

**PUBLIC SCOPING STATEMENT
BEAVER CREEK COAL BED NATURAL GAS PILOT PROJECT
ENVIRONMENTAL ASSESSMENT**

**BUREAU OF LAND MANAGEMENT
LANDER FIELD OFFICE
LANDER, WYOMING**

DESCRIPTION OF PROJECT

Devon Energy Corporation (Devon) has notified the Bureau of Land Management (BLM) Lander Field Office that Devon is proposing to explore and develop Coal Bed Natural Gas (CBNG) wells within the administrative boundaries of the BLM's Lander Field Office. The 20-well pilot project is located within the existing Beaver Creek Field in Sections 27 and 28; Section 33 E1/2 of NW/4, NE/4, N1/2 of SE/4; and Section 34 NW/4; in Township 34 North and Range 96 West in Fremont County, Wyoming. The Project Area is approximately nine aerial miles southeast of Riverton, Wyoming, and encompasses approximately 1,750 acres on federal lands. Access to the Project Area from the town of Riverton is by US 26 South to WY136 and southeast on WY135.

The Proposed Action entails construction, drilling, completing, and producing of 20 pilot CBNG wells in the Project Area and construction of associated access roads, pipelines, production facilities, electric transmission lines, and an evaporation pond. Produced water from the CBNG wells would be transferred via pipeline to an 8.3-acre evaporation pond within the Project Area and an existing evaporation pond on private property outside the area, and/or sent to a salt water disposal well (see attached figure). If the pilot project proves to be economically feasible, additional development may be proposed. However, additional development would require the preparation of an Environmental Impact Statement (EIS).

It is anticipated that initial drilling operations would begin as soon as possible after the completion of this Environmental Assessment and approval of the Application of Permits to Drill (APDs). The estimated start date for the pilot project is January 2007.

For each well, construction operations would take approximately 2-5 days, drilling would require approximately 7-10 days, and completion operations may require up to 30 days. Within the Project Area, each well would be constructed on 80-acre well density (i.e., one well/80 acres or 1320' between wells). Production operations would require the use and maintenance of roads on a year-round basis.

The approximate size of each well pad would be 310 feet by 200 feet. A reserve pit would be excavated to hold drilling fluids and cuttings. The total maximum disturbance of each well pad is estimated to be 1.42 acres. Once the well has been completed, the well pad would be reduced to approximately 1.15 acres with 0.27 acres being reclaimed and revegetated.

Approximately 3.9 miles of new road will be built to access the 20 new locations. Existing access roads will be used where ever possible to keep new disturbance to a minimum.

All roads associated with this project would be upgraded/constructed to BLM standards. Approximately 7.6 miles of pipeline and electrical line Right-of-Way (ROW) would be constructed to each well, based on overhead electrical construction and the shortest route. One pipeline, approximately 1.5 miles in length, would be constructed to transport produced water to an existing evaporation pond on private property (O'Connor Evaporation Pond). Another pipeline, approximately 1.3 miles in length, would transport produced water to a water disposal well.

Each producing well would require a water discharge pipeline and a gas gathering pipeline and these lines would occupy the same trench. The pipeline corridors would be located, where feasible, adjacent to access roads. A gas sales line would be constructed from the CBNG Facility to the existing BCU North Field Compressor site at the BCU 58 location, where the gas would be compressed and sent to the BCU Plant for processing and sales. The BCU CBNG Facility would result in 2.0 acres of disturbance. Disturbance estimates from construction of well pads, roads, pipelines, and an evaporation pond are provided below. The total short-term disturbance is estimated to be 115.66 acres, which is 6.6 percent of the Project Area or 0.7 percent of the existing Beaver Creek Unit.

Table 1. Dimensions of the Proposed Facilities for the CBNG Pilot Project.

Proposed Facilities	Dimensions (feet)	Dimensions (acres)	Total Disturbance (acres)
Well pads	310'x200'	1.42 x 20 well pads	28.47
Roads (Includes some pipelines)	21,843'x50'	25.07	25.07
Electrical line and pipeline ROW	40,236'x50'	46.18	46.18
Pipeline to O'Connor Evaporation Pit	7,938.4'x20'	3.65	3.65
Pipeline ROW for Water Disposal Well	6,765.9'x20'	3.11	3.11
Evaporation pit	600'x600'	8.26	8.26
BCU CBNG Facility	200'x200'	0.92	0.92
TOTAL	-	-	115.66

The purpose of the 20-well pilot project is to provide Devon with information needed prior to embarking on full field development. This information would include, but not be limited to the following:

- Commercial viability of extraction of coal bed natural gas in this part of the Beaver Creek Field.
- Quantity of produced water over time.

- Quality of the produced water, including Total Dissolved Solids, chlorides, sodium, and trace metals. This information is necessary to evaluate the future potential beneficial uses of the water.

RELATIONSHIP TO EXISTING PLANS AND DOCUMENTS

The resource management plan that directs the management of the resource area is the *Final Resource Management Plan/Environmental Impact Statement for the Lander Resource Area, Lander, Wyoming* (BLM 1986); *Grazing Supplement to the Final Resource Management Plan/Environmental Impact Statement for the Lander Resource Area, Lander, Wyoming* (BLM 1986); and *Record of Decision for the Lander Resource Management Plan* (BLM 1987).

The Lander Resource Management Plan (RMP) states that “public lands will be made available for oil and gas leasing and development to the maximum extent possible, while giving due consideration to the protection of other significant resource values.” The proposed Project Area is located in the Beaver Creek Management Unit of the Lander Resource Area. The proposed project area is in a portion of the Beaver Creek Management Unit that is open for oil and gas leasing with standard requirements (Map 17 in the RMP). Thus, development of natural gas reserves within the Beaver Creek Pilot Project Area would be in conformance with the Lander RMP. The EA that will be prepared for the proposed project will incorporate the appropriate decisions, terms, and conditions of use described in the Lander RMP. Use authorizations for well pads, roads, pipelines, and well site facilities will be processed through the BLM Application for Permit to Drill (APD) and Sundry Notice.

NATIONAL ENVIRONMENTAL POLICY ACT COMPLIANCE

Pursuant to the National Environmental Policy Act (NEPA) and the Council on Environmental Quality (CEQ) regulations on implementing NEPA, the BLM has determined that an EA would be prepared for the 20-well pilot project. The purpose of the EA is to provide the public and decision-makers with sufficient information to understand the environmental consequences of the Proposed Action and to identify and develop appropriate mitigation measures to minimize environmental impacts.

As a result of the analysis of the Proposed Action, the BLM will make one of the following determinations:

- The proposed project would not result in significant impacts and a Decision Record with a Finding of No Significant Impact (DR/FONSI) would be signed by the BLM, which would allow the project to be implemented.
- The project, as proposed, would result in significant impacts and would require the preparation of an Environmental Impact Statement (EIS).

One element of the NEPA process is “scoping.” Scoping activities are initiated early in the NEPA process to:

- Identify reasonable development alternatives to be evaluated in the EA.
- Identify environmental and socioeconomic issues of concern related to the proposed

project.

- Determine the depth of the analysis for issues addressed.

Additionally, NEPA requires that a “No Action Alternative” be considered in all environmental documents. This allows a comparison of the economic and environmental consequences of the Proposed Action versus current development levels and existing environmental conditions. Under the No Action alternative, no further natural gas development would occur on Federal lands in the Project Area beyond that which has already been approved.

This scoping document has been prepared to enable government agencies, the general public, and other interested parties to participate in and contribute to the environmental analysis process. Public input is important in establishing the scope of analysis for any NEPA document, and the BLM encourages public participation. The comments received from the public on the scoping notice will assist in the identification of key issues of concern that need to be addressed in this EA.

IDENTIFIED RESOURCE MANAGEMENT ISSUES AND CONCERNS

The following issues and concerns have been identified to-date. This list is not all-inclusive, but rather serves as a starting point for public input. Once all the issues and concerns have been gathered through public scoping, resource disciplines will be identified for analysis of individual issues and concerns.

- Potential effects on cultural resources in the Beaver Creek Project Area.
- Potential effects on wildlife species and their habitats.
- Potential impacts to sensitive plants and animals.
- Water quality impacts from CBNG exploration and production.
- Air quality impacts from construction, drilling, and production activities.
- Impacts to vegetation and soils.
- Potential impacts to residential areas (e.g., Beaver Creek Housing).
- Potential invasion of noxious weeds resulting from vegetation and soil disturbance.
- Concerns related to produced water from Coal Bed Natural Gas production.
- Depletion of groundwater needed for livestock.
- Increased traffic and associated impacts on County, State, and BLM roads and highways providing access to the Project Area.
- Concern about reclamation success within the Project Area.
- Cumulative impacts of CBNG activities, when combined with past, present, and reasonably foreseeable future activities.

INTERDISCIPLINARY TEAM

- Archaeologist
- NEPA Specialist
- Petroleum Engineer
- Air Quality Specialist
- Wildlife Biologist
- Hydrogeologist

- Soil Scientist
- Range Management Specialist
- Recreation and Visual Resource Specialist
- Paleontologist
- Natural Resource Specialist

TIMING NEEDS AND REQUIREMENTS

Government agencies, the public, and other interested parties are encouraged to participate throughout the environmental analysis process to assist in identifying the level of analysis needed, alternatives to be considered, issues and concerns that should be assessed, mitigation opportunities, and any other comments to help ensure that the analysis process is comprehensive.

Written comments will be accepted by the BLM during the 30-day public comment period, which ends on July 21, 2006. In addition, an open house meeting on the Scoping Notice will be held for the public on July 6, 2006 at 7:00 p.m. at the Holiday Inn in Riverton, Wyoming. Please refer to the Beaver Creek Coal Bed Natural Gas Pilot Project in your written comments. Comments on this scoping notice should be submitted to:

Carol-Anne Murray
NEPA Coordinator and Project Manager
Bureau of Land Management
Lander Field Office
1335 Main Street
Lander, Wyoming 82520

REFERENCES CITED

Bureau of Land Management. 1986. Final Resource Management Plan/Environmental Impact Statement for the Lander Resource Area, Lander, Wyoming. U.S. Department of the Interior, Bureau of Land Management, Lander, Wyoming.

Bureau of Land Management. 1987. Record of Decision for the Lander Resource Management Plan. U.S. Department of the Interior, Bureau of Land Management, Lander Resource Area, Lander, Wyoming.

Bureau of Land Management. 1986. Grazing Supplement to the Final Resource Management Plan/Environmental Impact Statement for the Lander Resource Area, Lander, Wyoming.