United States Department of the Interior

BUREAU OF LAND MANAGEMENT
UNCOMPAHGRE FIELD OFFICE
2465 South Townsend
Montrose, CO 81401
www.blm.gov/co/st/en/fo/ufo.html

In Reply Refer To:
3160 (CO-S050) 2015-029EA

December 7, 2015

Dear Interested Party,

The Bureau of Land Management Uncompahgre Field Office (BLM), in cooperation with the United States Forest Service Grand Mesa, Uncompahgre and Gunnison (GMUG) National Forests, have reached a final decision on the 5 pad/25 natural gas wells environmental assessment (EA).

The Proposed Action consists of proposals by SG Interests I, Ltd (SG) and Gunnison Energy LLC (GE) to develop up to 25 Federal natural gas wells on 5 pads and includes associated access roads and pipelines initially utilizing up to 32 surface acres on a mix of both Federal and private lands north of Somerset, Colorado. Following implementation of interim reclamation practices upon the well pads, access roads and final reclamation of pipeline corridors, the long-term surface disturbance will be reduced to approximately 14 acres. This EA analyzed the potential environmental effects including direct, indirect and cumulative impacts associated with implementation of the Proposed Action. This level of analysis constitutes the agencies' compliance with National Environmental Policy Act (NEPA) requirements and based on the review of the EA (DOI-BLM-CO-2015-0029-EA), it has been determined by the BLM Field Manager and the GMUG Forest Supervisor that the Proposed Action will not significantly affect the quality of the human environment. Therefore, preparation of an environmental impact statement is not required prior to BLM and GMUG approval of the Proposed Action. This finding is based on the consideration of the Council on Environmental Quality's criteria for significance (40 CFR 1508.27) with regard to context and the intensity of impacts, as discussed in the EA.

The EA, including public comments received during review of the preliminary EA and subsequent agency responses (Appendix J of the EA), the associated EA Finding of No Significant Impact (FONSI); and the EA Decision Record (DR) are available by selecting the corresponding links located in the row identified with **DOI-BLM-CO-2015-0029-EA** at the following web address:

http://www.blm.gov/co/st/en/BLM_Information/nepa/ufo.html

Approval of the Proposed Action also signifies that the BLM will move forward on finalization and approval of the following 10 Applications for Permit to Drill (APDs) directly related to this EA:

#	Operator	APD Number	EA Well Pad
1	SG	Federal 12-90-7-1	Allen
2		Federal 11-90-15-2	Aspen Leaf
3		Federal 11-90-15-3	
4		Federal 11-90-15-4	
5		Federal 11-90-9-3	11-90-9
6		Federal 11-90-9-4	
7		Federal 11-90-9-5	

#	Operator	APD Number	EA Well Pad
8	GE	Federal 11-90-8-H3	Henderson
9		Federal 11-90-20-21-H1	Spadafora
10		Federal 11-90-20-21-H2	

Approval of these 10 APDs consists of the agencies' acceptance of both operators' commitments to utilize industry best management practices, including practices the operators submitted as operational design features of the Proposed Action (Appendix B of the EA). Both operators are also expected to adhere to specific Conditions of Approval which were identified both as a result of the EA impacts analysis (Appendix C of the EA) and through the engineering evaluations BLM performed on each individual APD. In terms of future APDs, the BLM and GMUG anticipate that up to 15 additional project-related APDs may be submitted between the two operators and upon receipt by the agencies, would be subject to public reporting requirements of 43 CFR 3163.3-1 and APD onsite evaluation requirements of Federal Onshore Order 1. Each future APD would then be evaluated by the agencies for consistency with the analysis and decision related to this EA, and if determined consistent with the decision, may not require further NEPA evaluation prior to being approved.

Under regulations contained in 43 CFR 3165.3(b), any adversely affected party that contests a decision of the Authorized Officer may request an administrative review before the State Director either with or without oral presentation. Such request, including all supporting documentation, shall be filed in writing within 20 business days of the date such decision was received or considered to have been received with the:

BLM Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215

Any party who is adversely affected by the decision of the State Director after State Director review, under 43 CFR 3165.3(b), of a decision may appeal that decision to the Interior Board of Land Appeals pursuant to the regulations set forth in 43 CFR Part 4.

Sincerely,

Sara L. Dawson

Sara L. Dawson
Acting Field Manager
Uncompahgre Field Office