

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

Section 390 Categorical Exclusions for Oil and Gas Development

NUMBER: DOI-BLM-CO-N040-2011-0007-CX (390)

CASEFILE/PROJECT NUMBER: COC02799

PROJECT NAME: Proposal to Drill Four Federal Wells from the Existing RWF22-14 Well Pad Located in Williams’s North Rulison Field West of Rifle, Colorado.

LEGAL DESCRIPTION: Township 6 South (T6S), Range 94 West (R94W), Section 14, Lot 6, Sixth Principal Meridian.

APPLICANT: Williams Production RMT Company.

DESCRIPTION OF PROPOSED ACTION: Williams Production RMT Company (“Williams”) proposes to directionally drill four additional Federal oil and gas wells from an existing split estate pad located on private land owned by the Clough family (Figure 1). The pad presently supports sixteen wells; the revisit to drill four additional wells results from dropping another new pad location in the bottomhole target area. The existing RWF22-14 pad is in a state of interim reclamation having been seeded in spring 2009; the pad would be reconstructed within the previously disturbed area (4.5 acres) to accommodate the new wells (Figure 2). Essentially no new disturbance would occur to reconstruct the well pad. The pad was previously analyzed in EA#CO140-2007-078 (Application for a Permit to Directionally Drill 16 Federal Wells from a Proposed Private Surface Location near Webster Mesa) – approved July 18, 2007. The most recent spud date (Clough RWF22-14 well) was August 2, 2008.

The access road and pipeline would continue to serve the RWF22-14 pad in its present condition.

Table 1. Surface and Bottomhole Locations of Proposed Federal Wells			
<i>Proposed Wells</i>	<i>Federal Lease</i>	<i>Surface Locations</i>	<i>Bottomhole Locations</i>
RWF 13-14 (RWF22-14)	COC2799	1866 feet FNL, 2347 feet FWL Lot 6 (SENW), Section 14, T6S R94W	2176 feet FSL, 1241 feet FWL Lot 12 (NWSW), Section 14, T6S R94W
RWF313-14 (RWF22-14)	COC2799	1868 feet FNL, 2335 feet FWL Lot 6 (SENW), Section 14, T6S R94W	1837 feet FSL, 1190 feet FWL Lot 12 (NWSW), Section 14, T6S R94W
RWF323-14 (RWF22-14)	COC2799	1861 feet FNL, 2342 feet FWL Lot 6 (SENW), Section 14, T6S R94W	2471 feet FSL, 1383 feet FWL Lot 11 (NESW), Section 14, T6S R94W
RWF413-14 (RWF22-14)	COC2799	1884 feet FNL, 2351 feet FWL Lot 6 (SENW), Section 14, T6S R94W	1522 feet FSL, 1207 feet FWL Lot 12 (NWSW), Section 14, T6S R94W

Resource surveys including sensitive plant and cultural resources were completed relative to the 2007 APD issuance for the 16 existing wells. A raptor survey of the existing pad and surrounding area was conducted on September 23, 2010, with two nest sites observed. Neither nest site appeared to have been active in the 2010 nesting season.

An onsite for the project was conducted on August 30, 2010. Federal lease COC2799, issued in 1955, carries no special stipulations.

PLAN CONFORMANCE REVIEW: The Proposed Action is subject to and has been reviewed for conformance with (43 CFR 1610.5, BLM 1617.3) the following plan:

Name of Plan: The current land use plan is the *Glenwood Springs Resource Management Plan* (RMP), approved in 1984 and revised in 1988 (BLM 1984). Relevant amendments include the *Oil and Gas Plan Amendment to the Glenwood Springs Resource Management Plan* (BLM 1991) and the *Oil & Gas Leasing & Development Record of Decision and Resource Management Plan Amendment* (BLM 1999b).

Date Approved: *Oil and Gas Plan Amendment to the Glenwood Springs Resource Management Plan* (BLM 1991) – approved 11/27/91 and *Oil & Gas Leasing & Development Record of Decision and Resource Management Plan Amendment* (BLM 1999b) – approved March 24, 1999.

Decision Number/Page: BLM 1991, page 3; BLM1999b, page 15

Decision Language: The 1991 Oil and Gas Plan Amendment (BLM 1991) included the following at page 3: “697,720 acres of BLM-administered mineral estate within the Glenwood Springs Resource Area are open to oil and gas leasing and development, subject to lease terms and (as applicable) lease stipulations” (BLM 1991, page 3). This decision was carried forward unchanged in the 1999 ROD and RMP amendment at page 15 (BLM 1999b): “In areas being actively developed, the operator must submit a Geographic Area Proposal (GAP) [currently referred to as a Master Development Plan, MDP] that describes a minimum of 2 to 3 years of activity for operator controlled leases within a reasonable geographic area.” Furthermore, Appendices A and B (BLM 1999b) list Lease Stipulations (Appendix A) and Management of Lease Development (Appendix B) features which further support the initial decision language from 1991 Resource Management Plan Amendment.

REVIEW OF EXISTING NEPA DOCUMENTS: The following NEPA document satisfies the criteria of being an activity-level or project-level EIS or EA that is applicable to the Proposed Action.

EA #CO140-2007-078 approved on July 18, 2007 specifically analyzed 16 wells to be drilled on the RWF22-14 pad.

CATEGORICAL EXCLUSION REVIEW:

The proposed action is categorically excluded from further documentation in accordance with statutory NEPA categorical exclusions (CXs), as granted in Section 390 of the Energy Policy Act of 2005, for oil and gas exploration and development. The proposed action qualifies as a categorical exclusion under Section 390, based on the qualifying criterion Number 1, of the categories listed below.

Qualifying Criteria	YES	NO
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.	X	
a. Will disturb less than 5 acres; if more than one action is proposed for a lease, each activity is counted separately, and each may disturb up to 5 acres.	X	
b. The current unreclaimed surface disturbance readily visible on the entire leasehold is not greater than 150 acres, including the proposed action (Figure 3).	X	
c. This categorical exclusion includes the requirement of a site-specific NEPA document. A site-specific NEPA analysis may be an EA/EIS for exploration and/or development, for a specific MDP, for a multi-well or a single well permit approval.	X	

None of the following extraordinary circumstances in 516 DM 2, Appendix 2, applies.

Extraordinary Circumstances	YES	NO
1. Have significant adverse effects on public health and safety.		X
2. Have significant impacts on such natural resources and unique geographic characteristics as historic or cultural resources; park, recreation or refuge lands; wilderness areas; wild or scenic rivers; national natural landmarks; sole or principal drinking water aquifers; prime farmlands; wetlands (Executive Order 11990); floodplains (Executive Order 11988); national monuments; migratory birds; and other ecologically significant or critical areas.		X
3. Have highly controversial environmental effects or involve unresolved conflicts concerning alternative uses of available resources [NEPA Section 102(2)(E)].		X
4. Have highly uncertain and potentially significant environmental effects or involve unique or unknown environmental risks.		X
5. Establish a precedent for future action or represent a decision in principle about future actions with potentially significant environmental effects.		X
6. Have a direct relationship to other actions with individually insignificant but cumulatively significant environmental effects.		X
7. Have significant impacts on properties listed, or eligible for listing, on the National Register of Historic Places as determined by either the bureau or office.		X
8. Have significant impacts on species listed, or proposed to be listed, on the List of Endangered or Threatened Species, or have significant impacts on designated Critical Habitat for these species.		X
9. Violate a Federal law or a State, local, or tribal law or requirement imposed for the protection of the environment.		X
10. Have the potential for a disproportionately high and adverse effect on low income or minority populations (Executive Order 12898).		X
11. Limit access to and ceremonial use of Indian sacred sites on Federal lands by Indian religious practitioners or significantly adversely affect the physical integrity of such sacred sites (Executive Order 13007).		X

Extraordinary Circumstances	YES	NO
12. Contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area or actions that may promote the introduction, growth, or expansion of the range of such species (Federal Noxious Weed Control Act and Executive Order 13112).		X

INTERDISCIPLINARY REVIEW: The proposed action was presented to, and reviewed by the Colorado River Valley Field Office interdisciplinary team on August 30, 2010. A list of resource specialists who participated in this review is available upon request from the Colorado River Valley Field Office.

MITIGATION: Conditions of Approval that would be included in the APDs are attached.

NAME OF PREPARER: Jim Byers, Natural Resource Specialist

NAME OF ENVIRONMENTAL COORDINATOR: Allen Crockett, Supervisory NRS

DECISION AND RATIONAL: I have reviewed this CX and have decided to approve the proposed action.

This action is listed in the Instruction Memorandum Number 2005-247 and Instruction Memorandum Number 2010-118 as an action that may be categorically excluded under Section 390 of the Energy Policy Act of 2005. I have evaluated the action relative to the five qualifying criteria listed above and have determined that, as it does not represent an exception, it is therefore categorically excluded from further environmental analysis.

SIGNATURE OF AUTHORIZED OFFICIAL: 
Supervisory Natural Resource Specialist

DATE SIGNED: 11-9-10

Administrative Review or Appeal Opportunities

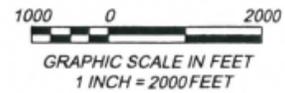
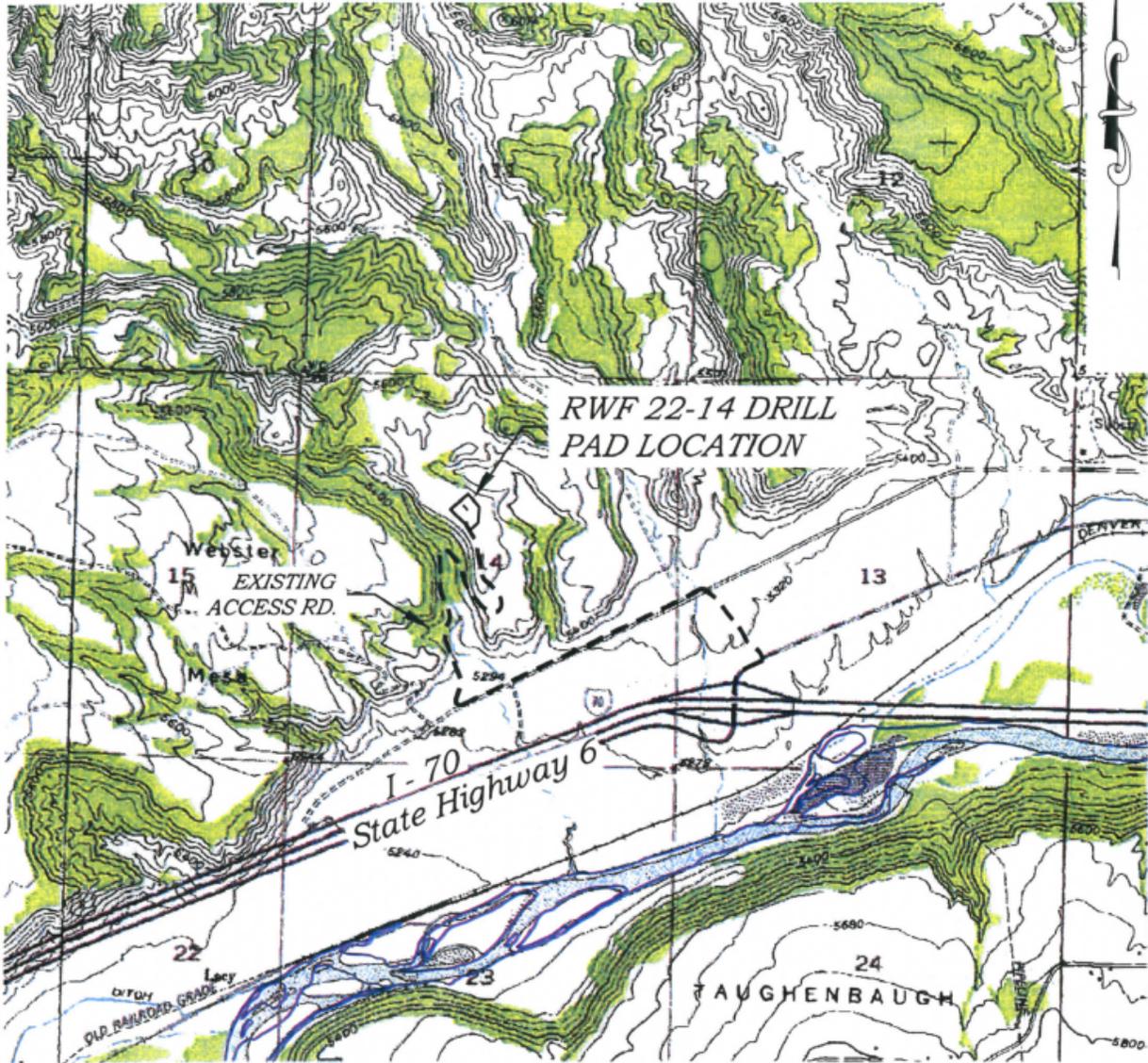
This decision is effective upon the date the decision or approval by the authorized officer. Under regulations addressed in 43 CFR Subpart 3165, any party adversely affected has the right to appeal this decision. An informal review of the technical or procedural aspects of the decision may be requested of this office before initiating a formal review request. You have the right to request a State Director review of this decision. You must request a State Director review prior to filing an appeal to the Interior Board of Land Appeals (IBLA) (43CFR 3165.4).

If you elect to request a State Director Review, the request must be received by the BLM Colorado State Office, 2850 Youngfield Street, Lakewood, Colorado 80215, no later than 20 business days after the date the decision was received or is considered to have been received. The request must include all supporting documentation unless a request is made for an extension of the filing of supporting documentation. For good cause, such extensions may be granted. You also have the right to appeal the decision issued by the State Director to the IBLA.

Contact Person

For additional information concerning this decision, contact Jim Byers, Natural Resource Specialist, Colorado River Valley Field Office, 2300 River Frontage Road, Silt, Colorado 81652, Phone 970-876-9056.

Section 14
T. 6 S., R. 94 W



ACCESS DESCRIPTION:
 FROM THE EAST BOUND I-70 WEST RIFLE OFF RAMP AT STATE HIGHWAY 6 PROCEED LEFT ALONG STATE HIGHWAY 6 IN A NORTHERLY TO EASTERLY DIRECTION ±0.2 MILES TO THE INTERSECTION WITH A DIRT/GRAVEL ROAD, PROCEED LEFT IN A NORTHWESTERLY DIRECTION ±0.2 MILES TO THE INTERSECTION WITH A DIRT/GRAVEL ROAD, PROCEED LEFT IN A SOUTHWESTERLY DIRECTION ±0.7 MILES TO THE INTERSECTION WITH A DIRT/GRAVEL ROAD, PROCEED RIGHT IN A NORTHERLY DIRECTION ±0.9 MILES TO THE RWF 22-14 DRILL PAD LOCATION, AS SHOWN HEREON.

136 East Third Street
 Rifle, Colorado 81650
 Ph: (970) 625-1336
 Fax: (970) 625-2773

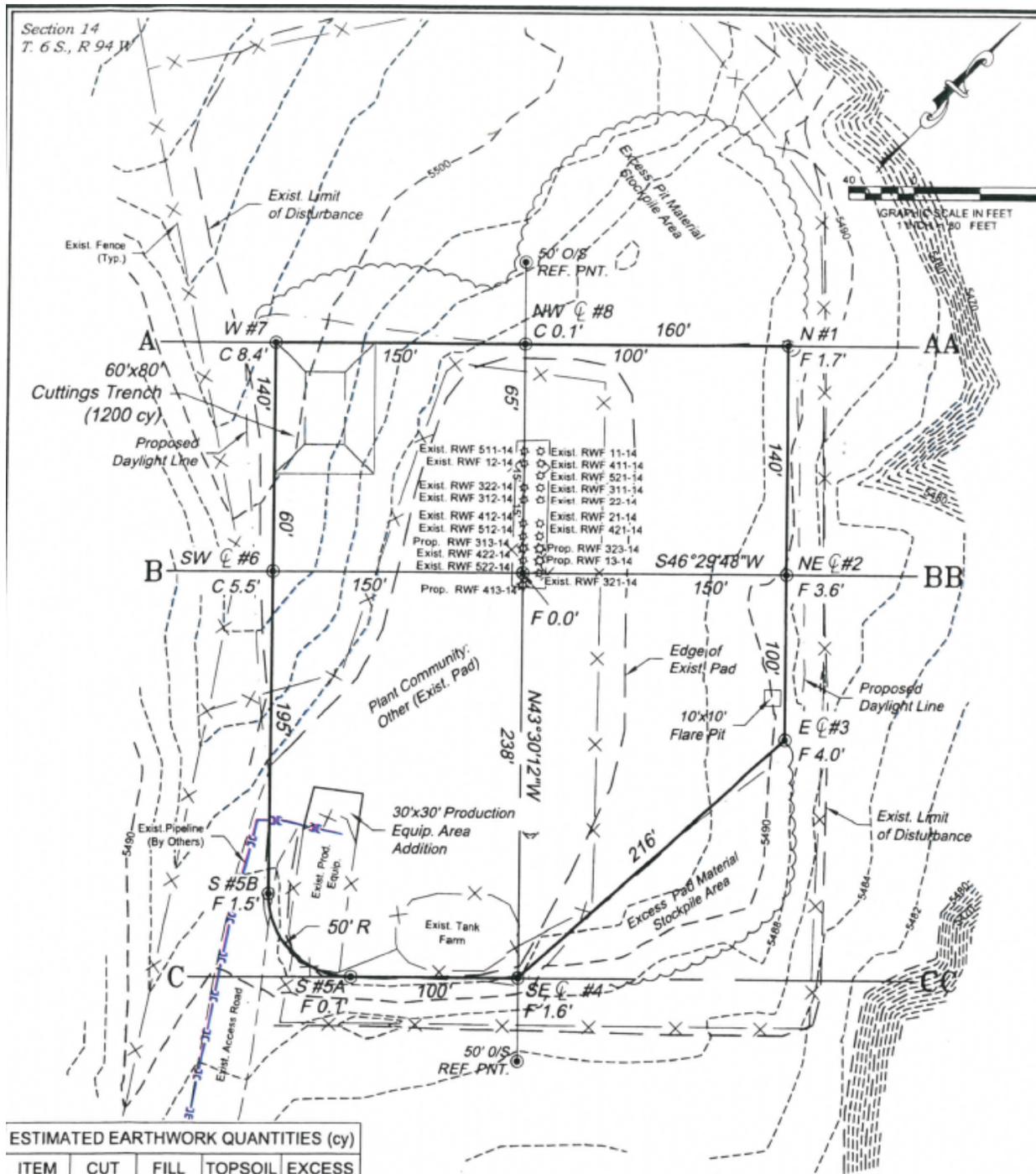
BOOKCLIFF
 Survey Services, Inc.

SCALE:	1" = 2000'
DATE:	8/19/10
PLAT:	5 of 9
PROJECT:	Williams Valley
DFT:	DPM

Construction Plan Prepared for:
 Williams Production, RMT

RWF 22-14 Drill Pad - Plat 5
 ACCESS ROAD MAP

Figure 1. Project Location Map



ESTIMATED EARTHWORK QUANTITIES (cy)				
ITEM	CUT	FILL	TOPSOIL	EXCESS
PAD	3099	1571	0	1528
PIT	1200			1200
TOTALS	4299	1571	0	2728

*NOTE:
1.) Total Disturbed Area = 3.91 ac.

REVISED: 9/23/10

238 East Third Street
P.O. Box 13100
Phoenix, AZ 85061
Ph: (602) 425-7320
Fax: (602) 425-2773

BOOKCLIFF
Survey Services, Inc.

SCALE: 1" = 80'
DATE: 8/17/10
PLAT: 2 of 9
PROJECT: Williams Valley
DFT: cws

Construction Plan Prepared for:
Williams. Williams Production, RMT

RWF 22-14 Drill Pad - Plat 2
CONSTRUCTION LAYOUT

Figure 2. Construction Layout (Plat 2)

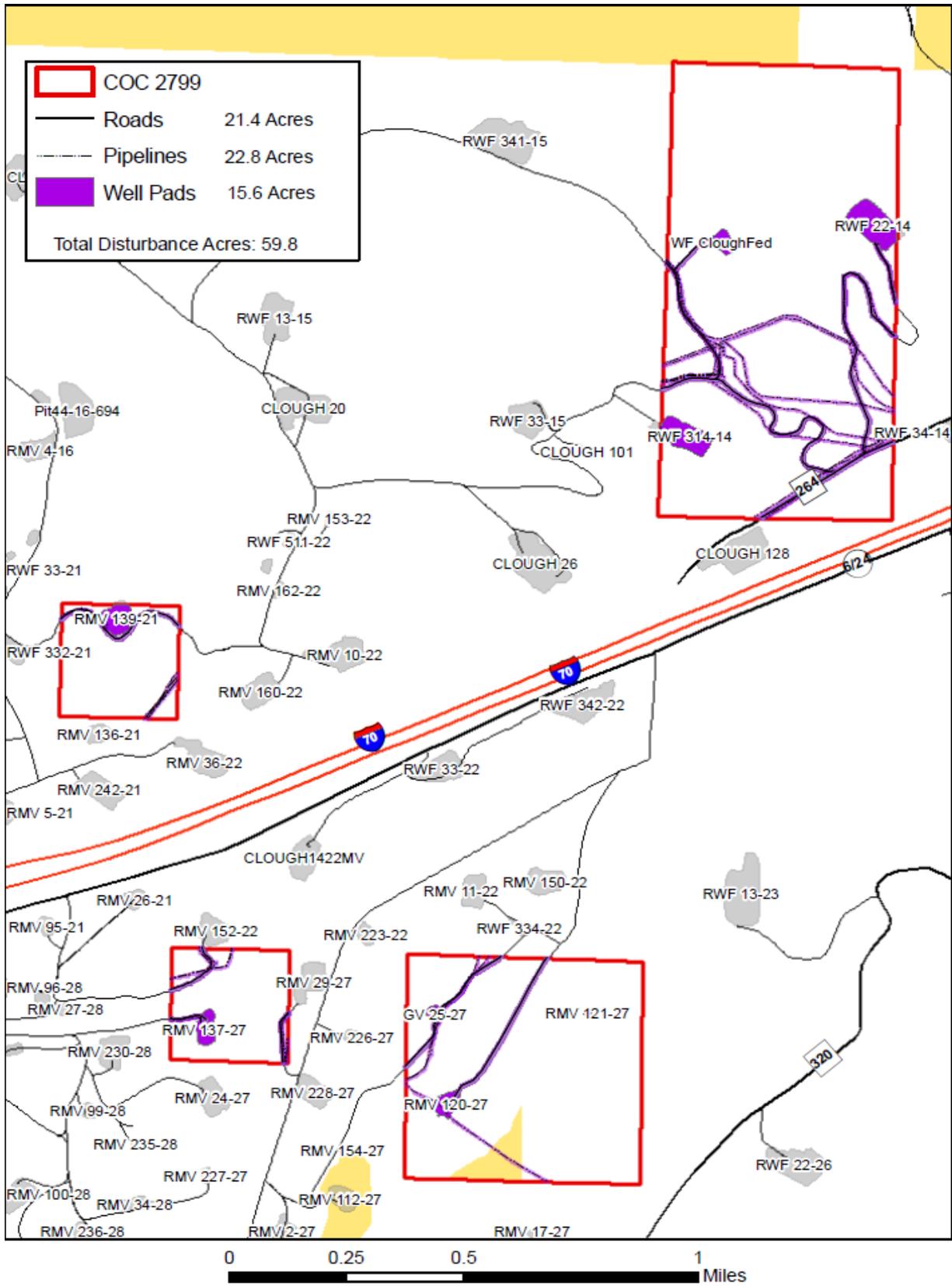


Figure 3. COC2799 Lease Surface Disturbance

Surface Use Conditions of Approval DOI-BLM-CO-N040-2011-0007-CX (390)

1. Administrative Notification. The operator shall notify the BLM representative at least 48 hours prior to initiation of construction. If requested by the BLM representative, the operator shall schedule a pre-construction meeting, including key operator and contractor personnel, to ensure that any unresolved issues are fully addressed prior to initiation of surface-disturbing activities or placement of production facilities.
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. Excess Material Storage. Constrict the storage area for excess material on the north side of pad to protect the establishing vegetation from the initial pad reclamation and seeding. Leave the planned excess material storage area undisturbed on the southeast corner of pad (between Corners 3 and 4 as shown on plat 2) to protect the establishing vegetation from the initial pad reclamation and seeding.
5. Facility Paint Color. The paint color to be used on all surface facilities including pipeline risers and metal containment rings shall be the color of existing facilities – **Desert Tan**.
6. 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 reclamation, or temporary seeding of other areas if required by BLM, 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 to be drilled on that pad as part of a continuous operation. If a period of greater than one

year is expected to occur between drilling episodes, BLM may require implementation of all or part of the interim reclamation program.

Reclamation, including seeding, of temporarily disturbed areas along roads and pipelines, and of topsoil piles and berms, shall be completed within 30 days following completion of construction. Any such area on which construction is completed prior to December 1 shall be seeded during the remainder of the early winter season instead of during the following spring, unless BLM approves otherwise based on weather. If road or pipeline construction occurs discontinuously (e.g., new segments installed as new pads are built) or continuously but with a total duration greater than 30 days, reclamation, including seeding, shall be phased such that no portion of the temporarily disturbed area remains in an unreclaimed condition for longer than 30 days. BLM may authorize deviation from this requirement based on the season and the amount of work remaining on the entirety of the road or pipeline when the 30-day period has expired.

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 14) 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 reseeding 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.

7. Weed Control. The operator shall regularly monitor and promptly control noxious weeds or other undesirable plant species as set forth in the Glenwood Springs 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**.
8. 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**. To further reduce impacts to wintering big game, remote sensing should be used for production monitoring, and unavoidable monitoring or maintenance activities should be conducted between 9 a.m. and 3 p.m., to the extent practicable. These additional recommendations apply to the period from December 1 to April 30.
9. 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).
10. Raptor Nesting. Raptor nest surveys for the RWF22-14 pad 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. However, 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.
11. 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 (Creed Clayton) and visit <http://www.fws.gov/mountain-prairie/contaminants/oilpits.htm>.

12. Birds of Conservation Concern. Pursuant to BLM Instruction Memorandum 2008-050, all surface-disturbing activities are prohibited from **May 1 to July 1** 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 within 30 meters (100 feet) of the area to be disturbed. Nesting shall be deemed to be occurring if a territorial (singing) male is present within the distance specified above. Nesting surveys shall include an aural 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 1 and continue into the 60-day period at the same location.
13. 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.

Where 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.

14. 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).

14. 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 Glenwood Springs 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.

DOWNHOLE CONDITIONS OF APPROVAL
Applications for Permit to Drill

Company/Operator: Williams Production RMT Company

Surface Location: SENW, Section 14, Township 6 South, Range 94 West, 6th P.M.

<u>Well Name</u>	<u>Well No.</u>	<u>Bottomhole Location</u>	<u>Lease</u>
RWF	413-14	NWSW Sec. 14, T. 6S, R. 94W.	COC2799
RWF	323-14	NESW Sec. 14, T. 6S, R. 94W.	COC2799
RWF	313-14	NWSW Sec. 14, T. 6S, R. 94W.	COC2799
RWF	13-14	NWSW Sec. 14, T. 6S, R. 94W.	COC2799

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: David Giboo at 970-876-9038, Todd Sieber at 970-876-9044, Allen White 970-876-9037, and Kenneth Moten at 970-876-9043.
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. Contact Dane Geyer at 970-876-9048 (office) or 970-589-6887 (cell) for verbal approvals. A secondary contact is William Howell at 970-876-9049 (office) or 970-319-5837 (cell).
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 fracturing operations, Dane Geyer shall be notified within 24 hours from the time of the event.
4. The BOPE shall be tested and conform to Onshore Order #2 for a 3M system.
5. A casinghead rated to 3,000 psi or greater shall be utilized.
6. An electrical/mechanical mud monitoring equipment shall be functional prior to drilling out the next shoe. As a minimum, this shall include a pit volume totalizer, stroke counter, and flow sensor.
7. Gas detecting equipment shall be installed in the mud return system, prior to drilling out the next 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 next shoe. The discharge of the flare lines shall be a minimum of 100 feet from the well head 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. 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, Dane Geyer 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.
10. On the first well drilled on this pad, a triple combo shall be run from TD to the 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 Todd Sieber at 970-876-9053 or anthony_sieber@blm.gov for clarification.
- 11. An approved tail cement blend, utilizing silica flour (SSA-1), shall be used to cement the production string.**
12. As a minimum, cement shall be brought to 200 feet above the Mesaverde. Prior to commencing fracturing operations, a CBL shall be run (from TD to 200 feet above the TOC) and an electronic copy submitted to the CRVFO. If the TOC is, lower than required or the cement sheath of poor quality, then, within 48 hours from running the CBL and prior to commencing fracturing operations, a CRVFO petroleum engineer shall be notified for further instruction.
13. 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) Formation Integrity Test results with the well completion report. Contact Dane Geyer for clarification.