



Bureau of Land Management

Anchorage Field Office
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**Categorical Exclusion
Drilling of a Natural Gas Well**

**Applicant: Marathon Oil Company
Case File Number: A-028142
AK-040-06-CX-015**

Location:

Seward Meridian, Section 6, T4N, R11W

Prepared By:

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Physical Scientist
2/7/06

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Anchorage Field Office
CATEGORICAL EXCLUSION (CX) FORM

CX No.: AK-040-06-CX-015

Lease/Serial/Case File No.: A-028142

Proposed Action Title/Types: Drilling of a Natural Gas Well

Location of Proposed Action: Section 6, T4N, R11W, Seward Meridian

Description of Proposed Action:

Marathon Oil Company is proposing to drill a natural gas well in the Kenai Beluga Unit, KBU 21-7X. The surface location is anticipated to be 480' From the South Line (FSL) and 1327' From the West Line (FWL) in Section 6, T4N, R11W, Seward Meridian. Existing roads will be used for access to the KBU 21-7X well site. Kenai, AK is the nearest town to the site. No new roads will be required to access the KBU 21-7X well. The KBU 21-7X well will be drilled from Pad 14-6 in the Kenai Gas Field. Pad drawings delineate existing wells, the proposed location of KBU 21-7X, existing production facilities and where the flow line will be installed from the KBU 21-7X wellhead to an existing heater and separator.

A water supply well exists on the pad from which KBU 21-7X well will be drilled. No construction is planned on the pad. The recent pad expansion has already been completed and is sufficient. Cuttings will be dewatered on location. The cuttings and excess mud will be hauled to Pad 41-18 of the Kenai Gas Field for disposal into Well KU 24-7, a Class II disposal well (AOGCC Disposal Injection Order No. 9, Permit #81-176). All household and approved industrial garbage will be hauled to the Kenai Peninsula Borough Soldotna Landfill. Clear fluids will be hauled to Pad 34-31 of the Kenai Gas field and injected in Well WD #1, an approved disposal well (AOGCC Permit #7-194). Unused chemicals will be returned to the vendors that provided them. Efforts will be made to minimize the use of all chemicals. Sewage will be hauled to the Kenai sanitation facility.

A minimal camp will be established on the pad to house various supervisory and service company personnel. Approximately four trailer house type structures will be required for this purpose. Bottled water will be used for human consumption. Potable water will be obtained from the existing water well on the pad and used for cooking, cleaning, etc. Sanitary wastes will be collected and transported to their ADC approved disposal facility. No additional structures will be necessary. KBU 21-7X will be drilled from an existing pad. Reclamation of the pad will occur after the abandonment of KBU 21-7X and the other existing wells on the pad. Approval of the plan of reclamation will be obtained from the surface owners, Salamatof Native Association prior to any reclamation work beginning.

Applicant (if any): Marathon Oil Company

PART I - PLAN CONFORMANCE REVIEW

This Proposed Action is subject to the following land use plan:

The Soutcentral Planning Area Management Framework Plan, dated March of 1980 encompasses this drilling site, but does not address oil and gas operations in this area. However, the Environmental Assessment for the 31-7RD natural gas well, generated in 1995 by the Bureau of Land Management, has analyzed the impacts of this type of action in accordance with 43 CFR 1610.8 (b)(1). Therefore, based on the review documented above, I conclude that this proposal is in accordance with Federal regulations and that the NEPA documentation fully covers the Proposed Action and constitutes BLM's compliance with the requirements of NEPA.

Date Plan Approved: N/A

The Proposed Action has been reviewed for conformance with this plan (43 CFR 1610.5, BLM MS 1617.3).

Remarks: None

PART II - NEPA REVIEW

- A. Categorical Exclusion Review.
This Proposed Action qualifies as a categorical exclusion under Section 390 of the Energy Policy Act of 2005: #2 – Drilling an oil and gas location or well pad at a site at which drilling has occurred within five (5) years prior to the date of spudding the well.
- B. Departmental List of Extraordinary Circumstances Review.
The following Departmental List of Extraordinary Circumstances apply to individual actions. Departmental instructions mandate that environmental documents **MUST BE PREPARED** for actions which may: (Mark applicable answer for each item. If "yes", prepare an EA/EIS and append this form to it.)
- | | YES | NO |
|---|--------------------------|-------------------------------------|
| 1. Have significant adverse impacts on public health or safety. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. Have significant impacts on such natural resources and unique geographic characteristics as historic or cultural resources; park, recreation or refuge lands; wilderness areas; wild or scenic rivers; national natural landmarks; sole or principal drinking water aquifers; prime farmlands; wetlands (Executive Order 11990); floodplains (Executive Order 11988); national monuments; migratory birds; and other ecologically significant or critical areas. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3. Have highly controversial environmental effects or involve unresolved conflicts concerning alternative uses of available resources [NEPA Section 102(2)(E)]. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4. Have highly uncertain and potentially significant environmental effects or involve unique or unknown environmental risks. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5. Establish a precedent for future action or represent a decision in principle about future actions with potentially significant environmental effects. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 6. Have a direct relationship to other actions with individually insignificant but cumulatively significant environmental effects. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 7. Have significant impacts on properties listed, or eligible for listing, on the National Register of Historic Places as determined by either the bureau or office. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 8. Have significant impacts on species listed, or proposed to be listed, on the List of Endangered or Threatened Species, or have significant | | |

- impacts on designated Critical Habitat for these species. YES NO
9. Violate Federal law, or a State, local, or tribal law or requirement imposed for the protection of the environment. YES NO
10. Have a disproportionately high and adverse effect on low income or minority populations (Executive Order 12898). YES NO
11. Limit access to and ceremonial use of Indian sacred sites on Federal lands by Indian religious practitioners or significantly adversely affect the physical integrity of such sacred sites (Executive Order 13007). YES NO
12. Contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area or actions that may promote the introduction, growth, or expansion of the range of such species (Federal Noxious Weed Control Act and Executive Order 13112). YES NO

I certify that none of the Departmental Extraordinary Circumstances listed in the above Part B (516 DM 2, Appendix 2) apply to this action.

Remarks: None.

Preparer(s): Harrison Griffin – Physical Scientist

Date: February 7, 2006

PART III – DECISION

I have reviewed this plan conformance and NEPA compliance record and have determined that the proposed project is in conformance with the approved land use plan and that no further environmental analysis is required. It is my decision to implement the project, as described, with the mitigation measures either identified below or stipulation(s) attached in this case file.

Mitigation Measures/Other Remarks: None

Authorized Official: Gary Reimer

Date: February 8, 2006