

**Decision on Action and Application for Categorical Exclusion
For Activities Associated with Oil and Gas Development
Section 390, Energy Policy Act of 2005**

ConocoPhillips Alaska Incorporated
AK-010-2012-0018-CX

Bureau of Land Management
Anchorage Field Office

Proposed Action

ConocoPhillips Alaska Incorporated (CPAI) is proposing to clear trees on seven well pads, three of which are located on federal leases within the Beluga River Unit (BRU). The purpose for this project is to have direct line-of-sight communication between well house antennas and the communications tower, which relays process data and alarms back to the central control room.

These sites are located in the Federal Beluga River Unit:

Pad DW-1 lies within the Seward Meridian, T.12N, R.10W, Section 9, Federal lease A-029656.

Pad E lies within the Seward Meridian, T.13N, R.10W, Section 35.

Pad F lies within the Seward Meridian, T.13N, R.10W, Section 34.

Pad E and Pad F are located on Federal lease A-029657.

The mineral estate is federal and managed under the jurisdiction of the BLM. The surface ownership is Kenai Peninsula Borough and managed by the Bureau of Land Management.

Description of the Proposed Action

CPAI is proposing to clear trees at seven pad locations within the Beluga River Unit. Three of the seven pads are on federal oil and gas leases. Currently, CPAI has 20-foot communication antennas stationed on top of the well houses on each of these pads. Data and alarm systems relay from these antennas to an AT&T communication tower to the central control room. CPAI is switching antenna signals from VHS to WI MAX for wireless communication. This changeover will require direct line-site communication between the antenna and the tower.

After making this changeover, some of the trees along the perimeter of the pads will block the communication from the well house antenna to the tower. Removal of these trees will allow for the required direct line-of-sight communication signal.

At Pad DW-1, approximately fifty trees will be cleared along the northern parameter of the pad. The area designated for clearing is approximately 30ft by 100ft or 0.07 acres.

At Pad E, approximately fifty trees will be cleared along the southwest perimeter of the pad and its access road. The area designated for clearing is approximately 472ft by 50ft or 0.54 acres.

At Pad F, approximately twenty five trees will be cleared along the southeast corner of the pad. The area designated for clearing is approximately 30ft by 240ft or 0.16 acres.

Total surface disturbance for this project is 0.77 acres.

Construction is scheduled to begin May 1, 2012 and be completed by July 1, 2012. The work will be done by CPAI in-house contractors.

Plan Conformance

As required by 43 CFR 1610.5, the proposed action is in conformance with the terms and the conditions of the Approved Resource Management Plan for the Public Lands Administered by the Bureau of Land Management, Ring of Fire Resource Management Plan (RMP) and Record of Decision (ROD), Approved March 2008.

Plan of Operations

The proposal is designed in conformance with all bureau standards and incorporates appropriate best management practices and the required and designed mitigation measures determined to reduce the effects on the environment.

Compliance with the Energy Policy Act of 2005

The proposed activity has been determined to be statutorily categorically excluded from NEPA documentation in accordance with Section 390 of the National Energy Policy Act of 2005.

The applicable Categorical Exclusion reference in Section 390 of the Energy Policy Act of 2005 is exclusion number1: *“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.”*

Persons and Agencies Consulted

Cultural:

The BLM AFO archaeologist has reviewed this undertaking, and determined that, because this project occurs entirely in previously disturbed areas, and in areas that have been graded and/or filled, that the potential for encountering intact cultural resources is extremely low. The BLM AFO has determined that there is *no effect on historic properties* and that there is no need for further Section 106 review.

Wildlife:

This proposed action is within 1,000 feet of the shoreline of Cook Inlet, in an area that is designated Critical Habitat Area 2 for the Cook Inlet Beluga whale. This area is recognized as habitat for fall and winter feeding and transit zones for Cook Inlet Beluga whales as they move into summer habitats in the uppermost portions of Cook Inlet. This proposal is occurring in a previously disturbed area, onshore, and outside of Cook Inlet waters, and therefore will have no effects on Beluga whale or its critical habitat.

The impact of the proposed action on threatened and endangered plants and animals and their habitats has been evaluated in accordance with the Endangered Species Act of 1973, as amended. Based on currently available information, the proposed action would not affect any threatened or endangered species or their habitats. Therefore, no consultation with the U.S. Fish and Wildlife Service is considered necessary pursuant to Section 7 of the Act and non will be undertaken.

Subsistence:

The proposed action occurs on land owned by the Kenai Peninsula Borough and does not occur on Federal Public Lands as defined in ANILCA Section 102(3). It therefore does not fall under the regulatory authority of the Federal Subsistence Board and appropriate Federal Subsistence Regulations for harvest of wildlife, fish and shellfish on Federal Public Lands in Alaska. The proposed action will not restrict Federal subsistence uses, decrease or alter the abundance of resources or limit qualified Federal subsistence user access from current existing conditions.

Extraordinary Circumstances

“Extraordinary circumstances” are circumstances in which actions that are otherwise categorically excluded from the requirement under NEPA to prepare an EA or EIS may have a significant environmental effect and require additional analysis and action. This action does not meet any of the applicable extraordinary circumstances.

Decision and Rationale on Action

I have reviewed the proposal to ensure that the appropriate Categorical Exclusion, as described in Section 390 of the Energy Policy Act of 2005, has been correctly applied. The proposed action would disturb less than five acres on the site, the total current disturbance on the entire leasehold is less than 150 acres (including the proposed action). Oil and gas exploration and development is analyzed in the Ring of Fire RMP / Final Environmental Impact Statement. It is my determination that no further environmental analysis is required. In addition, I have reviewed the plan conformance statement and have determined that the proposed activity is in conformance with the applicable land use plans.

Therefore, I have decided to implement CPAI's Sundry Notice of Intent to remove trees from the three indicated well pads located on the federal leases within the Beluga River Unit to allow direct line-of-sight communication. The following Conditions of Approval (COAs):

The operator must comply with all Required Operating Procedures, terms and conditions, and stipulations outlined in the Approved Ring of Fire Resource Management Plan and Record of Decision.

The above COAs and terms and conditions provide justification for this decision and may not be segregated from project implementation without further NEPA review.

/s/ Doug Ballou, Acting for
James M. Fincher,
Field Manger, Anchorage Field Office

04/17/2012

Date

Administrative Review or Appeal Opportunities

Under the Bureau of Land Management's regulation addressed in 43 CFR 3165, the decision to approve a Sundry Notice is subject to appeal and administrative review. An administrative review must be conducted in accordance with 43 CFR 3165.3 and must take place prior to pursuing an appeal to the Interior Board of Land Appeals.

Any adversely affected party may request an administrative review, before the State Director, either with or without oral presentation. Such a request must include information required under 43 CFR 3165.3(b) (State Director Review), including all supporting documentation. Such a request must be filed in writing to the State Director, Bureau of Land Management, 222 West 7th Avenue, Anchorage, AK, 99513 no later than 20 business days from the date this Decision Record is received or considered to have been received.

Upon request and showing of good cause, an extension for submitting supporting/additional data may be granted by the State Director.

Any party who is adversely affected by the State Director's decision, may appeal that decision to the Interior Board of Land Appeals in accordance with 43 CFR 3165.4.

Contact Person

For additional information concerning this decision, contact:

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