct new access road across adjacent private land (Bush) and BLM to gain new access route to the pad. EA also covered surface disturbance (2.0 acres total) planned for the existing well pad. Resource surveys including migratory bird, sensitive plants and cultural resources have been completed. Existing surface and buried pipelines would be rerouted around the pad to accommodate the additional well drilling.

Table 1. Surface and Bottomhole Locations of Proposed Federal Wells		
<i>Proposed Wells</i>	<i>Surface Locations</i>	<i>Bottomhole Locations</i>
Federal GM 31-14	488 feet FNL, 452 feet FEL NE ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W	178 feet FNL, 2103 feet FEL NW ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W
Federal GM 331-14	490 feet FNL, 445 feet FEL NE ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W	476 feet FNL, 2156 feet FEL NW ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W
Federal GM 341-14	500 feet FNL, 409 feet FEL NE ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W	127 feet FNL, 411 feet FEL NE ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W
Federal GM 431-14	492 feet FNL, 438 feet FEL NE ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W	803 feet FNL, 2436 feet FEL NW ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W
Federal GM 441-14	498 feet FNL, 416 feet FEL NE ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W	851 feet FNL, 1005 feet FEL NE ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W
Federal GM 531-14	496 feet FNL, 423 feet FEL NE ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W	1190 feet FNL, 2227 feet FEL NW ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W
Federal GM 541-14	503 feet FNL, 402 feet FEL NE ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W	1088 feet FNL, 410 feet FEL NE ¹ / ₄ NE ¹ / ₄ , Section 14, T7S R96W

Lease Stipulation: In order to protect important seasonal wildlife habitat, exploration, drilling and other devilment activity will be allowed only during the period from June 1 to December 31. These limitations do not apply to maintenance and operation of producing wells. Exceptions to these limitations in any year may be specifically authorized in writing by the Authorized Officer.

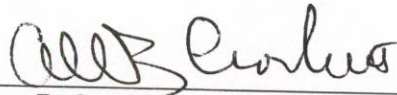
BLM Conditions of Approval: Conditions and stipulations that would be included on the Applications for Permit to Drill (APDs) are attached.

NEPA Compliance: The following category of Categorical Exclusions pursuant to Section 390 of the Energy Policy Act (Act of 2005) applies to this proposal:

Category #1: "*Individual surface disturbances of less than five (5) acres so long as the total surface disturbance on the lease is not greater than 150 acres and site-specific analysis in a document prepared pursuant to NEPA has been previously completed.*" The expected surface disturbance of reconstructing the reclaimed pad would amount to 2.0 acres. There would be 18 total acres of disturbance on the lease (2359 acres).

Prepared by: Jim Byers, Natural Resource Specialist 4/9/08

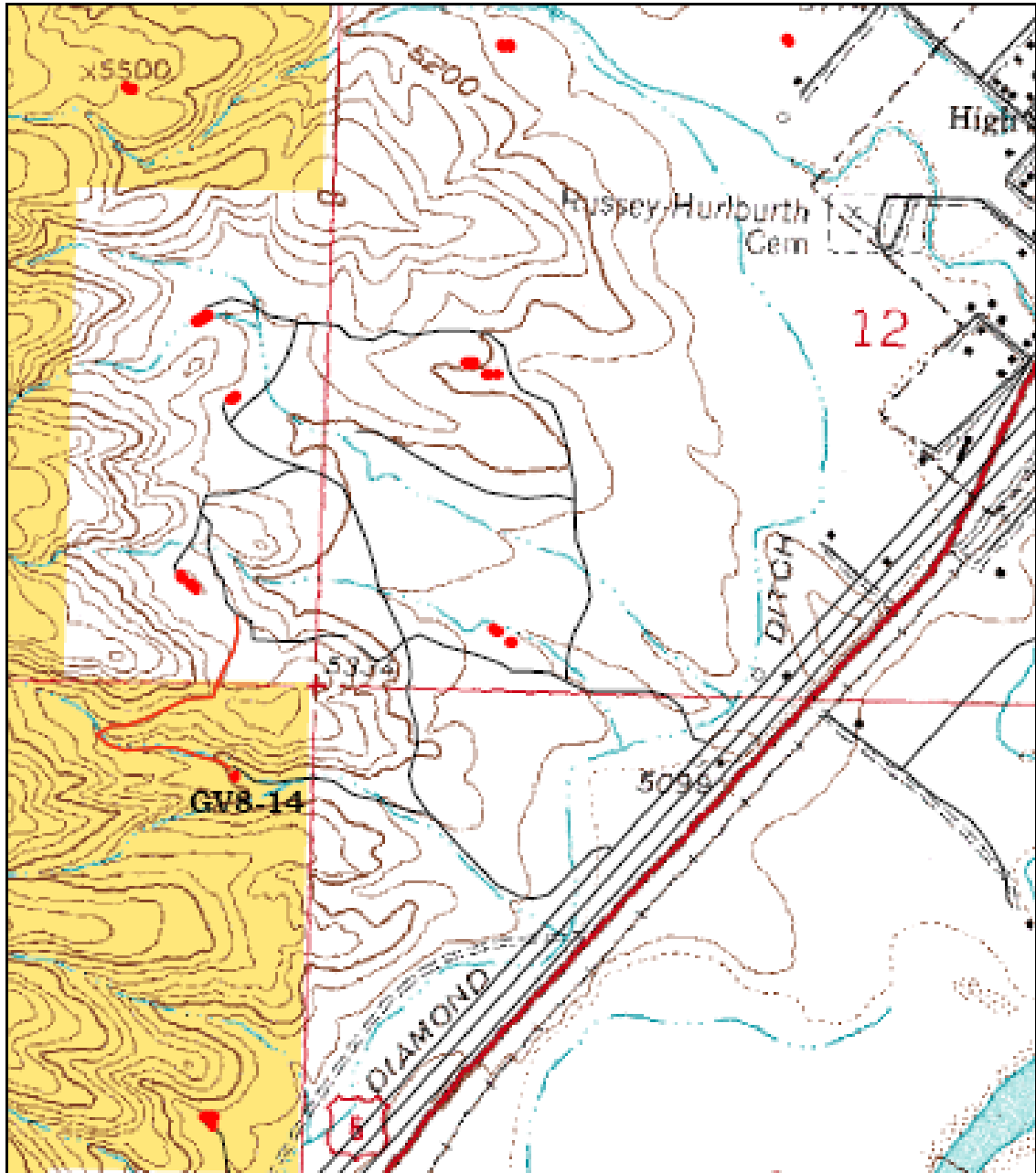
Approval: It is my decision to approve the proposed action with the above referenced terms and conditions:



Allen B. Crockett, Ph.D., J.D.
Supervisory Natural Resource Specialist

5-6-08

Date



Proposed Alternate Road to Williams' GV8-14 Well Pad

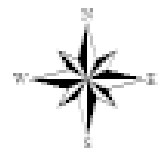
T7S R96W Sec 14, NE¼, Sixth P.M.

Garfield County, Colorado

Proposed Road - solid red line

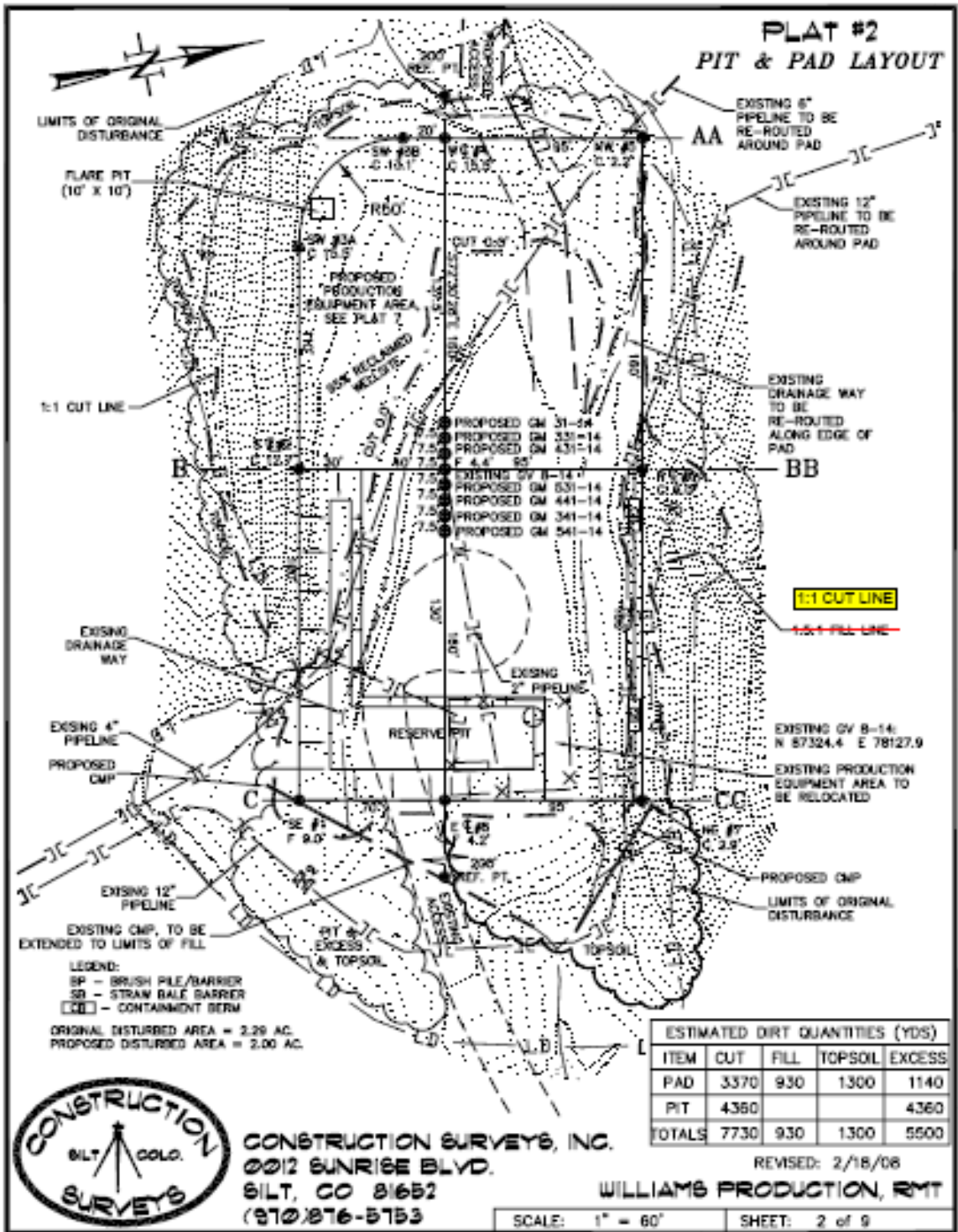
Total Road Length: 1832 feet

Length on BLM : 1445 feet



Scale: 1 : 10,000

Figure 1. Existing GV8-14 Pad Location



**DOWNHOLE CONDITIONS OF APPROVAL
Applications for Permit to Drill**

Company/Operator: Williams Production RMT Company

Surface Location: NENE, Section 14, Township 7 South, Range 96 West, 6th P.M.

<u>Well Name</u>	<u>Well No.</u>	<u>Bottomhole Location</u>	<u>Lease</u>
GM	431-14	NWNE Sec. 14, T. 7S, R. 96W.	COC-27874
GM	541-14	NENE Sec. 14, T. 7S, R. 96W.	COC-27874
GM	341-14	NENE Sec. 14, T. 7S, R. 96W.	COC-27874
GM	441-14	NENE Sec. 14, T. 7S, R. 96W.	COC-27874
GM	331-14	NWNE Sec. 14, T. 7S, R. 96W.	COC-27874
GM	531-14	NWNE Sec. 14, T. 7S, R. 96W.	COC-27874
GM	31-14	NWNE Sec. 14, T. 7S, R. 96W.	COC-27874

The downhole COAs identified in the Williams Production RMT Company Master APD (Approved April 27, 2006) for the Grand Valley Prospect Area A shall apply.

1. In accordance with 43 CFR 3162.4(b), the operator shall submit a complete set of electrical/mechanical logs in .LAS format with standard Form 3160-4, Well Completion or Recompletion Report and LOG. Please contact Karen Conrath at 970-947-5235 or karen_conrath@blm.gov for clarification.
2. Twenty-four hours *prior* to (a) spudding, (b) conducting BOP&E tests, (c) running casing strings, and (d) within twenty-four hours *after* spudding, the GSEO shall be notified. One of the following GSEO's inspectors shall be notified by phone: Steve Ficklin at 970-947-5212, Julie King shall at 970-947-5239, and Todd Seiber at 970-947-5220.
3. A verbal approval will need to be granted prior to commencing remedial work, plugging operations on newly drilled boreholes, changes within the drilling plan, or conducting other operations not specified within the APD. Please contact Dane Geyer at 970-947-5229 (office) or 970-589-6887 (cell) for verbal approvals. As a secondary contact, Marty O'Mara may be contacted at 970-947-5221 (office) or 970-319-5837 (cell).
4. If a well control issue arises (e.g. kick, blowout, or water flow) Dane Geyer shall be notified immediately after the situation is safely controlled.

SURFACE USE CONDITIONS OF APPROVAL C0140-2008-077 SCE

1. Administrative Notification. At least 48 hours prior to construction of access road, pipeline and/or well pad, the operator shall notify BLM representative of construction startup plans. The proposed pad, road, and pipelines shall be staked and flagged prior to start of construction.

2. Visual Resources and Facility Colors. To the extent practicable, existing vegetation shall be preserved when clearing and grading for pads, roads, and pipelines. Large rock material and vegetation removed during construction shall be salvaged and redistributed over the exposed cut-and-fill slopes or along linear features to provide variation in color and texture. The paint color to be used on all surface facilities including the metal containment rings surrounding the tank batteries and pipeline risers is Shale Green (5Y 4/2).

3. Road Maintenance. The operator shall be responsible for providing timely year-round road maintenance and cleanup on the access road. A regular schedule for maintenance shall include, but not be limited to, blading, ditch and culvert cleaning, road surface replacement, and dust abatement. The road shall be crowned, ditched, and drained with culverts and/or water dips. When rutting within the traveled way becomes greater than 6 inches, blading and/or gravelling shall be conducted as approved by the authorized officer.

4. Dust Abatement. The operator shall implement dust abatement measures as needed or directed by the BLM authorized officer. The level and type of treatment (watering or application of various dust agents, surfactants, and road surfacing material) may be changed in intensity and must be approved by the BLM authorized officer. Magnesium chloride or other chemical suppressant shall not be applied within 100 feet of any drainage.

5. Paleontological Resources. All persons associated with operations under this authorization shall be informed that any objects or sites of paleontological or scientific value, such as vertebrate or scientifically important invertebrate fossils, shall not be damaged, destroyed, removed, moved, or disturbed. If in connection with operations under this authorization any of the above resources are encountered the operator shall immediately suspend all activities in the immediate vicinity of the discovery that might further disturb such materials and notify the BLM authorized officer of the findings. The discovery must be protected until notified to proceed by the BLM authorized officer.

As feasible, the operator shall suspend ground-disturbing activities at the discovery site and immediately notify the BLM authorized officer of any finds. The BLM authorized officer will, as soon as feasible, have a BLM-permitted paleontologist check out the find and record and collect it if warranted. If ground-disturbing activities cannot be immediately suspended, the operator shall work around or set the discovery aside in a safe place to be accessed by the BLM-permitted paleontologist.

Contact Karen Conrath, GSEO Geologist, at 970-947-5235 or karen_conrath@blm.gov.

6. Cultural Education/Discovery. All persons in the area who are associated with this project shall be informed that if anyone is found disturbing historic, archaeological, or scientific resources, including collecting artifacts, the person or persons will be subject to prosecution.

Pursuant to 43 CFR 10.4(g), the BLM authorized officer shall be notified by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4 (c) and (d), activities shall stop in the

vicinity of the discovery, and the discovery shall be protected for 30 days or until notified by the BLM authorized officer to proceed.

If in connection with operations under this contract, the operator, its contractors, their subcontractors, or the employees of any of them discovers, encounters, or becomes aware of any objects or sites of cultural value or scientific interest such as historic ruins or prehistoric ruins, graves or grave markers, fossils, or artifacts, the operator shall immediately suspend all operations in the vicinity of the cultural resource and shall notify the BLM authorized officer of the findings (16 USC 470h-3, 36 CFR 800.112). Operations may resume at the discovery site upon receipt of written instructions and authorization by the BLM authorized officer. Approval to proceed will be based upon evaluation of the resource. Evaluation shall be by a qualified professional selected by the BLM authorized officer from a Federal agency insofar as practicable. When not practicable, the operator shall bear the cost of the services of a non-Federal professional.

Within five working days, the BLM authorized officer will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places
- what mitigation measures the holder will likely have to undertake before the site can be used (assuming that *in-situ* preservation is not necessary)
- the timeframe for the BLM authorized officer to complete an expedited review under 36 CFR 800.11, or any agreements in lieu thereof, to confirm through the SHPO State Historic Preservation Officer that the findings of the BLM authorized officer are correct and that mitigation is appropriate

The operator may relocate activities to avoid the expense of mitigation and delays associated with this process, as long as the new area has been appropriately cleared of resources and the exposed materials are recorded and stabilized. Otherwise, the operator shall be responsible for mitigation costs. The BLM authorized officer will provide technical and procedural guidelines for relocation and/or to conduct mitigation. Upon verification from the BLM authorized officer that the required mitigation has been completed, the operator will be allowed to resume construction.

Antiquities, historic ruins, prehistoric ruins, and other cultural or paleontological objects of scientific interest that are outside the authorization boundaries but potentially affected, either directly or indirectly, by the proposed action shall also be included in this evaluation or mitigation. Impacts that occur to such resources as a result of the authorized activities shall be mitigated at the operator's cost, including the cost of consultation with Native American groups.

Any person who, without a permit, injures, destroys, excavates, appropriates or removes any historic or prehistoric ruin, artifact, object of antiquity, Native American remains, Native American cultural item, or archaeological resources on public lands is subject to arrest and penalty of law (16 USC 433, 16 USC 470, 18 USC 641, 18 USC 1170, and 18 USC 1361).

7. Raptor Nesting. Raptor nest surveys in the project vicinity resulted in the location of one or more raptor nest structures within 0.25 mile of a well pad and 0.125 mile of an access road. To protect nesting raptors, a 60-day Timing Limitation (TL) shall be applied to the initiation of construction [or drilling] activities within the buffer width[s] specified above. This TL shall apply during the period March 15 to May 15. An exception to this TL would be made if a survey conducted within 72 hours of the start of construction indicates that the nest is inactive. Contact Jeff Cook, Glenwood Springs Energy Office Wildlife Biologist, at 970-947-5231 or jeffrey_cook@blm.gov.

8. Birds of Conservation Concern: Pursuant to BLM Instruction Memorandum 2008-050, all surface-disturbing activities are prohibited from May 1 to June 30 to reduce impacts to Birds of Conservation

Concern (BCC). An exception to this COA will be granted if nesting surveys conducted no more than one week prior to surface-disturbing activities indicate that no BCC species are nesting or otherwise present within 10 meters of the area to be disturbed. Nesting surveys shall include an aural survey for diagnostic vocalizations in conjunction with a visual survey for adults and nests. Surveys shall be conducted by a qualified breeding bird surveyor between sunrise and 10:00 AM under favorable conditions for detecting and identifying a BCC species. Contact Jeff Cook, Glenwood Springs Energy Office Wildlife Biologist, at 970-947-5231 or jeffrey_cook@blm.gov).

8. Migratory Birds. It shall be the responsibility of the operator to comply with the Migratory Bird Treaty Act with respect to “take” of migratory bird species. “Take” means to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct. The operator shall prevent use by migratory birds of reserve pits, produced water pits, and evaporation pits, that store or are expected to store fluids which may pose a risk to such birds (e.g., migratory waterfowl, shorebirds, wading birds, and raptors) during completion and after completion activities have ceased. Several established methods to prevent bird access are known to work. Methods may include but are not limited to netting, the use of bird-balls, or other alternative methods that effectively prevent bird access/use. Regardless of the method used, it should be applied within 24 hours after completion activities have begun. All mortality or injury to species protected by the Migratory Bird Treaty Act shall be reported immediately to the BLM project lead.

9. Reclamation. The goals, objectives, timelines, measures, and monitoring methods for final reclamation of oil and gas disturbances are described in Appendix I (Surface Reclamation) of the 1998 Draft Supplemental EIS (DSEIS). Specific measures to follow during interim and temporary (pre-interim) reclamation are described below.

- a. Deadline for Temporary Seeding and Interim Reclamation. Topsoil storage piles, stormwater control features, and cut-and-fill slopes shall undergo temporary seeding to stabilize the material and minimize weed infestations within 30 days following completion of pad construction. Interim reclamation to reduce a well pad to the maximum size needed for production shall be completed within 6 months following completion of the last well planned for the pad.

Both of these deadlines are subject to being extended upon approval of the authorized officer based on season, timing limitations, or other constraints on a case-by-case basis.

- b. Topsoil Stripping, Storage, and Replacement. Topsoil shall be stripped following removal of vegetation during construction of well pads, pipelines, roads, or other surface facilities. This shall include, at a minimum, the upper 6 inches of soil. Any additional topsoil present at a site, such as indicated by color or texture, shall also be stripped. The authorized officer may specify a stripping depth during the onsite visit. The stripped topsoil shall be stored separately from subsoil or other excavated material and replaced prior to final seedbed preparation.
- c. Seedbed Preparation. For cut-and-fill slopes, initial seedbed preparation shall consist of backfilling and recontouring to achieve the configuration specified in the reclamation plan. For compacted areas, initial seedbed preparation shall include ripping to a minimum depth of 18 inches, with a maximum furrow spacing of 2 feet. Where practicable, ripping shall be conducted in two passes at perpendicular directions. Following final contouring, the backfilled or ripped surfaces shall be covered evenly with topsoil.

Final seedbed preparation shall consist of scarifying (raking or harrowing) the spread topsoil prior to seeding. If more than one season has elapsed between final seedbed preparation and seeding, and if the area is to be broadcast-seeded or hydroseeded, this step shall be repeated no more than 1 day prior to seeding to break up any crust that has formed.

Seedbed preparation is not required for topsoil storage piles or other areas of temporary seeding.

Requests for use of soil amendments, including basic product information, shall be submitted to the BLM for approval.

- d. Seed Mixes. A seed mix consistent with BLM standards in terms of species and seeding rate for the specific habitat type shall be used on all BLM lands affected by the project (see Attachments 1 and 2 of the letter provided to operators dated April 30, 2008). Note that temporary seeding allows use of a seed mix containing sterile hybrid non-native species in addition to native perennial species.

For private surfaces, the menu-based seed mixes are recommended, but the surface landowner has ultimate authority over the seed mix to be used in reclamation. The seed shall contain no noxious, prohibited, or restricted weed seeds and shall contain no more than 0.5 percent by weight of other weed seeds. Seed may contain up to 2.0 percent of "other crop" seed by weight, including the seed of other agronomic crops and native plants; however, a lower percentage of other crop seed is recommended. Seed tags or other official documentation shall be supplied to the BLM Glenwood Springs Energy Office Ecologist (Beth Brenneman, 970-947-5232 or beth_brenneman@blm.gov) at least 14 days before the date of proposed seeding for acceptance. Seed that does not meet the above criteria shall not be applied to public lands.

- e. Seeding Procedures. Seeding shall be conducted no more than 24 hours following completion of final seedbed preparation.

Where practicable, seed shall be installed by drill-seeding to a depth of 0.25 to 0.5 inch. Where drill-seeding is impracticable, seed may be installed by broadcast-seeding at twice the drill-seeding rate, followed by raking or harrowing to provide 0.25 to 0.5 inch of soil cover. Hydroseeding and hydromulching may be used in temporary seeding or in areas where drill-seeding or broadcast-seeding/raking are impracticable. Hydroseeding and hydromulching must be conducted in two separate applications to ensure adequate contact of seeds with the soil.

If interim revegetation is unsuccessful, the operator shall implement subsequent reseeding until interim reclamation standards are met. Requirements for reseeding of unsuccessful temporary seeding will be considered on a case-by-case basis.

- f. Mulch. Mulch shall be applied within 24 hours following completion of seeding. In areas of interim reclamation that used drill-seeding or broadcast-seeding/raking, mulch shall consist of crimping certified weed-free straw or certified weed-free native grass hay into the soil. Hydromulching may be used in areas of interim reclamation where crimping is impracticable, in areas of interim reclamation that were hydroseeded, and in areas of temporary seeding regardless of seeding method.

NOTE: Mulch is not required in areas where erosion potential mandates use of a biodegradable erosion-control blanket (straw matting).

- g. Erosion Control. Cut-and-fill slopes shall be protected against erosion with the use of water bars, lateral furrows, or other measures approved by the authorized officer. Biodegradable straw matting, bales or wattles of weed-free straw or weed-free native grass hay, or well-anchored fabric silt fence shall be used on cut-and-fill slopes and along drainages to protect against soil erosion. Additional BMPs shall be employed as necessary to reduce erosion and offsite transport of sediment.
- h. Site Protection. The pad shall be fenced to BLM standards to exclude livestock grazing for the first two growing seasons or until seeded species are firmly established, whichever comes later. The seeded species will be considered firmly established when at least 50 percent of the new plants are producing seed. The authorized officer will approve the type of fencing.
- i. Monitoring. The operator shall conduct annual monitoring surveys of reclaimed areas and shall submit an annual monitoring report to the authorized officer by **December 31** of each year. The monitoring program shall use the four Reclamation Categories defined in Appendix I of the 1998 DSEIS to assess progress toward reclamation objectives. The annual report shall document whether attainment of reclamation objectives appears likely. If one or more objectives appear unlikely to be achieved, the report shall identify appropriate corrective actions. Upon review and approval of the report by the BLM, the operator shall be responsible for implementing the corrective actions or other measures specified by the authorized officer.

10. Weed Control. The operator shall regularly monitor and promptly control noxious weeds or other undesirable plant species as set forth in the Glenwood Springs Energy Office *Noxious and Invasive Weed Management Plan for Oil and Gas operators*, dated March 2007. A Pesticide Use Proposal (PUP) must be approved by the BLM prior to the use of herbicides. Annual weed monitoring reports shall be submitted by **December 31**. Contact Beth Brenneman, Glenwood Springs Energy Office Ecologist, at 970-947-5232 or beth_brenneman@blm.gov.

11. Closure and Reclamation of Existing Pad Access Road Operator shall physically close the existing pad access road from BLM/Lindauer property line west to the East Centerline of Pad (#8 on Plat #2). Such work shall include the removal of recoverable gravel, ripping (minimum 18" depth) of the road subgrade, reshaping of the road to natural topography, and the incorporation of Reclamation COAs (see Number 9). Such work shall occur prior to stockpiling of topsoil or excess material along the east edge of pad. Any culverts in road shall be removed to landfill. Large boulders shall be placed across the reclaimed road at the BLM property line to restrict travel by motorized vehicles. The recoverable gravel shall be placed on proposed road for use as surfacing or incorporated into pad reconstruction if quality of material is unacceptable for surfacing.

12. Culverts. Culverts at drainage crossings or culverts routing drainage around the proposed pad shall be installed during no-flow or low-flow conditions and shall be designed and installed to pass a 25-year or greater storm event. The minimum culvert diameter in any installation for a drainage crossing or road drainage shall be 24 inches. Rock material at site shall be used to armor culvert inlets and outlets. Contact Jeff O'Connell, Glenwood Springs Energy Office Hydrologist at 970-947-5215 or jeffrey_o'connell@blm.gov. Crossings of drainages deemed to be jurisdictional waters of the U.S. pursuant to Section 404 of the Clean Water Act may require additional culvert design capacity. Due to the flashy nature of area drainages and anticipated culvert maintenance, the U.S. Army Corps of Engineers recommends designing drainage crossings for the 100-year event. Contact Sue Nall at 970-243-1199 x16 or susan.nall@usace.army.mil.

13. Pipeline Installation. The buried pipeline segments underneath the existing GV8-14 pad shall be removed and re-buried along northern edge of pad per Pad Drainage Plan (dated 2/20/08) prior to completion of pad reconstruction.

14. Jurisdictional Waters of the U.S. The operator shall obtain appropriate permits from the U.S. Army Corps of Engineers prior to discharging fill material into waters of the U.S. in accordance with Section 404 of the Clean Water Act. Waters of the U.S. are defined in 33 CFR Section 328.3 and may include wetlands as well as perennial, intermittent, and ephemeral streams. Permanent impacts to waters of the U.S. may require mitigation. Contact Sue Nall, Regulatory Specialist, Colorado/Gunnison Basin Regulatory Office, U.S. Army Corps of Engineers, at 970-243-1199 x16 or susan.nall@usace.army.mil.

15. Paleontological Resources. All persons associated with operations under this authorization shall be informed that any objects or sites of paleontological or scientific value, such as vertebrate or scientifically important invertebrate fossils, shall not be damaged, destroyed, removed, moved, or disturbed. If in connection with operations under this authorization any of the above resources are encountered the operator shall immediately suspend all activities in the immediate vicinity of the discovery that might further disturb such materials and notify the BLM authorized officer of the findings. The discovery must be protected until notified to proceed by the BLM authorized officer.

As feasible, the operator shall suspend ground-disturbing activities at the discovery site and immediately notify the BLM authorized officer of any finds. The BLM authorized officer will, as soon as feasible, have a BLM-permitted paleontologist check out the find and record and collect it if warranted. If ground-disturbing activities cannot be immediately suspended, the operator shall work around or set the discovery aside in a safe place to be accessed by the BLM-permitted paleontologist.

16. Range Management. Range improvements (fences, gates, reservoirs, pipelines, etc) shall be avoided during development of natural gas resources to the maximum extent possible. If range improvements are damaged during exploration and development, the operator will be responsible for repairing or replacing the damaged range improvements. If a new or improved access road bisects an existing livestock fence, steel frame gate(s) or a cattleguard with associated bypass gate shall be installed across the roadway to control grazing livestock.

17. Pad Layout Changes. Topsoil storage shall occur in 2 locations: (1) between SW #3A pad corner and proposed access road and (2) along the eastern edge of pad between the reclaimed existing access road and the culvert at NE #7 pad corner. Pit excess material shall be stockpiled around the SE #1 pad corner between the reclaimed existing access road and the toe of ridge running along the south edge of pad. Care must be taken to avoid stockpiling of such material within the planned culvert inlet areas at SE and NE pad corners or in vicinity of existing valve riser east of SE #1 pad corner.

To best accomplish interim reclamation, the reserve pit shall be shifted so it lies along south edge of pad, is rectangular in shape, and avoids being constructed in fill material as much as possible. Also, the proposed production equipment area shall be shifted to the western edge of pad with recommended tank setting between SW corner and proposed access road and the separator units stages near the NE pad corner. Location of reserve pit shall be subject to BLM approval prior to pad reconstruction startup. Final location and sizing of production facilities shall occur after pad construction is completed.

Plat #8, Final Reclamation is not acceptable as submitted. The following standards regarding final reclamation plans will be required (as submitted via email by April Mestas, Williams on 4/23/08):

- A. **Re-contouring:** Unless an agreement is made with the landowner to keep the road and/or pad in place, the disturbed areas surrounding the well location, including the access road will be re-contoured to blend as nearly

possible with the natural topography. Final grading of back-filled and cut slopes will be done to prevent erosion and encourage establishment of vegetation. Existing drainages will be re-established.

B. Re-vegetation: The long term objective is to establish a self-perpetuating plant community that is compatible with and capable of supporting the pre-disturbance land use.

The rate of application of the seed mix listed in the Surface Use Plan in the Master APD is listed in pounds of pure live seed (PLS)/acre. The seed will be certified and there will be no primary or secondary noxious weeds in the seed mixture. The operator shall notify the Authorized Officer 24 hours prior to seeding and shall provide evidence of certification of the above seed mix to the Authorized Officer.

All compacted portions of the pad, road, and pipeline route will be ripped to a depth of 18 inches unless in solid rock. Prior to seeding, stockpiled topsoil (stripped surface material) will be spread to a uniform depth that will allow the establishment of desirable vegetation. All unused disturbed areas will be seeded within 24 hours after completing dirt work unless a change is requested by the operator and approved by the Authorized Officer. If the seed bed has begun to crust over or seal, the seed bed will be prepared by disking or some other mechanical means sufficient to allow penetration of the seed into the soil. In addition, the broadcast seed should be covered by using a harrow, drag bar, or chain.

This Reclamation COA is subject to all disturbances including pipelines and roads. If it is determined by the Authorized Officer that the above reclamation standards are not being met, the operator will be required to submit a plan to correct the problem. Approval of the plan may require special reclamation practices such as mulching, the method and time of planting, the use of different plant species, soil analysis to determine the need for fertilizer, fertilizing, seed-bed preparation, contour furrowing, watering, terracing, water barring, and the replacement of topsoil.

Areas being reclaimed will be fenced to exclude livestock for the first two growing season or until the seeded species have established. The type of fencing will be approved by the Authorized Officer.

Noxious weeds which may be introduced due to soil disturbance and reclamation will be treated by methods to be approved by the Authorized Officer. **The Pesticide Use Permit shall be on record with the BLM for treatment of noxious weeds.**

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed after contouring. The top of the marker will be closed or capped and the following minimum information will be permanently placed on the marker with a plate, cap or beaded-on with a welding torch: "Fed" or "Ind", as applicable; "well number, location by quarter, quarter section, township and range"; and "lease number".

Pipelines that are associated with only the plugged wells will be decommissioned.

18. Plans for Pad Compaction. Since fill material is required within the rig sub-structure area (and potentially some portions of the reserve pit), the fill material on the pad shall be compacted to a minimum of 95% of the maximum dry density which is obtained by AASHTO Method T-99. Fill area shall be constructed in 6" lifts with use of water and vibrating compaction equipment to achieve the required compaction rate.