

**United States Department of the Interior  
Bureau of Land Management**

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**Decision Record**

**DOI-BLM-CO-S010-2012-0024**

**October 2012**

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**HB 6, HE 6, YB 6 Well Pads, Associated Flowlines, and  
Production Pipelines**

*Location:* **Canyons of the Ancients National Monument and surrounding area  
Montezuma County, Colorado**

*Applicant/Address:* **Kinder Morgan CO<sub>2</sub> Company, LP  
17801 US Highway 491  
Cortez, CO 81321**

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**U.S. Department of Interior  
Bureau of Land Management  
Canyons of the Ancients National Monument  
27501 Highway 184  
Dolores, CO 81323**



**DECISION RECORD**  
**Environmental Assessment**  
**DOI-BLM-CO-S010-2012-0024**

**HB 6, HE 6, YB 6 Well Pads, Associated Flowlines, and  
Production Pipelines**

**DECISION:**

I have reviewed the application, the Environmental Assessment (DOI-BLM-CO-S010-2012-0024-EA), and have made a Finding of No Significant Impact (FONSI) for Kinder Morgan CO<sub>2</sub> Company, LP proposal for the HB 6, HE 6, YB 6 Well Pads, Associated Flowlines, and Production Pipelines as well as Sundry Notices for production lines. Based on that review and the record as a whole, I approve Alternative B- Proposed Action with the Conditions of Approval, described in Appedix A of EA, and incorporated as design features. In accordance with 43 CFR §3165.4(c) this Decision is in full force and effective immediately.

**AUTHORITIES:**

The authority for this decision is contained in of the Mineral Leasing Act of 1920, as amended, the Mining and Minerals Policy Act of 1970 (30 U.S.C. 21), the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761-1777), the Federal Onshore Oil and Gas Leasing Reform Act of 1987 (30 U.S.C. 195 et seq.), and applicable BLM Onshore Oil and Gas Orders (43 CFR 3160), as well as the 1985 San Juan/San Miguel Planning Area Resource Management Plan, the 1991 San Juan/San Miguel Management Plan Amendment, and the 2010 Canyons of the Ancients Resource Management Plan.

**COMPLIANCE AND MONITORING:**

Compliance will be conducted during the construction phase and drilling phase to insure that all terms and conditions specified in the lease and the approved APD are followed. In the event a producing well is established, periodic inspections as identified through the Inspection and Enforcement Strategy and independent well observations will be conducted. File inspections will include a review of all required reports and the Monthly Report of Operations will be evaluated for accuracy. The well location, access road and flowline and production line rights-of-way will be monitored during the term of the lease for compliance with pertinent Regulations, Onshore Orders, Notices to Lessees, or subsequent COAs until final abandonment is granted; monitoring will help determine the effectiveness of mitigation and document the need for additional mitigative measures. Responsibility for implementation of the compliance schedule and monitoring plan will be assigned to the Fluid Mineral staff in the Tres Rios Field Office. Inspectors include the Petroleum Engineering Technician, the Petroleum Engineer, Natural Resource Specialist, and Land Law Examiner.

**Terms / Conditions / Stipulations:** The Conditions of Approval listed in Appendix A of the EA.

## PLAN CONFORMANCE AND CONSISTENCY:

The Proposed Action is subject to and has been reviewed for conformance with the following land use plans and amendment (43 CFR 1610.5, BLM 1617.3):

**Plan:** *San Juan/San Miguel Planning Area Resource Management Plan (RMP)*

**Date Approved:** September 1985

**Page Number:** Page 17 states —BLM actively encourages and facilitates the development by private industry of public land mineral resources so that national and local needs are satisfied and economically and environmentally sound exploration, extraction, and reclamation practices are provided.

**Amendment:** *San Juan/San Miguel Resource Management Plan Amendment Record of Decision (1991)*. The Final Environmental Impact Statement (FEIS) is also known as the Amendment to the RMP.

**Date Approved:** October 28, 1991

**Page Number:** Page 11 states that the objective is to —Facilitate orderly, economic, and environmentally-sound exploration and development of oil and gas resources using balanced multiple-use management. Also, page 2-2 of the FEIS states that: —In addition to this EIS, an Environmental Assessment (EA) will be completed on each Application for Permit to Drill or group of APDs.

**Plan:** *Canyons of the Ancients Resource Management Plan (RMP)*

**Date Approved:** June 2010

**Page Number:** Page 5 states “The Monument Proclamation requires that existing lease rights be honored. However, it also requires that development should not create any significant new impacts to cultural resources or to other objects that the Monument was established to protect. In order to implement management objectives, the preferred management strategy is to protect cultural resources, their associated settings, and surface and subsurface resources, especially in areas of high site density.”

The Proposed Action would fulfill the objective and intent of the 1985 San Juan/San Miguel RMP and 1991 Amendment that public land mineral resources be developed in an environmentally sound way, and thus is in conformance with the RMP. The Proposed Action would fulfill the objective and intent of the 2010 Monument RMP that mineral resources be developed in an environmentally sound way with special emphasis on protecting cultural resources within the Monument, and thus is in conformance with the RMP.

**ALTERNATIVES CONSIDERED:**

Alternative A, the No Action Alternative, considered denying the APD's for the HB6, HE6, YB6 wells and Sundry notices for the production lines. One alternative considered and eliminated included a fourth CO<sub>2</sub> well, YA7, but this was moved out of federal mineral estate. The Alternative B, with the Conditions of Approval in Appendix A of the EA, met the purpose and need and took care of pending issues, so no further alternatives were developed.

**RATIONALE FOR DECISION:**

Alternative B, with the Conditions of Approval in Appendix A of the EA, has been selected because it meets the purpose and need and has no pending issues. It approves 3 APD's for wells HB6, HE6 and YB6, and Sundry Notices for production lines. Alternative A, the No Action Alternative, would not fulfill the purpose and need of allowing for development of leased fluid minerals. No other alternatives were brought forward for analysis because Alternative B with the Conditions of Approval in Appendix A of the EA, met the purpose and need and took care of pending issues.

This action conforms to the above Resource Management Plans. Public scoping and notification is described in Section 1.8 and 3.9. This included scoping letters sent to landowners and interested parties, a press release, and a letter and meetings to affiliated Native American Tribes. Four comments were received, two in support of the project, one concerned about cultural surveys on private lands, and one suggesting wildlife mitigations. These are located in the project file.

**PROTEST/APPEAL:**

This decision may be appealed to the Interior Board of Land Appeals (Board), U. S. Department of the Interior (DOI) Office of Hearings and Appeals, in accordance with the regulations contained in 43 CFR, Part 4. The appellant has the burden of showing that the decision appealed from is in error. If an appeal is taken, a notice of appeal must be filed at the Bureau of Land Management at the above address within 30 days of either of receipt of the decision if served a copy of the document, or otherwise within 30 days of the date of the decision. If sent by United States Postal Service, the notice of appeal must be sent to the following address:

Bureau of Land Management  
Tres Rios Field Office  
29211 Highway 184  
Dolores, Colorado 81323

The appeal may include a statement of reasons at the time the notice of appeal is filed, or the statement of reasons may be filed within 30 days of filing this appeal. At the same time the original documents are filed with this office, copies of the notice of appeal, statement of reasons, and all supporting documentation also must be sent to each party named in this decision and to the U. S. DOI Solicitor at the following address:

Regional Solicitor, Rocky Mountain Region  
755 Parfet Street, Suite 151  
Lakewood, Colorado 80215

If a statement of reasons is filed separately from the notice of appeal, it also must be sent to the following location within 30 days after the notice of appeal was filed:

U.S. Department of the Interior  
Office of Hearings and Appeals  
Interior Board of Land Appeals  
801 N. Quincy Street, Suite 300  
Arlington, Virginia 22203.

If you wish to file a petition (pursuant to regulation 43 CFR 3165.4(c)) for a stay of the effectiveness of this Decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A Petition for a stay is required to show sufficient justification based on the standards listed below. A copy of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

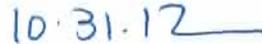
Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied;
2. The likelihood of the appellant's success of the merits;
3. The likelihood of immediate and irreparable harm if the stay is not granted, and
4. Whether the public interest favors granting the stay.



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Connie Clementson  
Field Manager  
Tres Rios Field Office



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Date