Documentation of NEPA Adequacy (DNA)
U.S. Department of the Interior
Bureau of Land Management (BLM)
Office: Alaska District Office
Project Number: DOI-BLM-AK-A010-2010-0040-DNA

Proposed Action Title/Type: Installation of the Birch Hill Unit gravel access road to Federal well BHU 22-25, and expansion of existing gravel pad in preparation for the future workover of the well.

Location/Legal Description: The project area is within the boundaries of the Kenai National Wildlife Refuge (KNWR), which was established by the Alaska National Interest Lands Conservation Act (ANILCA) of 1980. The proposed Birch Hill Unit road and expansion of the Federal Well BHU 22-25 gravel pad are located in the North Swanson River Field (SRF), known as the North Swanson River Satellite (SRS) development. The approximately 3.83 mile proposed road is located in sections 2, 3, and 10 of T8N R9W, and sections 25, 35, and 36 of T9N R9W, Seward Meridian. Federal well BHU 22-25, the location of the proposed well pad expansion, is located in the NW ¼ of section 25, T9N R9W on Tyonek Native Corporation lands. The U.S. Fish and Wildlife Service (USFWS) is the surface owner for approximately the first 1.5 miles of road. Tyonek Native Corporation is the surface owner for the remaining 2.3 miles of the road, and for the well location.

A. Description of the Proposed Action and any applicable mitigation measures
Union Oil Company of California, in exercising their lease rights to develop a Federal oil and gas lease, is preparing to do a workover on the Federal well BHU 22-25. The installation of a gravel access road and expansion of the existing gravel pad are necessary to complete this action.

The proposed road is approximately 3.83 miles long, with an 18' running surface, and will include pull-outs as necessary to ensure safe flow of traffic. Vegetation clearing and grubbing will not exceed 50'. The width of disturbance will be minimized where practical to reduce impacts to vegetation. The well pad at the Federal BHU 22-25 well is currently 105' x 305', and could be expanded up to a maximum of 300' x 400'.

Approximately 75,000 cubic yards (cy) of gravel will be required for the road, and an additional 11,700 cy could be required for the pad expansion. Gravel will be obtained from reclamation of existing roads within the KNWR, or from commercial sources outside the KNWR as necessary.

Construction will begin at project approval and continue through June 2011. Route clearing and grubbing is scheduled for August-October 2010, and road construction and pad expansion from November 2010-June 2011. The gravel pad will be designed to accommodate all equipment and materials staging for the workover. Drilling materials are brought on site by flat-bed trailers, which will be parked on the pad until materials or equipment are off-loaded. As this may not happen immediately, parking, access, and traffic flow areas are needed and have been accommodated in the proposed pad size.

The workover will involve approximately 20 personnel, who will be housed off-site and will commute to the drill site on a daily basis. Facilities include two fully self-contained trailers, which will have no discharges. Typical development efforts result in personnel and temporary support facilities being at a location for 60-90 days.

The road and pad will be maintained as necessary throughout drilling and testing operations, and will be reclaimed when the well is abandoned.

For a complete description of the project plan and all associated activities, see the associated North Swanson River Satellite-Birch Hill Unit sundry notice and plan of operations submitted April 22, 2009.

All stipulations found in section 2.2 of the Record of Decision, (document number AK-010-2010-0041), adopting the SRS FEIS will be followed. See appendix A for a list of these stipulations.

B. Land Use Plan (LUP) Conformance

LUP Name:

- Ring of Fire Resource Management Plan (RMP) and Record of Decision (ROD)
  Date Approved: March 2008

- Final Revised Comprehensive Conservation Plan (CCP) and Environmental Impact Statement (EIS) Kenai National Wildlife Refuge (KNWR)
  Date Approved: August 2009

The proposed action is in conformance with the applicable LUPs because it is provided for in the following LUP decisions:

The Ring of Fire RMP ROD has the stated goal of maintaining or enhancing opportunity for mineral exploration and development while maintaining resource values. The ROF RMP does not prohibit development of fluid minerals in the project area.

The KNWR CCP addresses management of existing oil and gas units, stating:
"Industrial facilities will operate under current State and Federal regulations. Facility operators will prevent, to the maximum extent possible, releases of hazardous materials and substances, crude oil, and produced water."

C. Identify applicable National Environmental Policy Act (NEPA) documents and other related documents that cover the proposed action.

- Swanson River Satellites Natural Gas Exploration and Development Project Final Environmental Impact Statement (SRS FEIS)
  Date Approved: January 2003

  The FIES analyzes the construction of the Birch Hill Unit access road, gravel pad expansion, and workover in the North Swanson River Satellite.

- USFWS Record of Decision (ROD) Statement of Compliance Granting Right of Way to Union Oil Company of California (Unocal) for development of the Swanson River Satellites Natural Gas Exploration and Development Project
  Date Approved: September 2004

The BLM was a cooperating agency in the development of the SRS FEIS, and is coordinating with USFWS officials responsible for administration of the KNWR. In 2009, USFWS oversaw the construction of the approximately 6.4 mile gravel access road analyzed in the SRS FEIS to

locations in the East SRS, and found the NEPA analysis and stipulations in the FEIS to be adequate for the action. (Claire Caldes, USFWS, personal communication, 5/20/2010).

D. NEPA Adequacy Criteria

1.a. Is the new proposed action a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document?

Yes. The SRS FEIS was completed by the USFWS to analyze impacts associated with development of the North and East Swanson River Fields (SRF), and specifically addresses the road access, pad expansion, and subsequent 22-25 workover in the North SRF. The current proposal is part of the preferred alternative previously analyzed in the SRS FEIS.

1.b. Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document? If there are any differences, can you explain why they are not substantial?

Yes. The project is within the same analysis area analyzed in the SRS FEIS.

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the current proposed action, given current environmental concerns, interests, and resource values?

Yes. The SRS FEIS analyzed a range of alternatives appropriate to the scope of the proposed action. An alternate access route was proposed and analyzed, and four alternatives were considered, but rejected from further evaluation due to technical or economic infeasibility. These included possible alternate access routes for the road and pipeline, the use of helicopters for mobilizing drilling equipment in lieu of constructing roads, the use of ice access roads, or the use of synthetic matting alternative road materials.

The environmentally preferred alternative represents a reduction in resource use that will translate to a lesser environmental impact. It is a shorter route on a previously disturbed trail, which will minimize surface disturbance, require less gravel for construction, and shorten construction time.

3. Is the existing analysis valid in light of any new information or circumstances (such as, rangeland health standard assessment, recent endangered species listings, updated lists of BLM-Sensitive species)? Can you reasonably conclude that new information and new circumstances would not substantially change the analysis of the new proposed action?

Yes. The existing analysis and conclusions are adequate. New information and circumstances have arisen since the issuance of the SRS FEIS in January 2003, but we can conclude that the new circumstances are insignificant to the analysis of this proposed action, or were adequately anticipated and analyzed in the existing NEPA documents, completed as recently as October 2009. The following discussion summarizes new information and circumstances related to the proposed action.

<u>Beluga Whale population listed as Endangered under the Endangered Species Act, October 2008</u>

The October 2008 Conservation Plan for the Cook Inlet Beluga Whale, developed by the National Marine Fisheries Service, identifies the habitat in nearby Cook Inlet as "valuable," including areas of less concentrated spring and summer beluga use, but known fall and winter use areas.

In December 2009, the National Oceanic and Atmospheric Administration proposed designating more than a third of Cook Inlet, to include the habitat near the project area, as critical habitat. Managers expect to have a final designation of critical habitat for the Cook Inlet beluga whales in the spring of 2010. No impacts to water quality or sedimentation that could affect this habitat are anticipated from the proposed action (Claire Caldes, USFWS, personal communication, 6/10/2010).

Water quality data referenced in the FEIS is ten or more years old.
According to the USFWS:
Stipulation #15 requires a pre-project sampling and analysis program for soil and surface water, and is presented in the FEIS as Appendix E. (Claire Caldes, USFWS, personal communication, 6/10/2010). Therefore, since current water quality will be monitored during this action, the old data will not be used to assess water quality or make planning decisions.

4. Are the direct, indirect, and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in existing NEPA documents?
Yes. The direct and indirect impacts of this proposed action are essentially unchanged from those identified in the North SRS development analyzed in the SRS FEIS. In 2009, approximately 6.4 miles of road was built to access the East SRS. USFWS monitoring of this action indicates that impacts are less than or consistent with those anticipated and analyzed in the FIES. (Claire Caldes, USFWS, personal communication, 5/20/2010)

5. Are the public involvement and interagency review associated with existing NEPA documents adequate for the current proposed action?
Yes. There were many opportunities for public involvement and interagency review during the development of the 2003 SRS FEIS, which analyzes activities in this proposed action. A Notice of Availability of the DEIS was published in the Federal Register on August 2, 2002 by the USFWS. The notice provided a brief summary and supplemental information, the dates, times, and locations of public meetings, and requested that written comments be addressed to the USFWS by October 1, 2002. In addition, the USFWS published DEIS availability notices in the Anchorage Daily News and the Peninsula Clarion on September 2 and August 30, 2002, respectively.

Public hearings for the DEIS were held in Soldotna, AK on September 5, 2002 and in Arlington, VA on September 17, 2002.

Approximately 56 copies of the DEIS were sent to Federal, state, and local government agencies, institutions, organizations, and individuals. The complete document was also available on the USFWS Alaska Region Refuges website.

The SRS FEIS includes a "Response to Comments" section, (Section 1.3.2, pp. 1-14) which specifically describes the number and type of comments received, as well as how each was addressed. 4,785 comments were received, and these were distributed into 36 specific issue categories. Comments that were nonsubstantive and did not provide additional information about the DEIS were grouped into two additional categories of "general support" and "general opposition" to the proposal. The FEIS provides a summary description and general response to each of these 38 issues.

E. Persons/Agencies/BLM Staff Consulted:

Name	Title	Agency
Sindra Wolfsen	Physical Scientist	BLM
Darla Pindell	Industry Economist-Minerals	BLM
James Fincher	Anchorage Field Office Manager	BLM
Melanie Hunter	Anchorage District Planning and Environmental Coordinator	BLM
Jolie Pollet	Supervisory Planning and Environmental Coordinator	BLM
Claire Caldes	Refuge Operations Specialist	USFWS
Susan Lakomski	Realty Specialist	USFWS
Andy Loranger	Refuge Manager	USFWS

Conclusion: Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitutes BLM's compliance with the requirements of NEPA. The Swanson River

Melanie Hunter 8-2-10

Melanie Hunter
Project Lead/NEPA Coordinator

Date

James M Fincher 8/2/2010

James M. Fincher
Field Manager
Anchorage Field Office

Date

Note: The signed conclusion on this worksheet is part of an interim step in the BLM's internal decision process and does not constitute an appealable decision. However, the authorization based on this DNA is subject to protest or appeal under 43 CFR Part 4.