

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

**Statutory Categorical Exclusion, DOI-BLM-C0-140-2009-0007-SCE**

**Proposal:** Proposal to construct a pump station on the existing P30E Pad, install a 10-inch buried water pipeline (flex steel) between the G1SW Pad and the H2SW Pad along an existing pipeline corridor, and operate a produced-water disposal injection well on the H2SW Pad (Figure 1). A segment of pipeline between the P30E and the G1SW would utilize existing pipe and would mostly not cross Federal land. The new pipeline segment between the G1SW and H2SW are located within the area of the Gant Gulch Geographic Area Plan. The pipeline and injection well would require BLM right-of-way grants because they involve movement of produced water from the Hunter Mesa Unit onto and across a portion of the Middleton Creek Unit. The pump station on the P30E Pad and the portion of pipeline on the Hunter Mesa Unit would be authorized by a Sundry Notice because would not involve movement of produced water across unit boundaries.

**Location:** P30E pump station – Township 7 South, Range 92 West, Section 30, SE $\frac{1}{4}$ SE $\frac{1}{4}$ ; pipeline from the G1SW tie-in to the H2SW (ROW #COC73365) – T8S, R93W, Sections 1 and 2; and the injection well on the H2SW (ROW #COC73364) – T8S, R93W, Section 2, SE $\frac{1}{4}$ NE $\frac{1}{4}$ . All of these locations are within the Sixth Principal Meridian, Garfield County, Colorado.

**Project Description:** The proposed produced-water pipeline would be a key water-gathering connection between the water treatment plant on the Hunter Mesa Unit (P30E Pad) and the disposal injection well (MCU2-8C) on the Middleton Creek Unit (H2SW Pad). Use of this method to convey and dispose of treated water would avoid a substantial amount of truck traffic and associated impacts. The pipeline would follow an existing pipeline corridor that contains a buried steel natural gas pipeline (8-inch diameter) analyzed in the Gant Gulch GAP and installed in October-December 2005. Resource surveys of this pipeline corridor (60-foot disturbance width) were conducted as part of Gant Gulch GAP. The disturbance width needed to install the proposed pipeline would not exceed 25 feet and would be limited to the previously surveyed pipeline corridor. The produced-water pipeline would be 5,400 feet long and located entirely on public land. The pig launcher and receiver would be set at either end of the pipeline on either of the two existing pad locations on the Middleton Creek Unit (the G1SW tie-in point or the H2SW injection pad).

Facilities at the pump station would include one building housing pumps (12.5 feet by 45 feet), two generators placed in a separate “sound-proof” building (18 feet by 26 feet), and four 300-barrel storage tanks, all of which would be installed within the existing disturbance footprint in the southeastern quadrant of the presently interim-reclaimed P30E Pad. Nine additional gas wells are planned on the P30E pad, and confining the pump station facilities to the southeastern corner would provide the room needed for these future wells. The water distribution line from the pump station on the P30E Pad to the tie-in point on the G1SW Pad would be limited to an existing pipeline corridor, mostly on private land.

The existing MCU2-8C well, initially drilled for natural gas production, would be used for injection of produced water from the Hunter Mesa water treatment plan. Surface disturbance of the recently interim-reclaimed H2SW Pad would be limited to an area of approximately 0.58 acre and would provide room for the pipeline hookups and typical well operation and maintenance.

Federal lease COC52568 (P30E Pad) has Timing Limitation (TL) protecting big game winter range from January 16 through April 29. No construction work on the P30E pad would be allowed during this period. Federal lease COC55605 (G1SW, pipeline, and H2SW Pad) has no big game winter range TL. Therefore, a 60-day TL from January 1 to March 1 would apply to this portion of the project.

**BLM Conditions of Approval:** Terms and conditions included in the right-of-way grants for the injection well (COC73364) and pipeline (COC73365) are attached to this Statutory Categorical Exclusion (SCE).

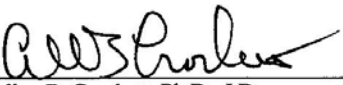
**NEPA Compliance:** The following categories of Statutory Categorical Exclusions pursuant to Section 390 of the Energy Policy Act of 2005 apply to this proposal:

Category #1: *“Individual surface disturbances of less than 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 proposed pump station facilities would redisturb approximately 1 acre of reclaimed area within the original P30E disturbance footprint. The total surface disturbance on lease COC56258 is not greater than 150 acres. The EA (CO140-2004-099) analyzing the impacts of P30E pad construction was completed on 10/1/04.

Category #4: *“Placement of a pipeline in an approved right-of-way corridor, as long as the corridor was approved within five (5) years prior to the date of placement of the pipeline.”* The EA (CO140-2005-134) analyzing the existing pipeline and two associated pads in the Gant Gulch GAP area was completed on 10/17/05.

**Prepared by:** Jim Byers, Natural Resource Specialist 10/30/08

**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

10-30-08  
Date

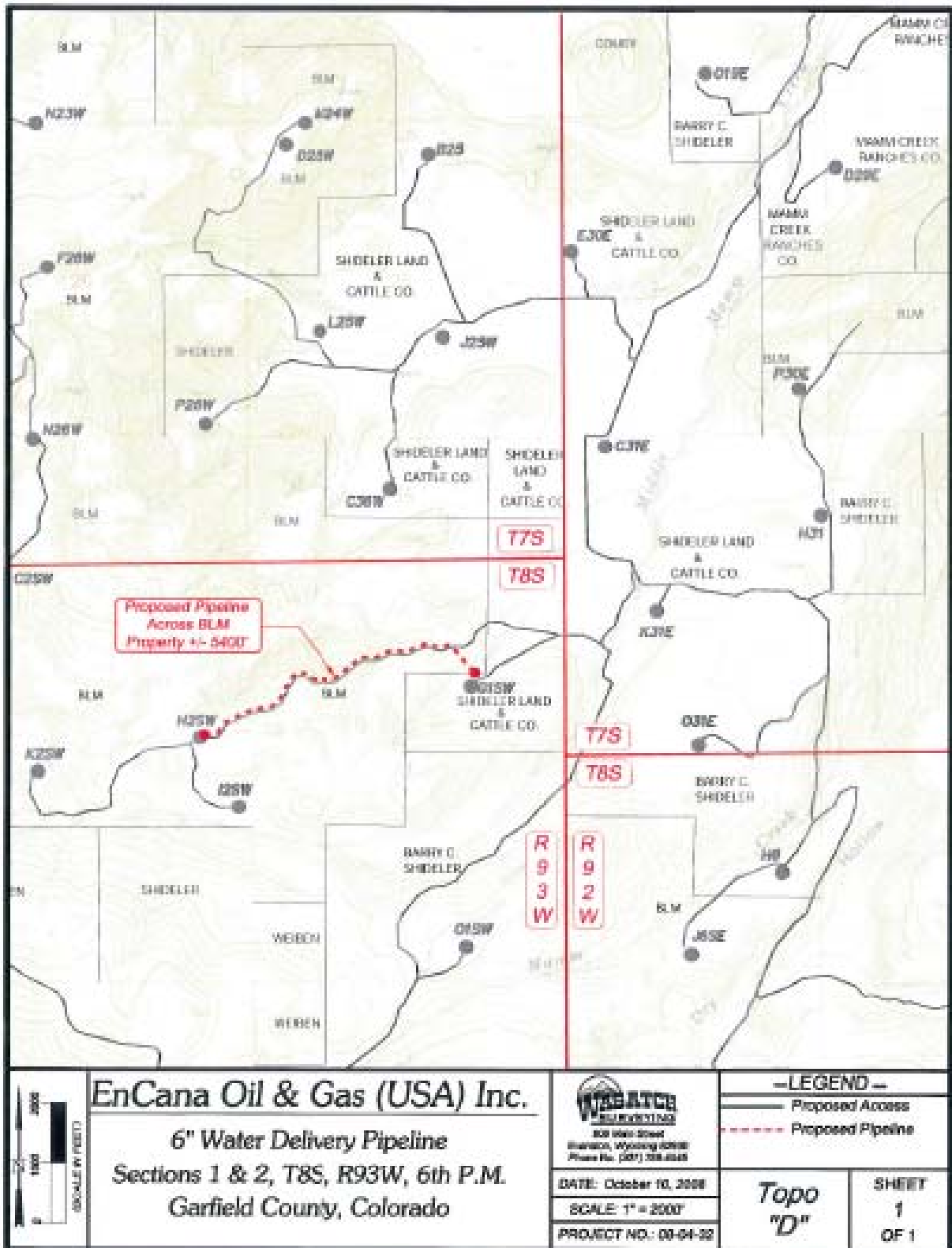
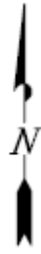


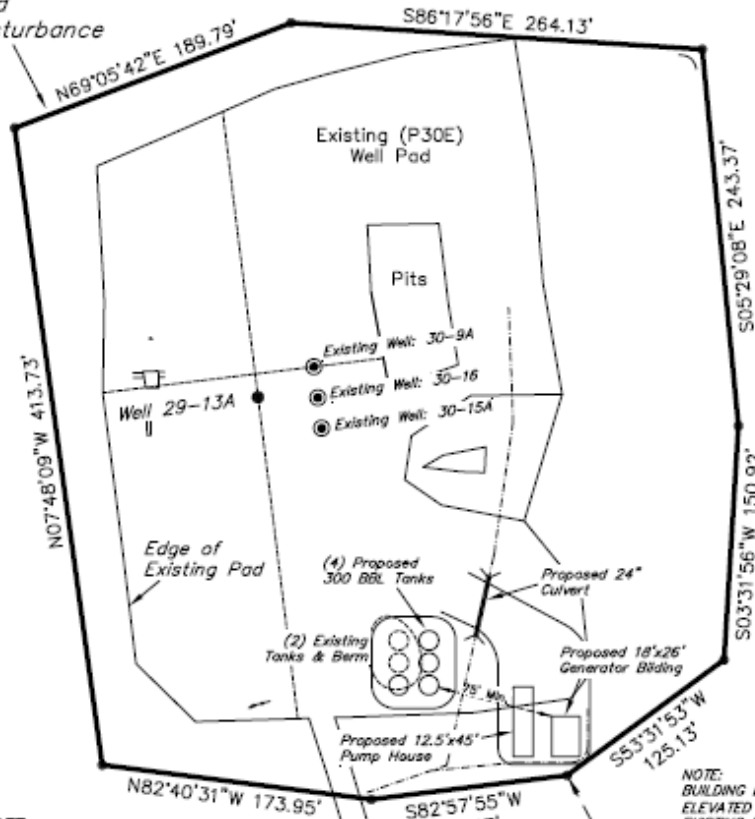
Figure 1. Proposed Water Pipeline Alignment

**ENCANA OIL & GAS (USA) INC**

**SURFACE DISTURBANCE AREA  
AS-BUILT WELL PAD (P30E)  
Section 30, T7S, R92W, 6th P.M.**



Original Boundary  
of Proposed  
Surface Disturbance



**AS-BUILT NOTE:**

The Existing (P30E) Pad is  
Contained Within the Original  
Surface Disturbance Boundary.

Area of Proposed  
Surface Disturbance  
is 4.55 Acres

**BASIS OF BEARINGS NOTE:**

Basis of Bearings is the West line of the NW  
1/4 (From the West 1/4 Corner to the  
Northwest W.C.) of Section 30, T7S, R92W, 6th  
P.M. which is taken from Global Positioning  
Satellite observations to bear N0°25'52"W a  
measured distance of 2603.93'.

NOTE:  
BUILDING ENVELOPE WILL BE  
ELEVATED 3' TO 4' ABOVE  
EXISTING PAD SURFACE.

SURVEYED BY: C.D.S.	DATE SURVEYED: 05-24-05
DRAWN BY: D.COX	DATE DRAWN: 05-25-05
SCALE: 1" = 100'	REVISED: 10-22-08 R.V.C.

**Tri State**  
**Land Surveying, Inc.**  
180 NORTH VERNAL AVE. VERNAL, UTAH 84078  
(435) 781-2501

SHEET  
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OF 11

**Figure 2. Proposed Pump Station Layout**

**TERMS AND CONDITIONS**  
**INJECTION WELL RIGHT-OF-WAY COC73364**  
**PIPELINE RIGHT-OF-WAY COC73365**  
**DOI-BLM-C0140-2009-0007.SCE**

1. Startup Notification. The operator shall notify the BLM representative at least at 48 hours prior to initiation of construction.
2. Application of Gant Gulch GAP Terms and Conditions. Lease stipulations and conditions of approval outlined in Appendix B of the Gant Gulch Geographic Area Plan (EA #CO140-2005-134) shall apply and remain in full force and effect, unless superseded by stipulations included in this exhibit.
3. Agreements with Other Holders. The holder of this right-of-way shall obtain an agreement with any existing holders of right-of-way grants for all or a portion of this right-of-way area prior to any disturbance or construction across or adjacent to an existing right-of-way.
4. Saturated Soil Conditions. When saturated soil conditions exist on or along the proposed right-of-way, construction shall be halted until soil material dries out or is frozen sufficiently for construction to proceed without undue damage and erosion to soils.
5. Construction Right-of-Way Width. The disturbance width for the proposed pipeline shall not exceed the authorized right-of-way of 25 feet or the combined road/pipeline corridor width of 60 feet specified in the Gant GAP. Limits of disturbance shall be staked on the ground prior to beginning of associated construction work. No surface disturbance beyond the flagged or staked working limits of the project area is authorized.
6. Clearing of Trees for Pipeline Corridor. To provide seedbed suitable for drill-seeding, the trees removed for pipeline corridor shall be chipped using a hydroaxe, cut with a chainsaw, and run through a tree chipper, or removed from public land unless otherwise approved by the Authorized Officer.
7. Pipeline Installation. The pipeline shall be installed to industry and BLM "Gold Book" standards. The buried pipeline(s) shall be covered with at least 4 feet of ground material, and within the 25-foot ROW easement. **The centerline of the ROW and the exterior limits shall be clearly flagged prior to any construction activity.** A maximum 10-inch diameter flex-steel water line shall be installed into the buried trench prior to covering with soil and reclaiming unless otherwise approved by the Authorized Officer.
8. Fire Control. Special fire control stipulations may be in affect depending on when construction takes place. The grant holder shall coordinate with the BLM Authorized Officer and comply with any applicable fire control measures.
9. Trash. All trash shall be confined in a covered container and hauled to an approved landfill. Burning of waste or oil is not approved.
10. Drainage Crossings. Construction activities at perennial, intermittent, and ephemeral drainage crossings (e.g. burying pipelines, installing culverts) shall be timed to avoid high flow conditions. Construction that disturbs any flowing stream shall utilize either a piped stream diversion or a coffer dam and pump to divert flow around the disturbed area.

Pipelines installed beneath stream crossings shall be buried at a minimum depth of 4 feet below the channel substrate to avoid exposure by channel scour and degradation. Following burial, the channel grade and substrate composition shall be returned to pre-construction conditions.

11. Road Maintenance. Following pipeline installation, any disturbed road segments shall be crowned, ditched, surfaced, drained with culverts and/or water dips, and constructed to BLM Gold Book standards. Initial gravel application shall be a minimum of 4 inches. The operator shall provide timely year-round road maintenance and cleanup on the access roads. A regular schedule for maintenance shall include, but not be limited to, blading, ditch and culvert cleaning, road surface replacement, and dust abatement. When rutting within the traveled way becomes greater than 6 inches, blading and/or gravelling shall be conducted as approved by the Authorized Officer.
12. Dust Abatement. The operator shall implement dust abatement measures as needed to prevent fugitive dust from vehicular traffic, equipment operations, or wind events. The Authorized Officer may direct the operator to change the level and type of treatment (watering or application of various dust agents, surfactants, and road surfacing material) if dust abatement measures are observed to be insufficient to prevent fugitive dust.
13. 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 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 May 1, 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 shall 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 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.



13. 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.
14. Ips Beetle. To avoid mortality of pinyon pines due to infestations of the *Ips* beetle, any pinyon trees damaged during road, pad, or pipeline construction shall be chipped after being severed from the stump or grubbed from the ground, buried in the toe of fill slopes (if feasible), or cut and removed from the site within 24 hours to a location approved by the Colorado State Forest Service.
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.

Where 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. Cultural Resource Inventory. The 500-foot segment of existing pipeline corridor directly north of the G1SW pad shall be surveyed for cultural resources, and the report shall be submitted to BLM, Glenwood Springs Office no later than June 1, 2009.
17. 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).

18. Visual Resources. To the extent practicable, existing vegetation shall be preserved when clearing and grading for pads, roads, and pipelines. The Authorized Officer may direct that cleared trees and rocks be salvaged and redistributed over reshaped cut-and-fill slopes or along linear features.

Above-ground facilities shall be painted a natural color selected to minimize contrast with adjacent vegetation or rock outcrops. The color specified for this project is Shale Green (Munsell 5Y 4/2).

**SURFACE USE CONDITIONS OF APPROVAL  
P30E PUMP STATION  
DOI-BLM-C0140-2009-0007SCE**

1. Startup Notification. The operator shall notify the BLM representative at least at 48 hours prior to initiation of construction.
2. Application of Existing Terms and Conditions. Lease stipulations and conditions of approval outlined in the previous NEPA documentation for the P30E Pad (EA #CO140-2004-099) shall apply and remain in full force and effect unless superseded. Reclamation measures shall be implemented per BLM letter titled "Revisions to BLM Energy Office Revegetation Requirements" dated 5/1/08 and any subsequent revisions thereto.
3. Well Site Plan. Unless operational limitations require otherwise, the six 300 bbl storage tanks proposed for the site shall be configured with three rows of two tanks and the footprint or outer edge of the site shall be further constricted to allow optimum potential for site reclamation.
4. Facility Colors. All above ground facilities, including the corrugated metal containment ring surrounding the storage tanks, shall be painted Shale Green (Munsell 5Y4/2) to blend with the existing landscape.
5. Dust Abatement. The operator shall implement dust abatement measures on a planned schedule to prevent fugitive dust from vehicular traffic serving the injection well site, equipment operations, or wind events. The Authorized Officer may direct the operator to change the level and type of treatment (watering or application of various dust agents, surfactants, and road surfacing material) if dust abatement measures are observed to be insufficient to prevent fugitive dust.
6. Fencing of Site to Protect Ongoing Reclamation. The pad shall be fenced to BLM standards no later than June 1, 2009 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.
7. Generator Noise. The generator(s) and pump(s) serving the injection well shall be installed and operated at the site in a manner that, at a minimum, meets the Colorado Oil and Gas Conservation Commission's Noise Abatement regulation (No. 802) for Residential/Agricultural/Rural Zones which, in summary, requires a noise level not to exceed 50 db(A) between 7:00 pm and 7:00 am at a distance of 350 feet from the noise source.
8. Big Game Winter Range Timing Limitation. To minimize impacts to wintering big game, no construction activities shall occur during a Timing Limitation (TL) period from **January 16 to April 29** annually, per language stipulated in Lease COC56258.