U.S. Department of the Interior
Bureau of Land Management
Colorado River Valley Field Office
2300 River Frontage Road
Silt, Colorado, 81652

Statutory Categorical Exclusion, DOI-BLM-CO-N040-2010-0014

Project: Proposal to Expand the Existing 8D Pad and to Directionally Drill an Additional Eleven Federal Wells into Federal Leases COC58670 and COC23443 located on Federal Land in Pete and Bill Creek Area.

Location: Township 8 South, Range 95 West, Section 8, NW¼NW¼, Sixth Principal Meridian

Proposal: Noble Energy Inc. (Noble) proposes to directionally drill an additional eleven Federal wells from the existing 8D pad located on Federal land to access fluid minerals in Federal Lease COC58670 and COC23443 (Table 1). The single existing well, the Parachute Federal 22-8, was originally analyzed in August of 2005 under Environmental Assessment (EA) CO-140-2005-095 and was drilled in October of 2005.

To accommodate the necessary space to drill the additional wells, the pad would be expanded from its original disturbance footprint of 2.2 acres to a revised pad footprint of 3.2 acres. The proposed pad expansion is east of the current location (Figure 2). The pad is presently in a state of interim reclamation with a disturbed working area of about 2.1 acres. Existing facilities would be relocated off the 8D pad to a site approximately 1,000 feet southwest of the pad along the existing lease road. The proposed new facility location is in a previously disturbed and reclaimed area. The separators would be on the south side of the existing lease road and the production tanks would be on the north side of the existing lease road (Figure 3 and 4). Facilities would consist of steel production tanks inside a steel containment ring with bladder and three 4-pack production units with separate high pressure bottles and meters and shared heater baths. With the additional disturbance for the tanks and production equipment, the total new disturbance would be 3.32 acres.

The existing 10-inch steel gas-gathering line and an existing 4-inch flexsteel production water line would be used to transport gas and water off location. These existing gathering lines proceed in a westerly direction and are the same lines that gather from the 7G, 7F, and 7D pads. Noble anticipates that these lines would handle the production from all wells proposed for drilling on the 8D pad. The tie-in location to the field gathering lines is proposed near the separators. The only new pipeline needed would be a proposed 4-inch gas line from the pad to the facility location, a distance of 1,000 feet. The pipeline would be placed along the road, in the right-of-way, parallel to the field gathering gas and water lines.

Lease Stipulations: All stipulations attached to Federal leases COC23443 and COC58670 would remain in full force and effect.

BLM Conditions of Approval: Conditions of Approval (COAs) that would be applied to the Applications for Permit to Drill (APDs) are attached. The standard surface-use COAs attached to this SCX are in addition to stipulations attached to the respective Federal leases and any site-specific COAs for individual well pads. Wording and numbering of attached COAs may differ from those included in original EA. In cases of discrepancies, the attached COAs supersede earlier versions.

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

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."* Federal Parachute 22-8 gas well was spudded on October 16, 2005.

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 within five (5) years prior to the date of spudding the well."* Noble submitted an APD to satisfy Federal lease obligations in 2005. The submittal of the APD trigged an environmental assessment to analyze the 8D pad, EA CO-140-2005-0095. The EA analyzed the drilling of an exploratory well from the proposed BLM pad and obtaining a road right-of-way.

Table 1. Surface and Bottomhole Locations of Proposed Federal Wells

Proposed Wells	*Surface Locations (T8S, R95W)*	*Bottomhole Locations (T8S, R95W)*
SGV Federal 6-44C	329 feet FWL, 1224 feet FNL NW¼NW¼, Section 8, T8S R95W	201 feet FNL, 717 feet FEL NE¼SE¼, Section 6, T8S R95W
SGV Federal 6-44D	322 feet FWL, 1226 feet FNL NW¼NW¼, Section 8, T8S R95W	629 feet FNL, 713 feet FEL SE¼SE¼, Section 6, T8S R95W
SGV Federal 7-41A	301 feet FWL, 1235 feet FNL NW¼NW¼, Section 8, T8S R95W	138 feet FNL, 713 feet FEL NE¼NE¼ , Section 7, T8S R95W
SGV Federal 7-41B	294 feet FWL, 1237 feet FNL NW¼NW¼, Section 8, T8S R95W	468 feet FNL, 711 feet FEL NE¼NE¼, Section 7, T8S R95W
SGV Federal 7-41C	291 feet FWL, 1249 feet FNL NW¼NW¼ , Section 8, T8S, R95W	832 feet FNL, 737 feet FEL NE¼NE¼ , Section 7, T8S, R95W
SGV Federal 8-11A	332 feet FWL, 1233 feet FNL NW¼NW¼, Section 8, T8S, R95W	699 feet FWL, 158 feet FNL NW¼NW¼, Section 8, T8S, R95W
SGV Federal 8-11B	350 feet FWL, 1215 feet FNL NW¼NW¼, Section 8, T8S, R95W	701 feet FWL, 488 FNL NW¼NW¼, Section 8, T8S, R95W
SGV Federal 8-11C	356 feet FWL, 1213 feet FNL NW¼NW¼, Section 8, T8S, R95W	702 feet FWL, 818 feet FNL NW ¼ NW ¼, Section 8, T8S, R95W
SGV Federal 8-11D	360 feet FWL, 1222 feet FNL NW¼NW¼, Section 8, T8S, R95W	704 feet FWL, 1148 feet FNL NW¼NW¼, Section 8, T8S, R95W
SGV Federal 8-12A	325 feet FWL, 1235 feet FNL NW¼NW¼, Section 8, T8S, R95W	705 feet FWL, 1478 feet FNL SW¼NW¼, Section 8, T8S, R95W
SGV Federal 8-12B	298 feet FWL, 1216 feet FNL NW¼NW¼, Section 8, T8S, R95W	703 feet FWL, 1806 feet FNL SW¼NW¼, Section 8, T8S, R95W

Prepared by: Rebecca Beavers, Natural Resource Specialist 5/3/2010

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

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

5/5/10
Date

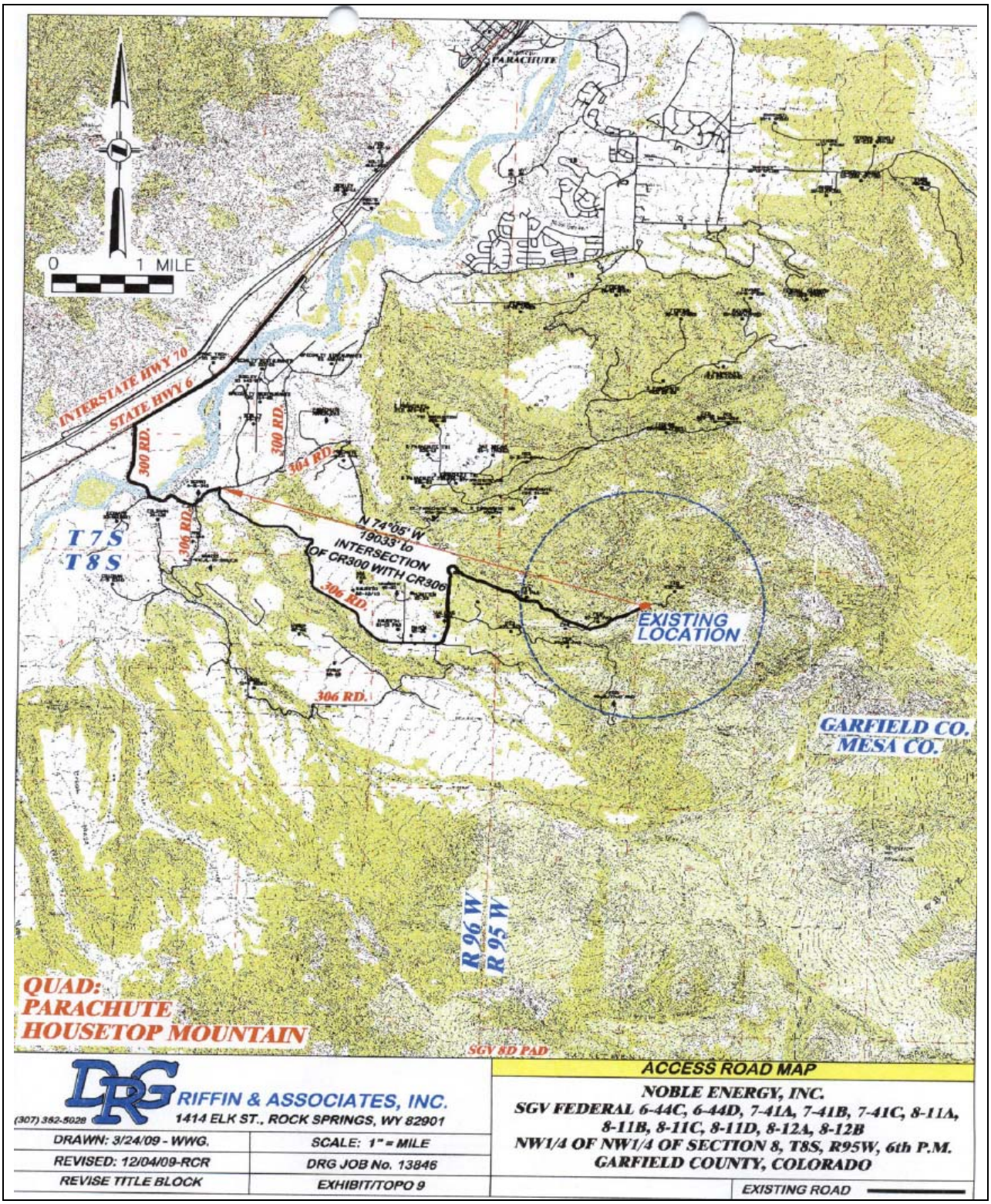


Figure 1. Existing 8D Pad Location

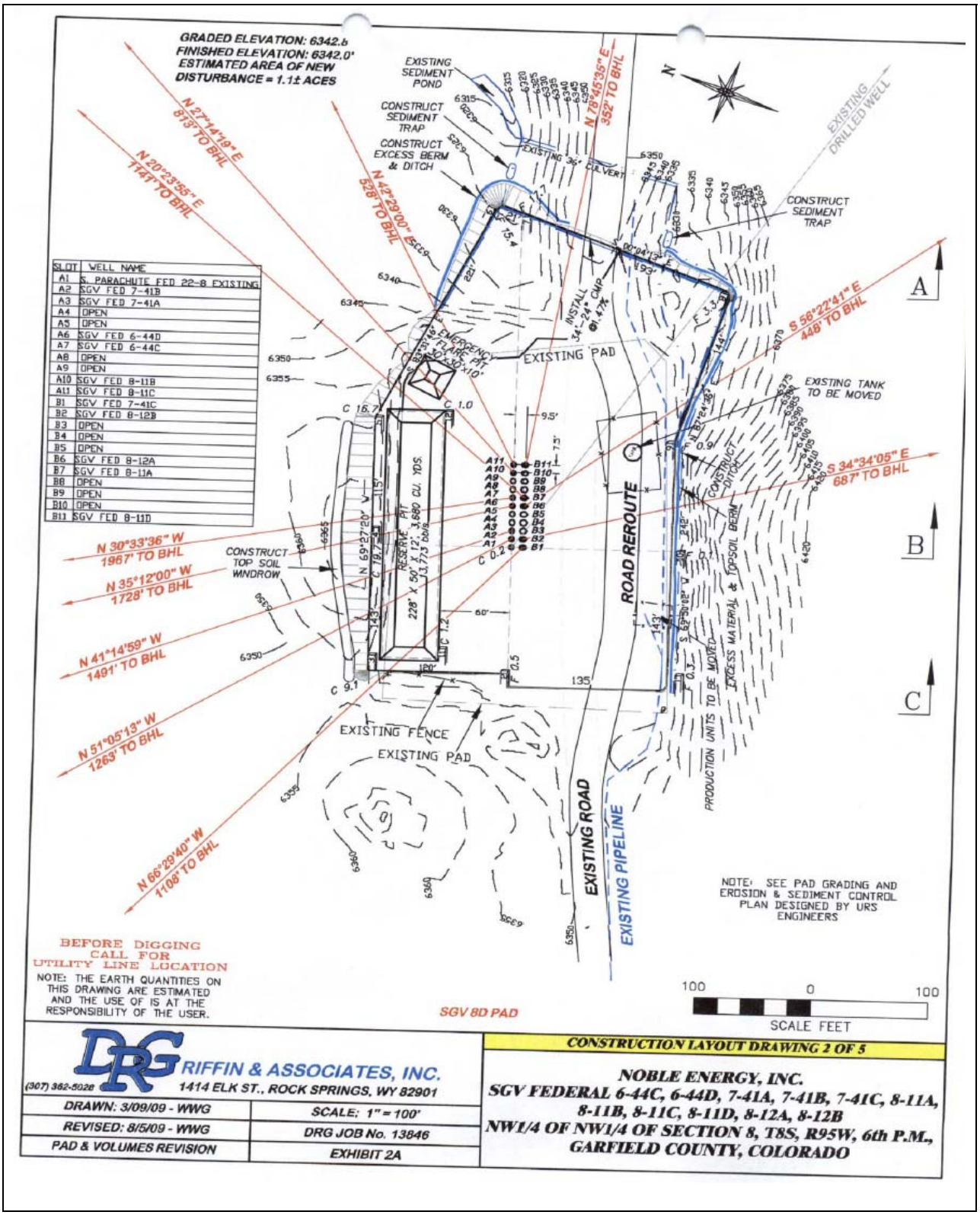
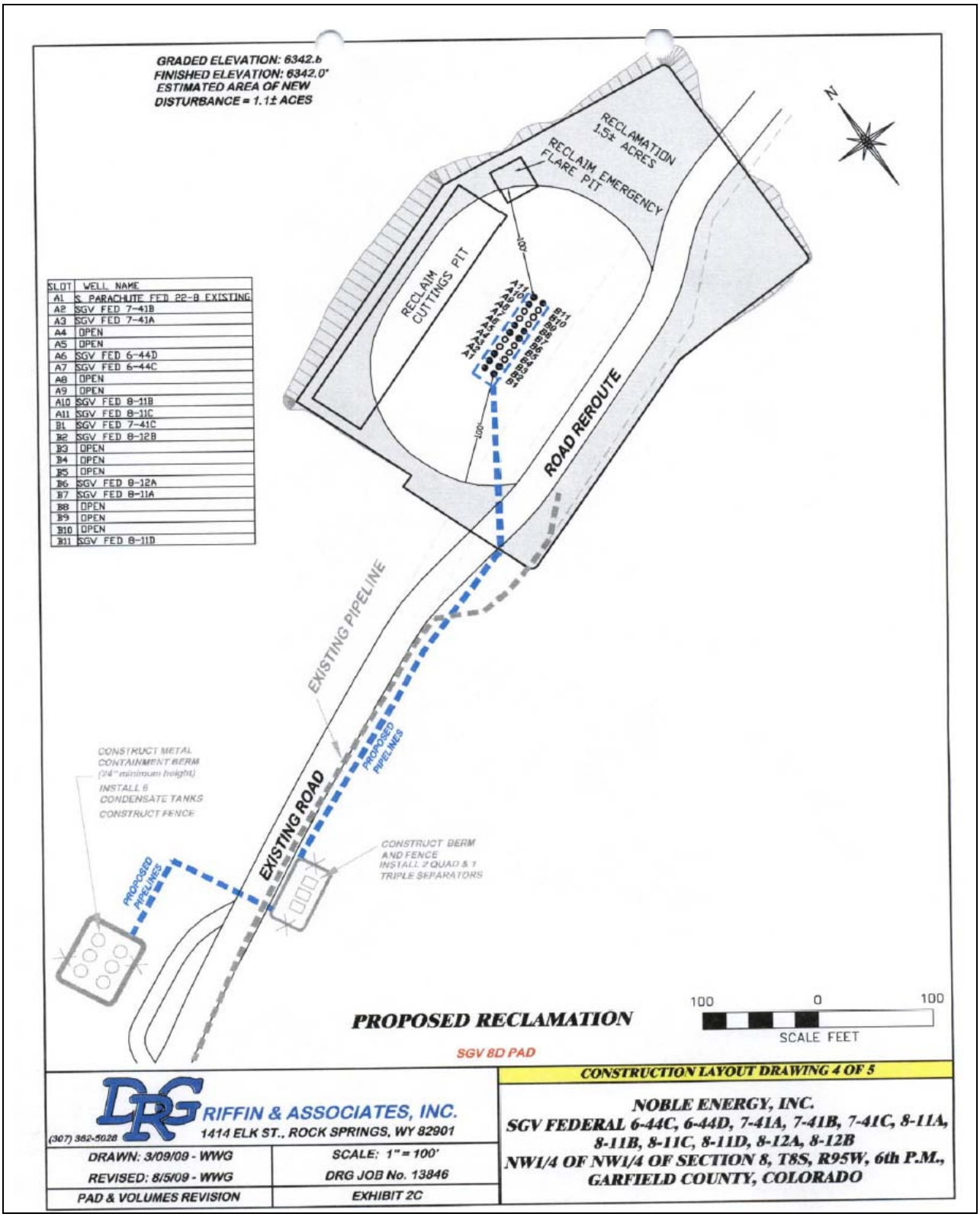


Figure 2. Pad Layout



SLOT	WELL NAME
A1	S PARACHUTE FED 22-8 EXISTING
A2	SGV FED 7-41B
A3	SGV FED 7-41A
A4	OPEN
A5	OPEN
A6	SGV FED 6-44D
A7	SGV FED 6-44C
A8	OPEN
A9	OPEN
A10	SGV FED 8-11B
A11	SGV FED 8-11C
B1	SGV FED 7-41C
B2	SGV FED 8-12B
B3	OPEN
B4	OPEN
B5	OPEN
B6	SGV FED 8-12A
B7	SGV FED 8-11A
B8	OPEN
B9	OPEN
B10	OPEN
B11	SGV FED 8-11D

Figure 3. Proposed Pad and Facilities Layout in Interim Reclamation

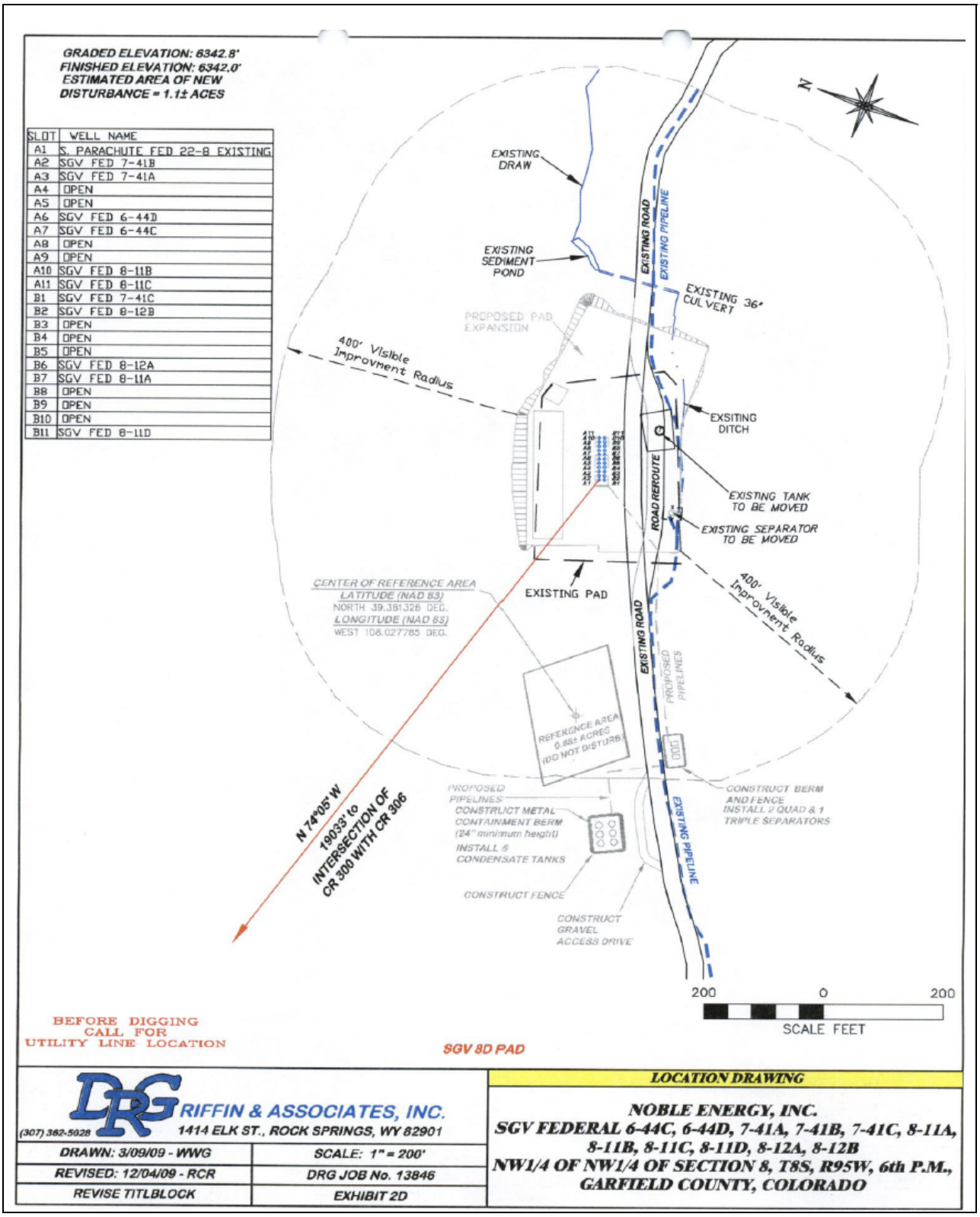


Figure 4. Moving Existing Facilities to New Location

DOWNHOLE CONDITIONS OF APPROVAL
Applications for Permit to Drill

Company/Operator: Noble Energy, Inc.

Surface Location: NWNW, Section 8, Township 8 South, Range 95 West, 6th P.M.

Well Name	Well No.	Bottomhole Location	Lease
SGV Fed	6-44C (Pad 8D)	Lot 9, Sec 6, T8S, R95W	COC23443
SGV Fed	6-44D (Pad 8D)	Lot 9, Sec 6, T8S, R95W	COC23443
SGV Fed	7-41A (Pad 8D)	NENE, Sec 7, T8S, R95W	COC23443
SGV Fed	7-41B (Pad 8D)	NENE, Sec 7, T8S, R95W	COC23443
SGV Fed	7-41C (Pad 8D)	NENE, Sec 7, T8S, R95W	COC23443
SGV Fed	8-11A (Pad 8D)	NWNW, Sec 8, T8S, R95W	COC58670
SGV Fed	8-11B (Pad 8D)	NWNW, Sec 8, T8S, R95W	COC58670
SGV Fed	8-11C (Pad 8D)	NWNW, Sec 8, T8S, R95W	COC58670
SGV Fed	8-11D (Pad 8D)	NWNW, Sec 8, T8S, R95W	COC58670
SGV Fed	8-12A (Pad 8D)	NWNW, Sec 8, T8S, R95W	COC58670
SGV Fed	8-12B (Pad 8D)	NWNW, Sec 8, T8S, R95W	COC58670

1. Twenty-four hours *prior* to (a) spudding, (b) conducting BOPE tests, (c) running casing strings, and (d) within twenty-four hours *after* spudding, the CRVFO shall be notified. One of the following CRVFO inspectors shall be notified by phone: Steve Ficklin at 970-876-9036, Dave Giboo at 970-876-9038, Todd Sieber at 970-876-9044, and Alan White at 970-876-9037.

2. A CRVFO petroleum engineer shall be contacted for a verbal approval prior to commencing remedial work, plugging operations on newly drilled boreholes, changes within the drilling plan, changes or variances to the BOPE, deviating from conditions of approval, and conducting other operations not specified within the APD. Verbal approvals will be followed by a Sundry Notice of the verbal within 48 hours. Contact, Will Howell at 970-876-9049 (office) or 970-319-5837 for verbal approvals. As a secondary contact, Dane Geyer at 970-876-9048 (office) or 970-589-6887 (cell) for verbal approvals.

3. If a well control issue arises (e.g. kick, blowout, or water flow), casing failure occurs, or an increase in bradenhead pressure occurs during drilling/fracturing operations, Will Howell (970-876-9049) shall be notified within 24 hours from the time of the event. IADC, Driller's Logs, and Pason Logs (mud logs) will be forwarded to CRVFO, Will Howell/Dane Geyer; 2300 River Frontage Road, Silt, CO 81652 within 36 hours of a well control event.

4. The BOPE shall be tested and conform to Onshore Order #2 for a **5M** system.

5. A casinghead rated to 5,000 psi or greater shall be utilized.

6. An electrical/mechanical mud monitoring equipment shall be functional/tested prior to drilling out the surface casing shoe. As a minimum, this equipment shall include a trip tank, pit volume totalizer, stroke counter, and flow sensor. It is recommended that periodic/weekly functional tests/kick drills be conducted for well control/safety issues.

7. Gas detecting equipment shall be installed in the mud return system, prior to drilling out the surface casing shoe, and hydrocarbon gas shall be monitored for pore pressure changes.

8. A gas buster shall be functional and all flare lines effectively anchored in place, prior to drilling out the surface casing shoe. The discharge of the flare lines shall be a minimum of 100 feet from the wellhead and targeted at bends. The panic line shall be a separate line (not open inside the buffer tank) and effectively anchored. All lines shall be downwind of the prevailing wind direction and directed into a flare pit, which cannot be the reserve pit. The flare system shall use an automatic ignition. Where noncombustible gas is likely or expected to be vented, the system shall be provided supplemental fuel for ignition and maintain a continuous flare.

9. 1500 feet of Surface Casing will be required on these wells to protect potential water source/aquifer.

10. After the surface casing is cemented, a Pressure Integrity Test/FIT will be performed on the first well drilled in accordance with OOGO No. 2; Sec. III, B.1. i. in order to make sure the surface casing is set in a competent formation. Submit the results from the test via email (william_howell@blm.gov) on the first well drilled on the pad and record results in the IADC log within 24 hours.

11. Prior to commencing fracturing operations, the production casing shall be tested to the maximum anticipated surface fracture pressure and held for 15 minutes. If leak-off is found, Will Howell shall be notified within 24 hours of the failed test, but prior to proceeding with fracturing operations. The test shall be charted and set to a time increment as to take up no less than a quarter of the chart per test. The chart shall be submitted with the well completion report.

12. As a minimum, cement shall be brought to 200 feet above the Mesaverde. After WOC for the production casing, a CBL shall be run (from TD to 200 feet above the TOC) and an electronic and/or hard copy submitted to CRVFO, Will Howell/Dane Geyer, 2300 River Frontage Road, Silt, CO 81652 within 48 hours. If the TOC is lower than required or the cement sheath of poor quality, a CRVFO petroleum engineer shall be notified for further instruction/cement remediation prior to commencing fracturing operations,

13. On the first well drilled on this pad, a triple combo open hole log shall be run from the base of the surface borehole to surface, and from TD to bottom of surface casing shoe. This log shall be in accordance with 43 CFR 3162.4(b), which states that the operator shall submit a complete set of electrical/mechanical logs in .LAS format with standard Form 3160-4, Well Completion or Recompletion Report, and LOG. Contact Karen Conrath at 970-876-9053 or karen_conrath@blm.gov for clarification. With **1,500 feet of Surface Casing**, this step can be **omitted**.

14. Submit the (a) mud/drilling log (e.g. Pason disc), (b) driller's event log/operations summary report, (c) production test volumes, (d) directional survey, and (e) Pressure Integrity Test results with the well completion report. Contact Will Howell for clarification.

STANDARD SURFACE USE CONDITIONS OF APPROVAL

DOI-BLM-CO-N040-2010-0014-SCX

The following standard surface use COAs are in addition to all stipulations attached to the respective Federal leases and to any site-specific COAs for individual well pads. Wording and numbering of these COAs may differ from those included in the EA# CO-140-2005-095. In cases of discrepancies, the following COAs supersede earlier versions.

1. Administrative Notification. The operator shall notify the BLM representative at least 48 hours prior to initiation of construction.

2. Road Construction and Maintenance. Roads shall be crowned, ditched, surfaced, drained with culverts and/or water dips, and constructed to BLM Gold Book standards. Initial gravel application shall be a minimum of 6 inches. The operator shall provide timely year-round road maintenance and cleanup on the access roads. A regular schedule for maintenance shall include, but not be limited to, blading, ditch and culvert cleaning, road surface replacement, and dust abatement. When rutting within the traveled way becomes greater than 6 inches, blading and/or gravelling shall be conducted as approved by the BLM.

3. Dust Abatement. The operator shall implement dust abatement measures as needed to prevent fugitive dust from vehicular traffic, equipment operations, or wind events. The BLM may direct the operator to change the level and type of treatment (watering or application of various dust agents, surfactants, and road surfacing material) if dust abatement measures are observed to be insufficient to prevent fugitive dust.

4. Drainage Crossings and Culverts. Construction activities at perennial, intermittent, and ephemeral drainage crossings (e.g. burying pipelines, installing culverts) shall be timed to avoid high flow conditions. Construction that disturbs any flowing stream shall utilize either a piped stream diversion or a coffer dam and pump to divert flow around the disturbed area.

   Culverts at drainage crossings shall be designed and installed to pass a 25-year or greater storm event. On perennial and intermittent 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 24 inches. 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 (USACE) recommends designing drainage crossings for the 100-year event. Contact the USACE Colorado/Gunnison Basin Regulatory Office at 970-243-1199.

   Pipelines installed beneath stream crossings shall be buried at a minimum depth of 4 feet below the channel substrate to avoid exposure by channel scour and degradation. Following burial, the channel grade and substrate composition shall be returned to pre-construction conditions.

5. Jurisdictional Waters of the U.S. The operator shall obtain appropriate permits from the U.S. Army Corps of Engineers (USACE) 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 the USACE Colorado/Gunnison Basin Regulatory Office at 970-243-1199. Copies of any printed or emailed approved USACE permits or verification letters shall be forwarded to the BLM.

6. Wetlands and Riparian Zones. The operator shall restore temporarily disturbed wetlands or riparian areas. The operator shall consult with the BLM Colorado River Valley Field Office to determine appropriate mitigation, including verification of native plant species to be used in restoration.

7. Reclamation. The 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). Specific measures to follow during interim and temporary (pre-interim) reclamation are described below.

   a. Reclamation Plans. In areas that have low reclamation potential or are especially challenging to restore, reclamation plans will be required prior to APD approval. The plan shall contain the following components: detailed reclamation plats, which include contours and indicate irregular rather than smooth contours as appropriate for visual and ecological benefit; timeline for drilling completion, interim reclamation earthwork, and seeding; soil test results and/or a soil profile description; amendments to be used; soil treatment techniques such as roughening, pocking, and terracing; erosion control techniques such as hydromulch, blankets/matting, and wattles; and visual mitigations if in a sensitive VRM area.

   b. Deadline for Interim Reclamation Earthwork and Seeding. Interim reclamation to reduce a well pad to the maximum size needed for production, including earthwork and seeding of the interim reclaimed areas, shall be completed within 6 months following completion of the last well planned for the pad. Reclamation, including seeding, of temporarily disturbed areas along roads, pipelines, and topsoil piles and berms, shall be completed within 30 days following completion of construction.

      If requested by the project lead NRS for a specific pad or group of pads, the operator shall contact the NRS by telephone or email approximately 72 hours before reclamation and reseeding begin. This will allow the NRS to schedule a pre-reclamation field visit if needed to ensure that all parties are in agreement and provide time for adjustments to the plan before work is initiated.

      The deadlines for seeding described above are subject to extension upon approval of the BLM based on season, timing limitations, or other constraints on a case-by-case basis. If the BLM approves an extension for seeding, the operator may be required to stabilize the reclaimed surfaces using hydromulch, erosion matting, or other method until seeding is implemented.

   c. Topsoil Stripping, Storage, and Replacement. *All* topsoil shall be stripped following removal of vegetation during construction of well pads, pipelines, roads, or other surface facilities. In areas of thin soil, a minimum of the upper 6 inches of surficial material shall be stripped. The BLM may specify a stripping depth during the onsite visit or based on subsequent information regarding soil thickness and suitability. The stripped topsoil shall be stored separately from subsoil or other excavated material and replaced prior to final seedbed preparation. The BLM best management practice (BMP) for the Windrowing of Topsoil (COA number 19) shall be implemented for well pad construction whenever topography allows.

d. Seedbed Preparation. For cut-and-fill slopes, initial seedbed preparation shall consist of backfilling and recontouring to achieve the configuration specified in the reclamation plan. For compacted areas, initial seedbed preparation shall include ripping to a minimum depth of 18 inches, with a maximum furrow spacing of 2 feet. Where practicable, ripping shall be conducted in two passes at perpendicular directions. Following final contouring, the backfilled or ripped surfaces shall be covered evenly with topsoil.

Final seedbed preparation shall consist of scarifying (raking or harrowing) the spread topsoil prior to seeding. If more than one season has elapsed between final seedbed preparation and seeding, and if the area is to be broadcast-seeded or hydroseeded, this step shall be repeated no more than 1 day prior to seeding to break up any crust that has formed.

Seedbed preparation is not required for topsoil storage piles or other areas of temporary seeding.

Requests for use of soil amendments, including basic product information, shall be submitted to the BLM for approval.

e. Seed Mixes. A seed mix consistent with BLM standards in terms of species and seeding rate for the specific habitat type shall be used on all BLM lands affected by the project (see Attachments 1 and 2 of the letter provided to operators dated May 1, 2008). Note that temporary seeding no longer allows the use of sterile hybrid non-native species.

For private surfaces, the menu-based seed mixes are recommended, but the surface landowner has ultimate authority over the seed mix to be used in reclamation. The seed shall contain no noxious, prohibited, or restricted weed seeds and shall contain no more than 0.5 percent by weight of other weed seeds. Seed may contain up to 2.0 percent of "other crop" seed by weight, including the seed of other agronomic crops and native plants; however, a lower percentage of other crop seed is recommended. Seed tags or other official documentation shall be submitted to BLM at least 14 days before the date of proposed seeding for acceptance. Seed that does not meet the above criteria shall not be applied to public lands.

f. Seeding Procedures. Seeding shall be conducted no more than 24 hours following completion of final seedbed preparation.

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 or by hydroseeding and hydromulching. Hydroseeding and hydromulching shall 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 reseedings until interim reclamation standards are met.

g. Mulch. Mulch shall be applied within 24 hours following completion of seeding. Mulch may consist of either hydromulch or of certified weed-free straw or certified weed-free native grass hay crimped into the soil.

NOTE: Mulch is not required in areas where erosion potential mandates use of a biodegradable erosion-control blanket (straw matting).

h. 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 BLM. Cut-and-fill slopes along drainages or in areas with high erosion potential shall also be protected from erosion using hydromulch designed specifically for erosion control or biodegradable blankets/matting, bales, or wattles of weed-free straw or weed-free native grass hay. A well-anchored fabric silt fence shall also be placed at the toe of cut-and-fill slopes along drainages or to protect other sensitive areas from deposition of soils eroded off the slopes. Additional BMPs shall be employed as necessary to reduce soil erosion and offsite transport of sediments.

i. 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 percent of the new plants are producing seed. The BLM will approve the type of fencing.

j. Monitoring. The operator shall conduct annual monitoring surveys of all sites categorized as "operator reclamation in progress" and shall submit an annual monitoring report of these sites to the BLM 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 BLM.

8. Weed Control. The operator shall regularly monitor and promptly control noxious weeds or other undesirable plant species as set forth in the Colorado River Valley Field 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. Annual weed monitoring reports shall be submitted to BLM by **December 1**.

9. Big Game Winter Range Timing Limitation. To minimize impacts to wintering big game, no construction, drilling or completion activities shall occur during a Timing Limitation (TL) period from **January 1 to March 1** annually.

10. Bald and Golden Eagles. It shall be the responsibility of the operator to comply with the Bald and Golden Eagle Protection Act (Eagle Act) with respect to "take" of either eagle species. Under the Eagle Act, "take" includes to pursue, shoot, shoot at, poison, wound, kill, capture, trap, collect, molest and disturb. "Disturb" means to agitate or bother a bald or golden eagle to a degree that causes, or is likely to cause, based on the best scientific information available, (1) injury to an eagle; (2) a decrease in its productivity by substantially interfering with normal breeding, feeding, or sheltering behavior; or (3) nest abandonment by substantially interfering with normal breeding, feeding, or sheltering behavior. Avoidance of eagle nest sites, particularly during the nesting season, is the primary and preferred method to avoid a take. Any oil or gas construction, drilling, or completion activities planned within 0.5 mile of a bald or golden eagle nest, or other associated activities greater than 0.5 miles from a nest that may disturb eagles, should be coordinated with the BLM project lead and BLM wildlife biologist and the USFWS representative in the BLM Field Office (970-876-9051).

11. Raptor Nesting. Raptor nest surveys for this project in April 2010 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 associated with this project. Therefore, a Raptor Nesting Timing Limitation COA is not attached to this SCX. 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, drilling, or completion activities 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.

12. Migratory Birds. It shall be the responsibility of the operator to comply with the Migratory Bird Treaty Act (MBTA) with respect to "take" of migratory bird species. Under the MBTA, "take" means to 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 any pit containing fluids associated with oil or gas operations, including but not limited to reserve pits, produced water pits, frac-water pits, cuttings trenches (if covered by water/fluid), and evaporation pits. Fluids in these pits may pose a risk to migratory birds (e.g., waterfowl, shorebirds, wading birds, songbirds, and raptors) as a result of ingestion, absorption through the skin, or interference with buoyancy and temperature regulation. Regardless of the method used, it shall be in place within 24 hours following the placement of fluids into a pit. Because of high toxicity to birds, oil slicks and oil sheens should immediately be skimmed off the surface of any pit that is not netted. The most effective way to eliminate risk to migratory birds is prompt drainage, closure, and reclamation of pits, which is strongly encouraged. All mortality or injury to species protected by the MBTA shall be reported immediately to the BLM project lead and to the USFWS representative in the BLM Field Office at 970-876-9051 and visit http://www.fws.gov/mountain-prairie/contaminants/oilpits.htm.

13. Birds of Conservation Concern. Pursuant to BLM Instruction Memorandum 2008-050, all surface-disturbing activities are prohibited from May 15 to July 15 to reduce impacts to Birds of Conservation Concern (BCC). An exception to this COA will be granted if nesting surveys conducted no more than one week prior to surface-disturbing activities indicate that no BCC species are nesting or otherwise present within 10 meters of the area to be disturbed. Nesting surveys shall include an audial survey for diagnostic vocalizations in conjunction with a visual survey for adults and nests. Surveys shall be conducted by a qualified breeding bird surveyor between sunrise and 10:00 AM under favorable conditions for detecting and identifying a BCC species. This provision does not apply to ongoing construction, drilling, or completion activities that are initiated prior to May 15 and continue into the 60-day period at the same location.

14. Range Management. Range improvements (fences, gates, reservoirs, pipelines, etc) shall be avoided during development of natural gas resources to the maximum extent possible. If range improvements are damaged during exploration and development, the operator will be responsible for repairing or replacing the damaged range improvements. If a new or improved access road bisects an existing livestock fence, steel frame gate(s) or a cattleguard with associated bypass gate shall be installed across the roadway to control grazing livestock.

15. *Ips* Beetle. To avoid mortality of pinyon pines due to infestations of the *Ips* beetle, any pinyon trees damaged during road, pad, or pipeline construction shall be chipped after being severed from the

stump or grubbed from the ground, buried in the toe of fill slopes (if feasible), or cut and removed from the site within 24 hours to a location approved by the Colorado State Forest Service.

16. 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 of the findings. The discovery must be protected until notified to proceed by the BLM.

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

17. 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 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 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 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. Approval to proceed will be based upon evaluation of the resource. Evaluation shall be by a qualified professional selected by the BLM 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 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 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 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 will provide technical and procedural guidelines for relocation and/or to conduct mitigation. Upon verification from the BLM 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).

18. Visual Resources. Production facilities shall be placed to avoid or minimize visibility from travel corridors, residential areas, and other sensitive observation points—unless directed otherwise by the BLM due to other resource concerns—and shall be placed as indicated on the plats attached to the APD, unless an alternative placement is approved by the BLM.

    To the extent practicable, existing vegetation shall be preserved when clearing and grading for pads, roads, and pipelines. The BLM may direct that cleared trees and rocks be salvaged and redistributed over reshaped cut-and-fill slopes or along linear features.

    Above-ground facilities shall be painted a natural color selected to minimize contrast with adjacent vegetation or rock outcrops. The color shall be specified by the BLM and attached as a COA to individual APDs.

19. Windrowing of Topsoil. Topsoil shall be windrowed around the pad perimeter to create a berm that limits and redirects stormwater runoff and extends the viability of the topsoil per BLM Topsoil Best Management Practices (BLM 2009 PowerPoint presentation available upon request from Colorado River Valley Field Office). Topsoil shall also be windrowed, segregated, and stored along pipelines and roads for later spreading across the disturbed corridor during final reclamation. Topsoil berms shall be promptly seeded to maintain soil microbial activity, reduce erosion, and minimize weed establishment.

20. Reserve Pit. A minimum of 2 feet of freeboard shall be maintained in the reserve pit. Freeboard is measured from the highest level of drilling fluids and cuttings in the reserve pit to the lowest surface elevation of ground at the reserve pit perimeter.

21. Soils. Cuts and fills shall be minimized when working on erosive soils and slopes in excess of 30 percent. Cut-and-fill slopes shall be stabilized through revegetation practices with an approved seed mix shortly following construction activities to minimize the potential for slope failures and excessive erosion. Fill slopes adjacent to drainages shall be protected with well-anchored silt fences, straw wattles, or other acceptable BMPs designed to minimize the potential for sediment transport. On slopes greater than 50%, BLM personnel may request a professional geotechnical analysis prior to construction.

SITE-SPECIFIC COAS APPLICABLE TO:

8D PAD AND FEDERAL WELLS 6-44C, 6-44D, 7-41A, 7-41B, 7-41C, 8-11A, 8-11B, 8-11C, 8-11D, 8-12A, 8-12B

The following site-specific surface use COAs are in addition to the standard COAs applicable to all wells within the **DOI-BLM-CO-N040-2010-0014-SCX** and all stipulations attached to the respective Federal leases.

1. Production Facility Placement and Paint Color. The paint color to be used on all surface facilities including the metal containment rings surrounding the tank battery and pipeline risers shall be Shale Green (5Y 4/2). Unless otherwise approved by Authorized Officer, the production units (separators) shall be located along the south edge of pad and west of the proposed storage tanks (Exhibit 2).

2. Stormwater Controls. A high percentage of the area is currently mapped CSU 4 for erosive soils and slopes greater than 30% and NSO 15 for slopes greater than 50%. Given the proximity of proposed ground disturbing activities to nearby Pete and Bill Creek, it is essential that stipulation #21 for soils be followed to prevent excessive erosion and sediment transport to Pete and Bill Creek or nearby drainages and stormwater controls. In addition, the operator shall install and maintain as needed adequate stormwater controls that include but are not limited to properly crowned and ditched surfaces, waterbars, inboard ditches with velocity barriers, sediment traps, and road culverts.

3. Facility Placement. Size and placement of surface facilities (separators and storage tank battery) shall be determined by BLM and Noble personnel after the pad has been constructed at a pre-construction meeting.

4. Revised Reclamation Policy. BLM Colorado River Valley Field Office (CRVFO) Reclamation Policy, including the Letter outlining Revisions to CRVFO Revegetation Requirements (dated May 1, 2008) shall be referenced and implemented for reclamation procedures related to interim and final reclamation measures related to this pad.

5. Cultural Resources. No surface disturbance shall occur west of the steel pole fence at the western edge of the pad.