

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 CO140-2007-136**

**Project:** Application for Permit to Drill: PA513-28 and PA533-29.

**Location:** NE $\frac{1}{4}$  SE $\frac{1}{4}$ , Section 29, Township 6 South, Range 95 West, Sixth Principal Meridian.

**Proposal:** Williams Production RMT Company proposes to directionally drill the two new wells cited above into Federal Lease COC62161 (PA513-28) and Federal Lease COC62162 (PA533-29) from the existing PA433-29R pad. The surface is the Federal and overlies Federal Lease COC62162. No new surface disturbance is anticipated.

**Lease Stipulations and Conditions of Approval:** All stipulations attached to Federal Lease COC62162 remain in effect. Area wide and site specific Conditions of Approval (COAs) developed in the Wheeler to Webster Geographic Area Plan (2005), as updated or superseded, will be attached to individual Applications for Permit to Drill (APDs).

Federal Lease COC62162 carries the following lease stipulation and notices: No Surface Occupancy (NSO) 2, 11, 15, and 18. Controlled Surface Use (CSU) 2, 4, and 5. Timing Limitation (TL) 1 and 11. Lease Notice (LN) 1, 2, 3, 4, and 5.

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

**Category 1:** *Individual surface disturbances of less than five (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.* No new surface disturbance is anticipated.

**Category 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.* PA 433-29R was spudded on October 22, 2004.

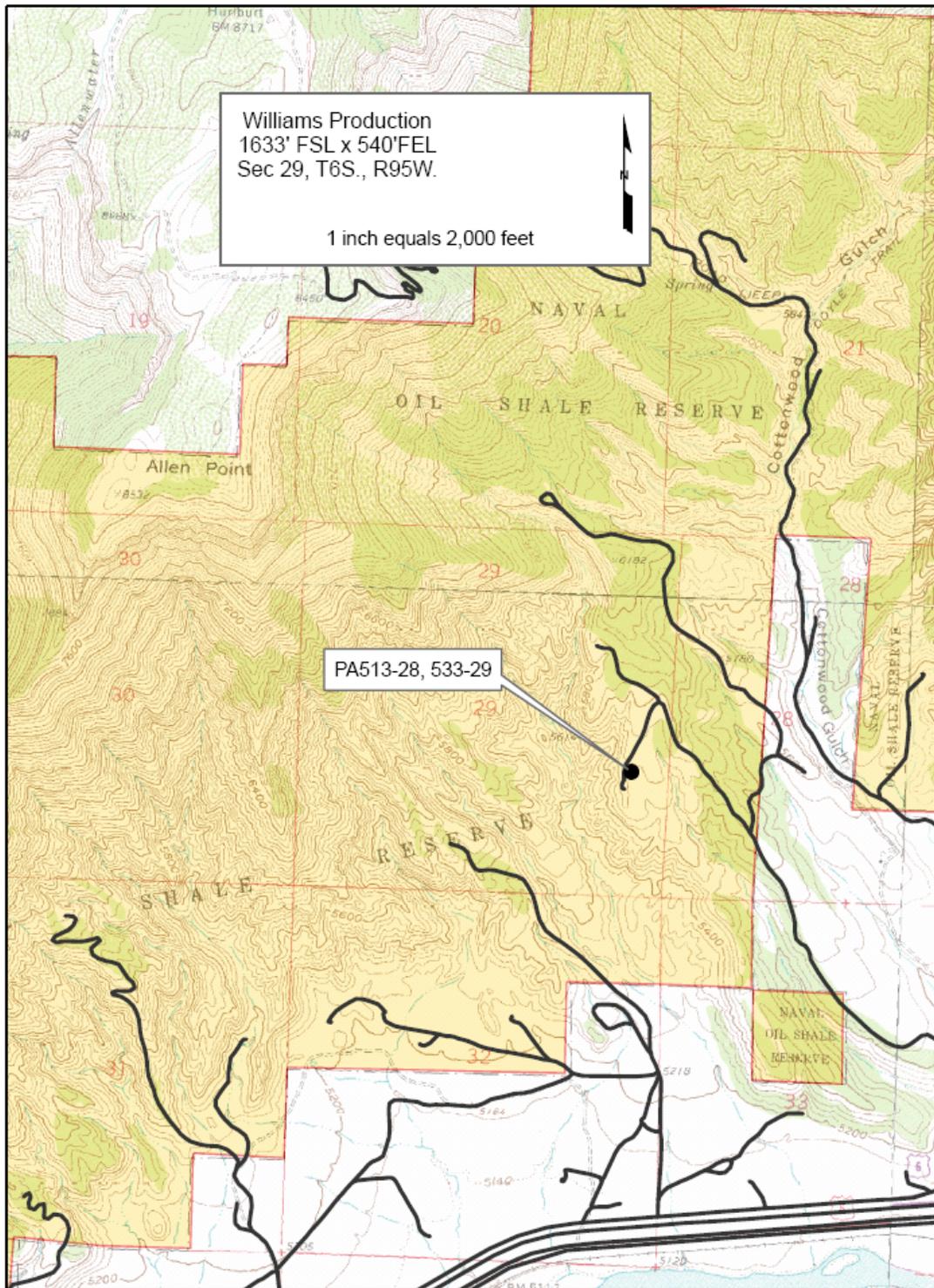
**Category 3:** *Drilling an oil or gas well within a developed field for which an approved land use plan or any environmental document prepared pursuant to NEPA analyzed drilling as a reasonably foreseeable activity, so long as such plan or document was approved with five (5) years prior to the date of spudding the well.* The Wheeler to Webster Geographic Area Plan (April 2005) analyzed this location.

**Prepared by:** Bill Barter, Natural Resource Specialist

**Approval:** It is my decision to approve the proposed action with the terms and conditions referenced above:

  
Allen B. Crockett, Ph.D., J.D.  
Supervisory Natural Resource Specialist

2/31/07  
Date



**SURFACE USE CONDITIONS OF APPROVAL**  
**Statutory Categorical Exclusion CO140-2007-136**

**Standard COAs for All GAP Wells, as Updated or Superseded**

**I. Road Construction and Maintenance**

1. Gravel. All BLM roads in Cottonwood Gulch will be subject to graveling by December 1, 2005. The type of gravel to be used will include the use of one of the following:

- 1½-inch CDOT (Colorado Department of Transportation) Class 5 gravel wet and rolled in.
- Locally obtained road materials approved by the authorized officer

Roads shall be periodically regaveled as directed by the authorized officer. Initial gravel application shall be a minimum of 4 inches. When rutting within the traveled way becomes greater than 6 inches, additional gravel shall be applied.

2. Dust Abatement. The operator shall implement dust abatement measures as needed or directed by the BLM authorized officer. The level and type of treatment (watering or application of various dust agents, surfactants, and road surfacing material) may be changed in intensity and must be approved by the BLM authorized officer.

3. Culverts. All culverts that have currently failed or culverts not aligned in the natural drainage of the channel shall be replaced and aligned with the natural channel of the drainage with a gradient that maintains the natural drainage velocity to decrease sedimentation and erosion. Destroyed, damaged, or inoperable culverts shall be removed from the GAP area and disposed of by Williams Production RMT Company.

Culverts at drainage crossings shall be installed during no-flow or low-flow conditions and shall be designed and installed to pass a 25-year or greater storm event. On perennial streams, culverts shall be designed to allow for passage of aquatic biota. The minimum culvert diameter in any installation for a drainage crossing or road drainage shall be 18 inches. Contact Jeff O'Connell, Glenwood Springs Energy Office Hydrologist at 970-947-5215 or jeffrey\_o'connell@blm.gov. Crossings of drainages deemed to be jurisdictional waters of the U.S. pursuant to Section 404 of the Clean Water Act may require additional culvert design capacity. Due to the flashy nature of area drainages and anticipated culvert maintenance, the U.S. Army Corps of Engineers recommends designing drainage crossings for the 100-year event. Contact Sue Nall at 970-243-1199 x16 or susan.nall@usace.army.mil.

4. Waters of the U.S. The operator shall obtain appropriate permits from the U.S. Army Corps of Engineers prior to discharging fill material into waters of the U.S. in accordance with Section 404 of the Clean Water Act. Waters of the U.S. are defined in 33 CFR Section 328.3 and may include wetlands as well as perennial, intermittent, and ephemeral streams. Permanent impacts to waters of the U.S. may require mitigation. Contact Sue Nall, Regulatory Specialist, Colorado/Gunnison Basin Regulatory Office, U.S. Army Corps of Engineers, at 970-243-1199 x16 or susan.nall@usace.army.mil.

5. Geotextile Fabrics. As deemed necessary by the authorized officer, geotextile fabrics or similar material may be required on steep raw areas that are difficult to establish vegetation on, particularly steep road cuts and the larger cut banks around well pads.

## **II. Production, Construction, and Reclamation**

1. A minimum of 2 feet of freeboard will be maintained in the reserve pit, between the maximum fluid level and pad level. Pits will be designed to exclude all surface runoff.
2. Reserve pit fluids shall be backfilled within one year of construction or to the end of the succeeding summer (August 31) to allow for evaporation of fluids, unless an alternative method of disposal is approved. The backfilling of the reserve pit shall be done in such a manner that the mud and associated solids shall be confined to the pit and not squeezed out and incorporated in the surface materials. There shall be a minimum of 3 feet of cover (overburden) on the pit. When work is complete, the pit area shall support the weight of heavy equipment without sinking.
3. All pits, cellars, rat holes, and other bore holes unnecessary for further lease operations, excluding the reserve pit, shall be backfilled immediately after the drilling rig is released to conform to surrounding terrain. Pits, cellars, rat holes, and other bore holes that remain on location shall be fenced as specified for the reserve pit.
4. Compaction and construction of the berms surrounding the tank batteries shall be designed to prevent lateral movement of fluids through the utilized materials, prior to storage of fluids. The berms shall be constructed to contain at a minimum 110 percent of the storage capacity of the largest tank within the berm. All loading lines shall be placed inside the berm.
5. Reclamation. Reclamation 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). The specific measures described below shall be followed during interim reclamation of disturbed surfaces associated with well pads, access roads, and pipelines. These measures, except seedbed preparation, shall also apply to temporary reclamation of topsoil storage piles and surfaces that are subject to interim reclamation but not scheduled to undergo interim reclamation for more than 1 year. Contact Beth Brenneman, Glenwood Springs Energy Office Ecologist, at 970-947-5232 or beth\_brenneman@blm.gov.
  - a. Seedbed Preparation. For interim reclamation, all slopes shall be reshaped prior to seedbed preparation. Initial seedbed preparation shall consist of backfilling, leveling, and ripping all areas to be seeded to a minimum depth of 18 inches with a furrow spacing of 2 feet, followed by recontouring the surface and then spreading the stockpiled topsoil evenly. Prior to seeding, the seedbed shall be scarified and left with a rough surface. No depressions shall be left that would trap water and form ponds. Final seedbed preparation shall consist of contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding. NOTE: Seedbed preparation is not required for topsoil storage piles or other areas of temporary reclamation.

Requests for use of soil amendments, including basic product information, shall be submitted to the BLM for approval.
  - b. Seed Mixes. Selection of seed to be used in temporary or interim reclamation shall comply with the menu-based seed mixes in the letter provided to oil and gas operators dated April 16, 2007; however, for private surfaces the landowner would ultimately determine the seed mix to be used for reclamation. The seed shall be certified free of noxious weeds. Seed may contain up to 2.0 percent of "other crop" seed by weight which includes the seed of other agronomic crops and native plants; however, a lower percent of other crop seed is recommended. Seed tags or other official documentation shall be supplied to the BLM Glenwood Springs Energy Office Ecologist at least 14

days prior to the date of proposed seeding for acceptance. Contact Beth Brennehan at 970-947-5232 or beth\_brennehan@blm.gov. Seed that does not meet the above criteria shall not be applied to public lands.

c. Seeding Procedures.

Seeding shall be conducted no more than 24 hours following completion of final seedbed preparation. A seed mix consistent with BLM standards in terms of species and seeding rate for the specific habitat type shall be used on all disturbed BLM lands (see Attachments 1 and 2 of the letter provided to operators dated April 16, 2007). Revegetating the disturbed area promptly will help prevent erosion and invasion by weeds and provide food and cover for wildlife.

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 reclamation 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 reclamation will be considered on a case-by-case basis.

d. 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 may be used in areas of interim reclamation where crimping is impracticable, in areas of interim reclamation that were hydroseeded, and in areas of temporary reclamation regardless of seeding method.

NOTE: As an exception to this provision, mulch is not required in areas where erosion potential mandates use of a biodegradable erosion-control blanket (straw matting).

e. 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 straw 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 ensure reduced offsite erosion and to protect drainages from sediment.

f. Site Protection. The pad shall be fenced to BLM standards 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% of the new plants are producing seed. The authorized officer will approve the type of fencing.

g. Monitoring. The operator shall conduct annual monitoring surveys of reclaimed areas and shall submit an annual monitoring report to the authorized officer by December 31 of each year. The monitoring program shall use the four Reclamation Categories defined in Appendix I of the 1998 DSEIS to assess progress toward reclamation objectives. The annual report shall document whether attainment of reclamation objectives appears likely. If one or more objectives appear unlikely to be achieved, the report shall identify appropriate corrective actions. Upon review and approval of the

report by the BLM, the operator shall be responsible for implementing the corrective actions or other measures specified by the authorized officer.

h. Fencing. Areas being reclaimed shall be fenced to exclude livestock until the seeded species have established. The type of fencing shall be approved by the authorized officer.

6. Weed Control. The Operator shall regularly monitor and promptly control noxious weeds or other undesirable plant species as set forth in the Glenwood Springs Energy Office *Noxious and Invasive Weed Management Plan for Oil and Gas Operators*, dated March 2007. A Pesticide Use Proposal (PUP) must be approved by the BLM prior to the use of herbicides. Contact Beth Brenneman, Glenwood Springs Energy Office Ecologist, at 970-947-5232 or beth\_brenneman@blm.gov.

7. 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.

As 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. Contact Karen Conrath, Glenwood Springs Energy Office Geologist, at 970-947-5235 or karen\_conrath@blm.gov.

8. Cultural Education/Discovery. All persons in the area who are associated with this project must 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 must 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).

9. Migratory Birds. It shall be the responsibility of the operator to comply with the Migratory Bird Treaty Act with respect to “take” of migratory bird species. “Take” means to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct. The operator shall prevent use by migratory birds of reserve pits, produced water pits, and evaporation pits, that store or are expected to store fluids which may pose a risk to such birds (e.g., migratory waterfowl, shorebirds, wading birds, and raptors) during completion and after completion activities have ceased. Several established methods to prevent bird access are known to work. Methods may include but are not limited to netting, the use of bird-balls, or other alternative methods that effectively prevent bird access/use. Regardless of the method used, it should be applied within 24 hours after completion activities have begun. All mortality or injury to species protected by the Migratory Bird Treaty Act shall be reported immediately to the BLM project lead.

**Site-Specific COAs for Proposed Wells PA 513-28 and PA 533-29**

1. Administrative Notification. The operator shall notify the BLM representative at least 48 hours prior to construction.1. No surface disturbance is permitted beyond the original construction lines.
2. Paint. The paint color to be used on all surface facilities is Desert Tan (10YR 6/3).
3. Raptor Nesting. Raptor nest surveys conducted in 2007 for this APD did not result in location of raptor nest structures within 0.25 mile of a well pad or 0.125 mile of an access road, pipeline, or other surface facility. Although BLM considers surveys conducted for a NEPA Environmental Assessment to be valid for 5 years, new nests may be built and occupied between the initial surveys and project implementation. To ensure compliance with the Migratory Bird Treaty Act, the Operator should schedule construction or drilling activities to begin outside the raptor nesting season (February 1 to August 15) if practicable. If initiation of construction or drilling during these dates cannot be avoided, the Operator is responsible for complying with the Migratory Bird Treaty Act, which prohibits the “take” of birds or active nests (those containing eggs or young), including nest failure caused by noise and human activity. Contact Jeff Cook, Glenwood Springs Energy Office Wildlife Biologist, at 970-947-5231 or jeffrey\_cook@blm.gov).

**DOWNHOLE CONDITIONS OF APPROVAL**

**Company/Operator:** Williams Production RMT Company

**Surface Location:** NESE Section 29, Township 6 South, Range 95 West, 6<sup>th</sup> P.M.

<b><u>Well Name</u></b>	<b><u>Well No.</u></b>	<b><u>Bottomhole Location</u></b>	<b><u>Lease</u></b>
Federal PA	513-28	NWSW Sec. 29, T. 6S., R. 95W.	COC62161
Federal PA	533-29	NWSE Sec. 29, T. 6S., R. 95W.	COC62162

The downhole COAs identified in the Williams Production RMT Company Master APD (Approved April 27, 2006) for the Parachute Field Area C shall apply.

Please contact Steve Ficklin (970-947-5213) or Jennifer Gallegos (970-947-5220) of the Glenwood Springs Energy office at least 24 hours:

- 1) pre- and post-spud
- 2) prior to running the surface and production casing
- 3) conducting the BOP test