

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 CO140-2007-142

Project: Application for Permit to Drill: GM 323-36

Location: NE¼ SW¼, Section 19, Township 6 South, Range 96 West, Sixth Principal Meridian.

Proposal: Williams Production RMT Company proposes to directionally drill one new well cited above into Federal Lease COC62163 from the existing GM 23-36 pad. The surface is the private. Less than 0.1 acres of new surface disturbance is anticipated for stockpile of pit material and excess pad yardage.

Lease Stipulations and Conditions of Approval: Conditions of Approval (COAs) developed in the Wheeler to Webster Geographic Area plan and site-specific COAs will be attached to the Application for Permit to Drill (APD). Federal Lease COC62163, dated April 1999, carries the following lease stipulations: No Surface Occupancy (NSO) 2, 7, 11, 15, 18, and 20; Controlled Surface Use (CSU) 2, 4, and 5; and Timing Limitation (TL) 6.

These stipulations remain in effect, except as follows: An exception has been granted to the big game winter TL in conjunction with approval of the Hayes Gulch Clustered Plan of Development (CO140-2007-001). Unless excepted, the big game winter TL would prohibit construction, drilling, and completion activities during the period from December 1 to April 30.

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:

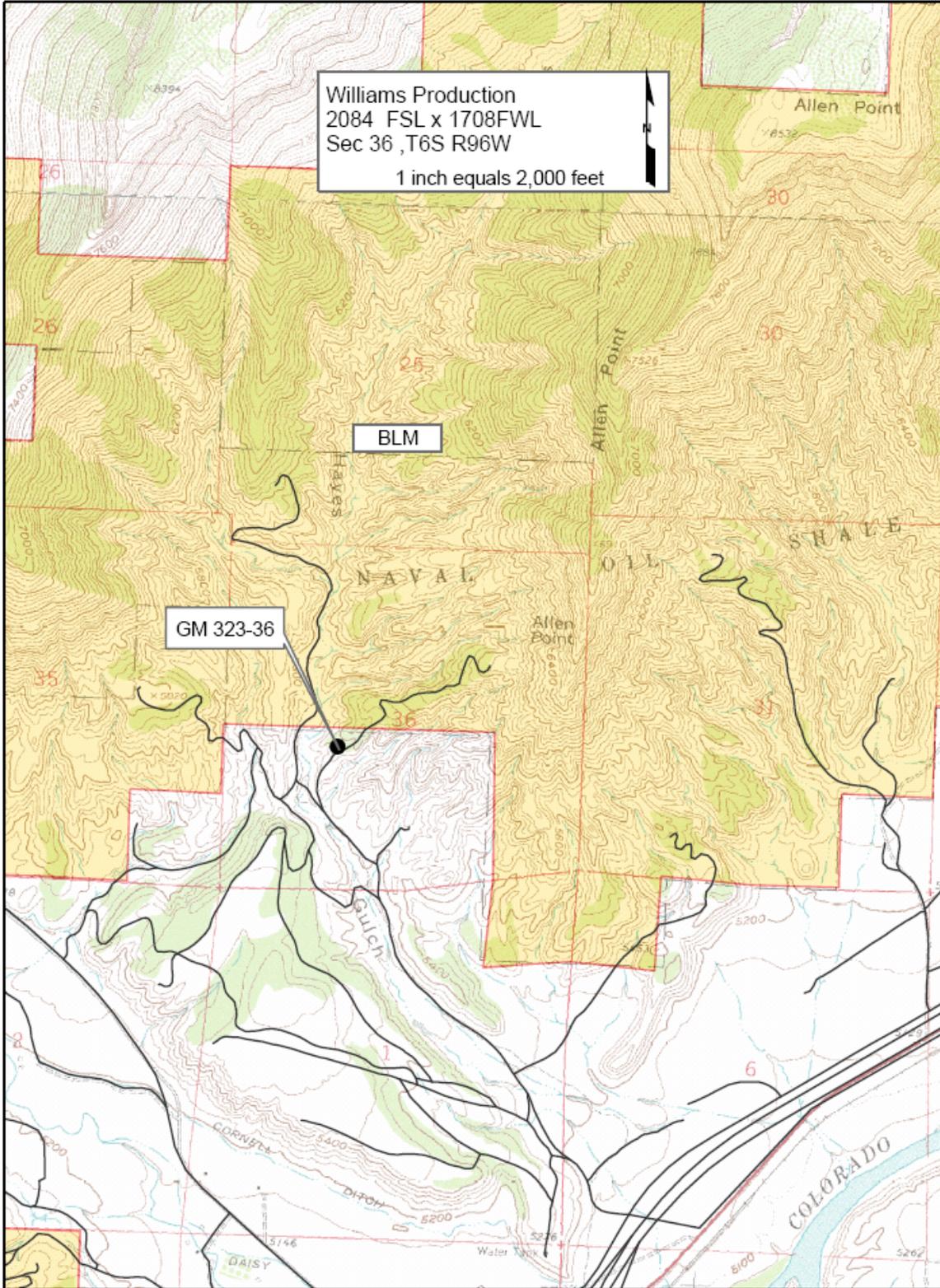
Category 1: *Individual surface disturbances of less than five (5) acres so long as the total surface disturbance on the lease is not greater than 150 acres and site-specific analysis in a document prepared pursuant to NEPA has been previously completed.* No new surface disturbance is anticipated.

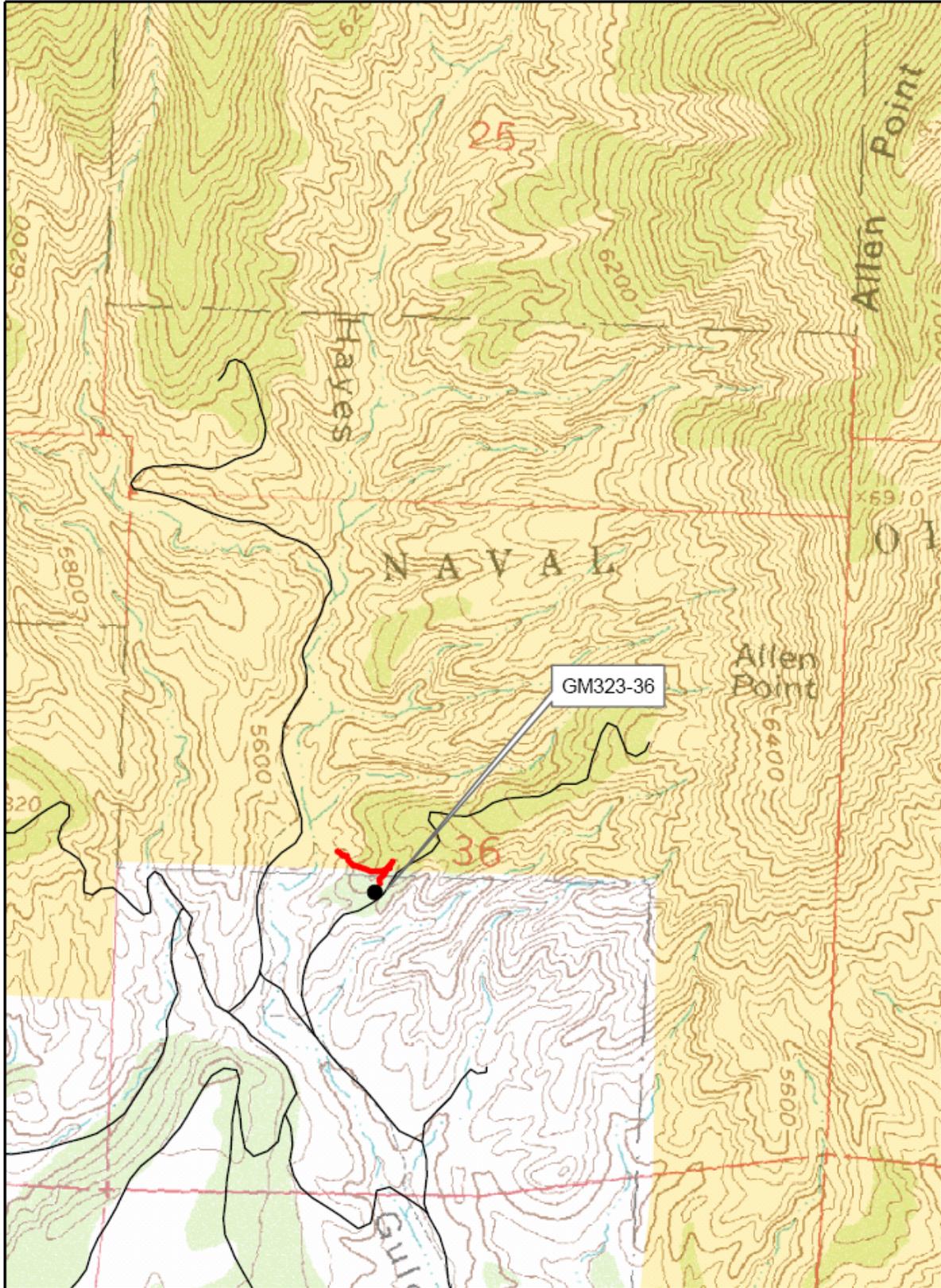
Prepared by: Bill Barter, Natural Resource Specialist

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

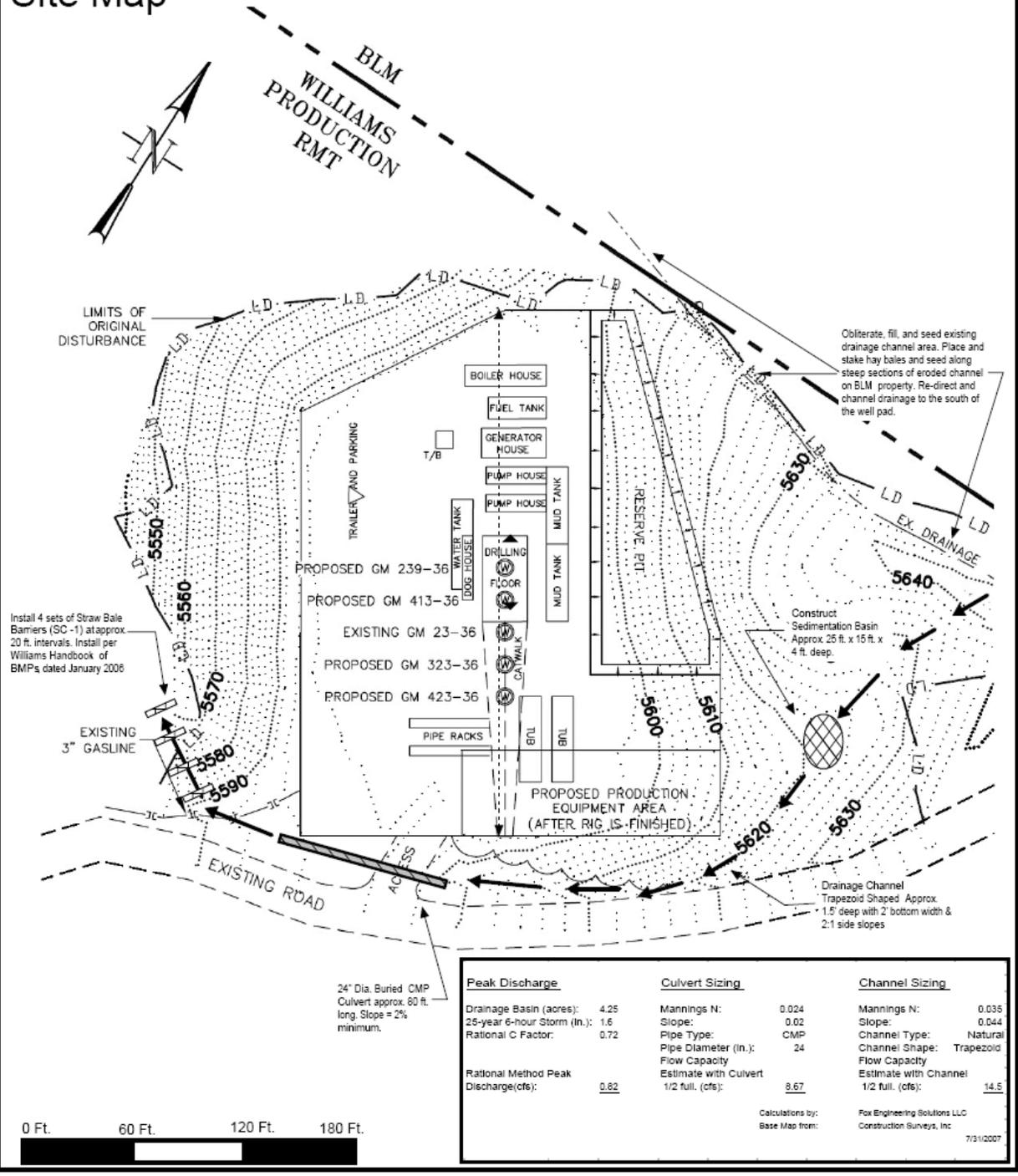

Allen B. Crockett, Ph.D., J.D.
Supervisory Natural Resource Specialist

9/5/07
Date





Williams Production RMT
GM 23-36 Drainage Improvements
NE 1/4 SW 1/4 S36, T6S, R96W , 6th PM
Site Map



Install 4 sets of Straw Bale Barriers (SC-1) at approx. 20 ft. intervals. Install per Williams Handbook of BMPs dated January 2006

Obliterate, fill, and seed existing drainage channel area. Place and stake hay bales and seed along steep sections of eroded channel on BLM property. Re-direct and channel drainage to the south of the well pad.

Construct Sedimentation Basin Approx. 25 ft. x 15 ft. x 4 ft. deep.

Drainage Channel Trapezoid Shaped Approx. 1.5' deep with 2' bottom width & 2:1 side slopes

24" Dia. Buried CMP Culvert approx. 80 ft. long. Slope = 2% minimum.

Peak Discharge	Culvert Sizing	Channel Sizing
Drainage Basin (acres): 4.25	Mannings N: 0.024	Mannings N: 0.035
25-year 6-hour Storm (in.): 1.6	Slope: 0.02	Slope: 0.044
Rational C Factor: 0.72	Pipe Type: CMP	Channel Type: Natural
	Pipe Diameter (in.): 24	Channel Shape: Trapezoid
	Flow Capacity	Flow Capacity
Rational Method Peak Discharge(cfs): <u>0.62</u>	Estimate with Culvert 1/2 full. (cfs): <u>8.67</u>	Estimate with Channel 1/2 full. (cfs): <u>14.5</u>
	Calculations by: Fox Engineering Solutions LLC	
	Base Map from: Construction Surveys, Inc.	
		7/31/2007

0 Ft. 60 Ft. 120 Ft. 180 Ft.

SURFACE USE CONDITIONS OF APPROVAL
Statutory Categorical Exclusion CO140-2007-142

1. Administrative Notification: At least 48 hours prior to construction, the operator shall notify the BLM representative of construction startup plans.
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. Culverts shall be designed and installed to pass a 25-year or greater storm event and shall not be installed during high-flow conditions. 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. Diversion Ditches. Operator shall abandon the diversion ditch along the northern edge of the pad and reclaim the incised channel created by this diversion. The incised channel shall be filled with coarse material, straw check dams, and reseeded to minimize the potential for future channeling of runoff. Additional BMPs shall be applied as needed to meet these goals. The new diversion ditch shall be designed to collect and route flows away from the wellpad and into the natural drainage south of the pad. Operator shall apply BMPs as needed to stabilize the diversion ditch and slow the velocity of runoff essentially minimizing the potential for excessive erosion, channel degradation, and sedimentation.
5. 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. The term "take" means to harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct. As such, the operator is requested to 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 will be applied within 24 hours after completion activities have begun. All lethal and non-lethal events that involve migratory birds will be reported to the Natural Resource Specialist immediately upon their discovery.
6. Raptor Nesting TL: Raptor nest surveys in the project vicinity resulted in the location of one or more raptor nest structures within 0.25 mile of a well pad or 0.125 mile of an access road, pipeline, or other surface facility. To protect nesting raptors, a 60-day Timing Limitation (TL) shall be applied to prohibit initiation of construction and drilling activities within the buffer widths specified above. This TL shall apply during the period May 1 to June 29. An exception to this TL may be granted for any year in which a subsequent survey determines one of the following: (a) the nest is in a severely dilapidated condition or has been destroyed due to natural causes, (b) the nest is not occupied as of May 15, (c) the nest was occupied but subsequently failed due to natural causes, or (d) the nest was occupied but the nestlings have fledged and dispersed from the nest. The TL and exception criteria

shall also apply to active alternate nests within the buffer widths. Contact Jeff Cook, Glenwood Springs Energy Office Wildlife Biologist, at 970-947-5231 or jeffrey_cook@blm.gov).

7. 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.
 - 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 Brenneman at 970-947-5232 or beth_brenneman@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. Contact Beth Brenneman, Glenwood Springs Energy Office Ecologist, at 970-947-5232 or beth_brenneman@blm.gov.
8. Weed Control: The operator shall regularly monitor and promptly control noxious weeds or other undesirable plants 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 BLM prior to the use of herbicides. Contact Beth Brenneman, Glenwood Springs Energy Office Ecologist, at 970-947-5232 or beth_brenneman@blm.gov.
9. 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 Authorized Officer of the findings. The discovery must be protected until notified to proceed by the Authorized Officer.

As feasible, the operator shall suspend ground-disturbing activities at the discovery site and immediately notify the Authorized Officer of any finds. The 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.

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

DOWNHOLE CONDITIONS OF APPROVAL
Applications for Permit to Drill

Company/Operator: Williams Production RMT Company

Surface Location: NESW Section 36, Township 6 South, Range 96 West, 6th P.M.

<u>Well Name</u>	<u>Well No.</u>	<u>Bottomhole Location</u>	<u>Lease</u>
Williams GM	323-36	SENE Sec. 36, T. 6 S., R. 96 W.	COC62163

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

Please contact Steve Ficklin (970-947-5213) 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