

U.S. Department of the Interior  
Bureau of Land Management  
White River Field Office  
220 E Market St  
Meeker, CO 81641

## Section 390

# Categorical Exclusion for Oil and Gas Development

NUMBER: DOI-BLM-CO-110-2010-0130-CX (390)

CASEFILE/PROJECT NUMBER: COC- 062815

PROJECT NAME: BDU 1-2-199, Second well on Existing F01-199 well pad

LEGAL DESCRIPTION: 6<sup>th</sup> PM  
T1S, R99W,  
Section 1, NENW,

APPLICANT: Mesa Energy Partners, LLC

DESCRIPTION OF PROPOSED ACTION: Mesa Energy Partners, LLC (Mesa Energy) proposes to drill a second well on the existing F01-199 well pad in the Buckhorn Draw Unit (BDU). The first well drilled on this pad, BDU 6606A, was approved in October 2009, subsequently spud in November 2009, then completed in March 2010. The proposed second well would add no additional surface disturbance to the existing pad as constructed. The pad size approved for the BDU 6606A in environmental assessment (EA) DOI-BLM-CO-110-2009-0174-EA was 4.163 acres (including overburden). The pad size that was constructed, and that is not proposed to increase with the drilling of the BDU 1-2-199, is 5.183 acres (including overburden). {See the pad diagram included as an attachment} The access road and pipelines to be utilized are the existing access roads and pipelines as constructed and installed for the BDU 6606A.

The Surface Use Plan of Operations (SUPO) and the Application for Permit to Drill (APD) are incorporated by reference and summarized below:

*Existing/Proposed Roads:* All road construction is complete. No new access road construction is anticipated. Plans for improvement and/or maintenance of existing roads are to maintain in as good or better conditions than present.

*Production Facilities:* All above ground permanent structures would be painted to blend with the surrounding landscape and per BLM recommendations. The typical paint color for this area is

Juniper Green (no Munsell color). To reduce the view of production facilities from visibility corridors and private residences, facilities would not be placed in visually exposed locations (such as ridgelines and hilltops). All production facilities would be painted within six months of installation. Facilities that are required to comply with Occupation Safety and Health Administration (OSHA) Rules and Regulations would be excluded from this painting requirement. The tallest structure would be no greater than 20' in height. Production facilities may vary according to actual reservoir discovered. Production facilities would be clustered and placed away from cut slopes and fill slopes to allow the maximum re-contouring of cut and fill slopes.

Run off and sediment control best management practices (BMPs) would be implemented and maintained according to the Buckhorn Draw Unit Storm Water Management Plan.

Pursuant to Onshore Order No. 7 (OSO #7), the operator is requesting for an authorization for reserve pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by BLM and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method would be submitted along with any necessary water analyses, in compliance with OSO #7 as soon as possible, but no later than 45 days after the date of first production. Any method of disposal, which has not been approved prior to the end of the authorized 90-day period, would be considered as an Incident of Noncompliance and would be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by BLM.

*Location of Water Supply:* Water to be used for the drilling and completing of this well may be delivered to the location via (1) pumping through a water pipeline, or (2) hauling by truck over the roads. The water source may be from (1) recycled flow back water (frac water from completions), production water gathered from producing wells, or some combination thereof resulting from ongoing operations in the Piceance Basin that may be treated for reuse, or (2) fresh water from available water rights in the Piceance Basin.

The fresh water providers are Williams and EnCana. Due to possible summer water restrictions it is imperative that multiple sources be available for use. Williams fresh water would come from their nearby *Ryan Gulch Ranch* fresh water loadout located at 39.864375 latitude and 108.430068 longitude. EnCana's fresh water source would come from the *Footo Ranch* loading facility located at -108.246316 latitude and 40.008838 longitude, NAD83.

Mesa Energy estimates that they would use ~5,000 bbls of fresh water for drilling, and ~50,000 bbls of either fresh or recycled water for completions. The amount of water used for dust abatement is estimated to be ~1,000 bbls/year. If it becomes necessary to truck water, Rio Blanco County (RBC) Road 24, RBC Road 24X, and RBC Road 91 would be utilized.

*Waste Disposal:*

- A. Drill cuttings would be buried in reserve pit when dry.
- B. Drilling fluid would be evaporated and then buried in the reserve pit when dry.
- C. Completion fluids would be flowed to the reserve pit and allowed to evaporate.

- D. Reserve pit layout is illustrated on Sheet 4. Dimensions of the pit are 80' x 100'.
- E. Reserve pit would be lined with a synthetic liner 24 mil or thicker. The reserve pit liner shall be made of any manmade synthetic material of sufficient size and qualities to sustain a hydraulic conductivity no greater than  $1 \times 10^{-7}$  cm/sec after installation and which is sufficiently reinforced to withstand normal wear and tear associated with the installation and pit use thereof. The liner shall be chemically compatible with all substances that may be put into the pit.
- F. Reserve pit would be fenced on three sides during drilling operations and on fourth side at time of rig release. Pit would remain fenced until backfilled.
- G. The reserve pit would include appropriate netting, or fencing and escape ramps as necessary to protect public health, safety and welfare or to prevent adverse environmental impacts resulting from access to a pit by wildlife, migratory birds, domestic birds, or members of the general public, in accordance with applicable BLM/COGCC rules and regulations.
- H. Flare pit for air drilling would (if used) be located minimum 100' from well bore.
- I. Produced fluid would be contained in test tanks during completion and testing.
- J. Drilling fluids including salts and chemicals would be contained. Upon termination of drilling and completion operations, the mud would be transferred to another drilling location for use, dewatered and recycled, or removed and disposed of at an approved waste disposal facility within ninety (90) day after termination of drilling and completion activities.
- K. In the event that adverse weather conditions prevent removal of the fluids from the mud system within this time period, an extension may be granted by the AO upon receipt of a written request from Mesa.
- L. Produced fluids – liquid hydrocarbons produced during completion operations would be gathered in flow back tanks or a completion pit on location. Produced waste water would be confined to a completion pit or flow back tanks for a period not to exceed ninety (90) days after initial production.
- M. Produced fluids – liquid hydrocarbons produced during production operations would be confined to a pit (water storage pit) or flow back tanks for a period not to exceed ninety (90) days. It may also be recycled and used for drilling, completion or fracing for another well or location. Excess water may be piped or trucked to disposal wells and/ trucked to a commercial disposal facility.
- N. Sewage disposal facilities would be in accordance with State and Local Regulations. Sewage may not be buried on location or put in a borehole. Colorado Department of Public Health and Environmental (CDPHE) Regulations prevent this unless a CDPHE Permit is obtained.
- O. Garbage and other waste - burnable waste would be contained in a portable trash cage which would be totally enclosed with small mesh wire. Cage and contents would be transported to and trash dumped at a CDPHE approved Sanitary Landfill upon completion of operations.
- P. Trash would be picked up if scattered and contained in trash cage as soon as practical after rig is moved off.
- Q. Upon release of the drilling rig, rathole and mousehole would be filled. Debris and equipment not required for production would be removed.
- R. Any spills of oil, gas, salt water or other potentially hazardous substances would be reported immediately to the BLM, and other responsible parties, and would be mitigated immediately, as appropriate, through clean up or removal to an approved disposal site.

*Wellsite Layout:* Roads and well production equipment, such as tanks, treaters, separators, vents, electrical boxes, and equipment associated with pipeline operation, would be placed on location so as to permit maximum interim reclamation of disturbed areas. If equipment is found to interfere with the proper interim reclamation of disturbed areas, the equipment may be moved so proper re-contouring and revegetation can occur.

To control drainage, the BMPs for this location are perimeter ditch/berm, cut slope diversion. Erosion control measures would be applied pursuant to Mesa's General Permit to Discharge Stormwater under the Colorado Pollutant Discharge Elimination System and accompanying Stormwater Management Plan.

*Pipelines & Flowlines:* If the well is a producer, it would tie into the existing pipeline and no new pipelines or flowlines are proposed; therefore no separate ROW should be needed.

#### *Surface Restoration:*

##### General

- A. Salvaging and spreading topsoil would not be performed when the ground or topsoil is frozen or too wet to adequately support construction equipment. If such equipment creates ruts in excess of four (4) inches deep, the soil would be deemed too wet.
- B. Earthwork for interim and final reclamation must be completed within six (6) months of well completion or plugging (weather permitting).
- C. In areas that would not be drill-seeded, the seed mix would be broadcast-seeded at twice the application rate shown and covered 0.25 to 0.5 inches deep with a harrow or drag bar or would be broadcast-seeded into imprints, such as fresh dozer cleat marks.
- D. No seeding would occur from May 15 to September 15. Fall seeding is preferred and would be conducted after September 15 and prior to ground freezing. Spring seeding would be conducted after the frost leaves the ground and no later than May 15.
- E. Annual or noxious weeds shall be controlled on all disturbed areas as directed by the Field Office Manager. An intensive weed monitoring and control program would be implemented beginning the first growing season after interim and final reclamation. Noxious weeds that have been identified during monitoring would be promptly treated and controlled. A Pesticide Use Proposal (PUP) would be submitted to the BLM for approval prior to the use of herbicides. All reclamation equipment would be cleaned prior to use to reduce the potential for introduction of noxious weeds or other undesirable non-native species. The operator would coordinate all weed and insect control measures with state and/or local management agencies.
- F. Reclaimed areas would be monitored annually. Actions would be taken to ensure that reclamation standards are met as quickly as reasonably practical.
- G. Reclamation monitoring would be documented in a reclamation report and submitted to the AO. The report would document compliance with all aspects of the reclamation objectives and standards, identify whether the reclamation objectives and standards are likely to be achieved in the near future without additional actions, and identify actions that have been or would be taken to meet the objectives and standards. The report would also include acreage figures for: Initial Disturbed Acres; Successful Interim Reclaimed Acres; Successful Final Reclaimed Acres. Reports would not be submitted for sites approved by the AO in writing as

having met interim or final reclamation standards. Any time 30% or more of a reclaimed area is re-disturbed, monitoring would be reinitiated.

- H. The AO would be informed when reclamation has been completed, is successful, and the site is ready for final inspection.

#### Interim Restoration (Production)

- A. Rehabilitation of unneeded, previously disturbed areas would consist of backfilling and contouring the reserve pit area, back sloping and contouring all cut and fill slopes. These areas would be re-seeded.
- B. Wellpad size would be reduced to minimum size necessary to conduct safe operations. Cuts and fills would be reduced to 3:1 or shallower.
- C. Reserve pits would be closed and backfilled as soon as the pit contents are dry enough to do so, or no later than the end of the next full summer following rig release, whichever comes first, to allow sufficient time for the pit contents to dry. Reserve pits remaining open after this period would require written authorization of the AO. Immediately upon well completion, any hydrocarbons or trash in the reserve and flare pits would be removed. Pits would be allowed to dry, be pumped dry or solidified in-situ prior to backfilling.
- D. Following completion activities, pit liners would be removed or removed to the solids level and disposed of at an approved landfill, or treated to prevent their reemergence to the surface and interference with long-term successful revegetation. If it was necessary to line the pit with a synthetic liner, the pit would not be trenched (cut) or filled (squeezed) while containing fluids. When dry, the pit would be backfilled with a minimum of five (5) feet of soil material. In relatively flat areas, the pit area would be slightly mounded to allow for settling and to promote surface drainage away from the backfilled pit.
- E. The portions of the cleared well site not needed for operational and safety purposes would be re-contoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Sufficient level area would remain for setup of a workover rig and to park equipment. In some cases, rig anchors may need to be pulled and reset after re-contouring to allow for maximum interim reclamation.
- F. Topsoil would be evenly re-spread and aggressively re-vegetated over the entire disturbed area not needed for all-weather operations including road cuts & fills and to within a few feet of the production facilities, unless an all-weather, surfaced, access route or small “teardrop” turnaround is needed on the wellpad.
- G. Initial seedbed preparation would consist of backfilling, leveling, and ripping all compacted areas. Final seedbed preparation would consist of contour cultivating to a depth of 4” - 6” inches within 24 hours prior to seeding. Seeding would be conducted no more than 24 hours following completion of final seedbed preparation. A certified weed-free seed mix designed by BLM (shown below) to meet reclamation standards would be used. The seed mix would be used on all disturbed surfaces including pipelines and road cut & fill slopes.
- H. To help mitigate the contrast of re-contoured slopes, reclamation would include measures to feather cleared lines of vegetation and to save and redistribute cleared trees, debris, and rock over re-contoured cut and fill slopes.
- I. A proposed seed mixture for this location is: BLM Native Seed Mix #3
- J. Reclamation would be considered successful if the following criteria are met:
  - a. 70% of pre-disturbance cover,

- b. 90% dominate species\*
- c. Erosion features equal to or less than surrounding area\*
- d. The vegetation would consist of species included in the seed mix and/or occurring in the surrounding natural vegetation.

Final Restoration (P & A – Removal of equipment)

- A. Flowlines on location would be removed before site reclamation and all flowlines between the wellsite and production facilities would remain in place and would be filled with water.
- B. If necessary to ensure timely revegetation, the pad would be fenced to BLM standards to exclude livestock grazing for the first two growing seasons or until seeded species become firmly established, whichever comes later. Fencing would meet standards found on page 18 of the Gold Book, 4th Edition, or would be fenced with operational electric fencing.
- C. Revegetation would be accomplished by planting mixed grasses as specified below.
- D. Revegetation is recommended for road area as well as around production site.
  - a. A proposed seed mixture for this location is:  
BLM Native Seed Mix #3
- E. Initial seedbed preparation would consist of backfilling, leveling, and ripping all compacted areas. Final seedbed preparation would consist of contour cultivating to a depth of 4” to 6” within 24 hours prior to seeding. Seeding would be conducted no more than 24 hours following completion of final seedbed preparation. A certified weed-free seed mix designed by BLM (shown above) to meet reclamation standards would be used. The seed mix would be used on all disturbed surfaces including pipelines and road cut & fill slopes.
- F. All disturbed areas, including roads, pipelines, pads, production facilities, and interim reclaimed areas would be re-contoured to the contour existing prior to initial construction or a contour that blends indistinguishably with the surrounding landscape. Re-salvaged topsoil would be spread evenly over the entire disturbed site to ensure successful revegetation. To help mitigate the contrast of re-contoured slopes, reclamation would include measures to feather cleared lines of vegetation and to save and redistribute cleared trees, woody debris, and large rocks over re-contoured cut and fill slopes.
- G. At final reclamation all stormwater management BMPs for drainage, sediment and erosion would be removed in order to return the site to its natural state. All sediment would be managed through revegetation practices (seeding on contour, crimping straw on contour, and/or erosion control hydro-mulch, pocking, and topsoil distribution). Down-gradient wattles would remain until vegetation establishment meets minimum requirements. Any stormwater management features utilized for final reclamation would be removed prior to FAN approval.

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: White River Record of Decision and Approved Resource Management Plan (ROD/RMP).

Date Approved: July 1, 1997

Decision Number/Page: Page 2-5

Decision Language: “Make federal oil and gas resources available for leasing and development in a manner that provides reasonable protection for other resource values.”

REVIEW OF EXISTING NEPA DOCUMENTS:

List by name and date all existing NEPA documents that cover the Proposed Action.

Name of Document: CO-110-2010-174-EA

Date Approved: 10-26-2009

CATEGORICAL EXCLUSION REVIEW: The proposed action has been reviewed with the list of extraordinary circumstances described in 516 DM 2, Appendix 2. This categorical exclusion is appropriate in this situation because there are no extraordinary circumstances potentially having effects that may significantly affect the environment. None of the exceptions in 516 DM 2, Appendix 2, apply.

Additionally, the proposed action is categorically excluded from further documentation in accordance with statutory NEPA categorical exclusions (CX), 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 criteria Number (2) 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. <b>(a, b, and c below must be yes to have this CX apply)</b>		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 five acres.		X
b. The current un-reclaimed surface disturbance readily visible on the entire leasehold is not greater than 150 acres, including the proposed action.		X
c. This categorical exclusion includes the requirement of a site-specific NEPA document. A site specific NEPA analysis can be either an exploration and/or development EA/EIS, an EA/EIS for a specific POD, a multi-well EA/EIS or an individual permit approval EA/EIS.		X

Qualifying Criteria	YES	NO
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. A “location or well pad” is defined as a previously disturbed or constructed well pad used in support of drilling a well. “Drilling” in the context of, “Drilling has occurred within five (5) years”	X	
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. <b>(a, b, and c below must be yes to have this CX apply)</b>		X
a. The proposed APD is within a developed oil or gas field. A developed field is defined as any field in which a confirmation well has been completed.		X
b. There is an existing NEPA document (including that supporting a land use plan) that contains a reasonably foreseeable development scenario broad enough to encompass this action.		X
c. The NEPA document was finalized or supplemented within five years of spudding the well.		X
4. Placement of a pipeline in an approved right-of-way corridor, as long as the corridor was approved within five (5) years prior to the date of placement of the pipeline. (To avoid problems, the right-of-way must contain a term or condition that provides for the suspension of the authorization if placement does not begin before the last date that the CX is available, thus requiring the operator to obtain a new right-of-way.) <b>(a and b below must be yes to have this CX apply)</b>		X
a. The placement of a pipeline in an existing corridor of any type		X
b. Placement of the pipeline within five years of approval (or amendment) of the most recent date of a decision (NEPA or permit authorization) are the only two applicable factors for review pursuant to this statute and must both be satisfied to use this CX.		X
5. Maintenance of a minor activity, other than any construction or major renovation of a building or facility.		X

CX (1) and (3) reference previous NEPA documents, the same or better mitigating measures from the tiered NEPA document will be applied as well as BMPs to reduce impacts to any authorization issued.

CX (2) and (3) must state the date when the previous well was completed or the date the site had workover operations involving a drilling rig of any type or capability; this also includes completion of any plugging operations. Because the 5-year period is tied to the spudding of the pending well, the APD must contain a COA that if no well is spudded by the date the CX is no longer applicable, the APD will expire, thus requiring the operator to obtain a new APD.

CX (4) to avoid problems, the right-of-way must contain a term or condition that provides for the suspension of the authorization if placement does not begin before the last date that the CX is available, thus requiring the operator to obtain a new right-of-way.

For all CX a brief narrative must be included in the well file(s) stating the rationale for making the determination that the categorical exclusion applies. If more than one applies each shall be explained.

***Documentation:** The first well on the F01-199 well pad, BDU 6606A F01-199, was analyzed with DOI-BLM-CO-110-2009-0174-EA that was signed and approved 10/26/2009. The BDU 6606A F01-199 was spud in November 2009, and subsequently completed in March 2010. An approved APD for BDU 1-2-199 will expire prior to the 5 year drilling requirement for the Criteria 2 CX (390), therefore a COA requiring a spud date prior to a certain date will not be required.*

#### INTERDISCIPLINARY REVIEW:

The proposed action was presented to, and reviewed by the White River Field Office interdisciplinary team on 06/01/2010.

Date

A list of resource specialists who participated in this review is available upon request from the White River Field Office.

#### REMARKS:

*Cultural Resources:* The new proposed well is located within the 40 acre block that was initially inventoried for the first well (Conner et al. 2009, Compliance Dated 6/14/2009) which did not identify any cultural resources that would be present or impacted. There are no new pipelines or access roads required therefore, the proposed project will have no effect on any known cultural resources. (MRS 6/3/2010)

*Native American Religious Concerns:* No Native American Religious Concerns are known in the area, and none have been noted by Northern Ute tribal authorities. Should recommended inventories or future consultations with Tribal authorities reveal the existence of such sensitive

properties, appropriate mitigation and/or protection measures may be undertaken. (MRS 6/3/2010)

*Paleontological Resources:* The proposed well pad location is located in an area generally mapped as the Uinta Formation (Tweto 1979) which the BLM, WRFO has classified as a potential fossil yield classification (PFYC) 4/5 formation meaning it is known to produce scientifically important fossil resources (cf. Armstrong and Wolny 1989). If it becomes necessary to excavate new reserve/blooi/cuttings pits there is the potential to impact scientifically important fossil resources. (MRS 6/3/2010)

*Threatened and Endangered Animal Species:* No wildlife-related issues or concerns beyond those addressed in DOI-BLM-CO-110-2009-0174-EA. Conditions of approval developed in the parent document remain pertinent and applicable to this proposal. Due to recent non-compliance, it must be emphasized that the gate presently and properly emplaced at the entrance of this pad's access road must remain locked at all times except during periods of additional well development, workover, or other maintenance activities requiring concentrated and frequent pad access. (EH 6/25/2010)

*Special Status Plant Species:* The existing NEPA document DOI-BLM-CO-110-2009-0174-EA analyzed the effects of construction of the original well pad and associated pipeline on the Duck Creek Area of Critical Environmental Concern (ACEC) and nearby populations of *Physaria congesta* and *Physaria obcordata*, both federally listed threatened species. The Duck Creek ACEC is located over 600 meters from the project area, thus no disturbance to the ACEC is anticipated. The special status plant concerns that were addressed in DOI-BLM-CO-110-2009-0174-EA were limited to the potential effects caused by the pipeline construction. As all known occupied habitats of *Physaria congesta* and *Physaria obcordata* are located over 600 meters from the well pad analyzed in this document, no additional impact to special status plants is anticipated from this proposed action. (JKS 6/15/10)

**MITIGATION:** All applicable Mitigation and Conditions of Approval (COAs) from the existing NEPA document DOI-BLM-CO-110-2009-0174-EA shall be carried forward and are listed below, along with any new site-specific mitigation required.

#### *New Site-specific Mitigation*

1. The operator is responsible for informing all persons who are associated with the project operations that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during any project or construction activities, the operator is to immediately stop activities in the immediate area of the find that might further disturb such materials, and immediately contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
  - whether the materials appear eligible for the National Register of Historic Places
  - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary)

- a timeframe for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation cost. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

2. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the AO, 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), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.
3. The operator is responsible for informing all persons who are associated with the project operations that they will be subject to prosecution for knowingly disturbing paleontological sites, or for collecting fossils. If fossil materials are uncovered during any project or construction activities, the operator is to immediately stop activities in the immediate area of the find that might further disturb such materials, and immediately contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
  - whether the materials appear to be of noteworthy scientific interest
  - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not feasible)

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation cost. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

4. If new excavations into the underlying bedrock are needed for the reserve/bloolie/cuttings pits a paleontological monitor shall be present for all such excavations.

*Notifications, Information Sharing, & SOP (New)*

5. The operator shall apply proper pre-planning and plan all activities and operations in a manner so as to avoid infringing on any timing limitations; without the need to apply for exceptions to the specified timing limitations.
6. The *designated Natural Resource Specialist* will be notified 24 hours prior to well spud (Breaking ground for drilling surface casing) via email or phone.

7. The *designated Natural Resource Specialist* will be notified 24 hours prior to commencing Completion operations via email or phone.
8. In an attempt to track interim and final reclamation of federal actions related to the development of federal mineral resources, the operator shall provide the *designated Natural Resource Specialist* with geospatial data in a format compatible with the WRFO's ESRI ArcGIS Geographic Information System (GIS). These data will be used to accurately locate and identify all geographic as-built (i.e., constructed) features associated with this project and included in the Application for Permit to Drill (APD) or Sundry Notice (SN), as appropriate. These data shall be submitted within 60 days of construction completion. If the operator is unable to submit the required information within the specified time period, the operator shall notify the *designated Natural Resource Specialist* via email or by phone, and provide justification supporting an extension of the required data submission time period. GIS polygon features may include, but are not limited to, constructed access roads, existing roads that were upgraded, pipeline corridors, and well pad footprints. Acceptable data formats are: (1) corrected global positioning system (GPS) files with sub-meter accuracy or better; (2) ESRI shapefiles or geodatabases; or, (3) AutoCAD .dwg or .dxf files. If possible, both (2) and (3) should be submitted for each as-built feature. Geospatial data must be submitted in UTM Zone 13N, NAD 83, in units of meters. Data may be submitted as: (1) an email attachment; or (2) on a standard compact disk (CD) in compressed (WinZip only), or uncompressed format. All data shall include metadata, for each submitted layer, that conforms to the *Content Standards for Digital Geospatial Metadata* from the Federal Geographic Data Committee standards. Questions shall be directed to WRFO BLM GIS staff at (970) 878-3800.

If the operator is unable to send the data electronically, the operator shall submit the data on compact disk(s) to:

BLM, White River Field Office  
Attn: Natural Resource Specialist  
220 East Market Street  
Meeker, Colorado 81641

Internal and external review of the reporting process and the adequacy of the associated information to meet established goals will be conducted on an on-going basis. New information or changes in the reporting process will be incorporated into the request, as appropriate. Subsequent permit application processing may be dependent upon successful execution of this request, as stated above.

9. If for any reason the location or orientation of the geographic feature associated with the **proposed action changes**, the operator shall submit updated GIS "As-Built" data to *designated Natural Resource Specialist* within 7 calendar days of the change. This information shall be **submitted via Sundry Notice**.
10. The Reclamation Status Report will be submitted electronically via email and as a hard-copy to WRFO Reclamation Coordinator, Brett Smithers ([brett\\_smithers@blm.gov](mailto:brett_smithers@blm.gov)). Please submit the hardcopy to:

BLM, White River Field Office  
220 East Market Street  
Meeker, Colorado 81641  
Attn: Brett Smithers

The Reclamation Status Report will be submitted annually for all actions that require disturbance of surface soils on BLM-administered lands as a result of the proposed action. Actions may include, but are not limited to, well pad and road construction, construction of ancillary facilities, or power line and pipeline construction. The Reclamation Status Report will be submitted by September 30<sup>th</sup> of each calendar year, and will include the well number, API number, legal description, UTM coordinates (using the NAD83 datum, Zone 13N coordinate system), project description (e.g., well pad, pipeline, etc.), reclamation status (e.g., Phase I Interim, Phase II Interim, or Final), whether the well pad or pipeline has been re-vegetated and/or re-contoured, percent of the disturbed area that has been reclaimed, method used to estimate percent area reclaimed (e.g., qualitative or quantitative), technique used to estimate percent area reclaimed (e.g., ocular, line-intercept, etc.), date seeded, photos of the reclaimed site, estimate of acres seeded, seeding method (e.g., broadcast, drilled, hydro-seeded, etc.), and contact information for the person(s) responsible for developing the report. The report will be accompanied with maps and GIS data showing each discrete point (i.e., well pad), polygon (i.e., area where seed was applied for Phase I and/or Phase II interim reclamation or area reclaimed for final reclamation), or polyline (i.e., pipeline) feature that was included in the report. Geospatial data shall be submitted: for each completed activity electronically to the designated BLM staff person responsible for the initial request and in accordance with WRFO geospatial data submittal standards (available from WRFO GIS Staff, or on the WRFO website). Internal and external review of the WRFO Reclamation Status Report, and the process used to acquire the necessary information will be conducted annually, and new information or changes in the reporting process will be incorporated into the report.

11. The operator will be required to meet with the WRFO reclamation staff in March or April of each calendar year and present a comprehensive work plan. The purpose of the plan is to provide information pertaining to reclamation activities that are expected to occur during the current growing season. Operators shall also provide a map that shows all reclamation sites where some form of reclamation activity is expected to occur during the current growing season.

### *Mitigation Carried Forward*

#### Air Quality

12. All access roads will be treated with water and/or a BLM approved dust suppressant during construction and drilling activities so that there is not a visible dust trail behind vehicles. All vehicles will abide by company or public speed restrictions during all activities. If water is used as a dust suppressant, there should be no traces of oil or solvents in the water and shall be properly permitted for this use by the State of Colorado. Only water needed for abating dust should be applied; dust abatement should not be used as a water disposal option under any circumstances. (See Threatened and Endangered Plant Species Mitigation for specific dust abatement requirements during pipeline construction)

#### Soils

13. If erosion features such as rilling, gullyng, piping and mass wasting occur at anytime in the future on disturbed surfaces the erosion features will be addressed immediately after observation by contacting the AO and submitting a plan to assure successful soil stabilization with BMPs to address the erosion problems.

14. The operator will notify AO with the BLM at least one week before interim reclamation activities begin and allow a BLM representative to be present during the spreading of the topsoil during interim reclamation.
15. If at any time the topsoil is compromised by stormwater from the pad the operator will submit an alternative plan for the storage and retrieval of topsoil for this pad.

Reclamation

16. The *designated Natural Resource Specialist* will be notified 24 hours prior to beginning all construction-related activities associated with this project that result in disturbance of surface soils via email or by phone. Construction-related activities may include, but are not limited to, pad and road construction, clearing pipeline corridors, trenching, etc. Notification of all construction-related activities, regardless of size, that result in disturbance of surface soils as a result of this project is required.
17. The *designated Natural Resource Specialist* will be notified 24 hours prior to beginning all reclamation activities associated with this project via email or by phone. Reclamation activities may include, but are not limited to, seed bed preparation that requires disturbance of surface soils, seeding, constructing exclosures (e.g., fences) to exclude livestock from reclaimed areas.
18. Promptly revegetate all disturbed areas including the pipeline, location and access road cut and fill slopes with Native Seed Mix #3. Revegetation will commence immediately after construction and will not be delayed until the following fall. The location and pipeline will be drill seeded. Areas with steep slopes may be broadcast at double the drilled rate.

Native Seed Mix #3		
Western wheatgrass (Rosanna)	2	Gravelly 10"-14", Pinyon/Juniper
Beardless bluebunch wheatgrass , (Whitmar) Thickspike wheatgrass	2	Woodland, Stony Foothills, 147
(Critana)	1	(Mountain Mahogany)
Indian ricegrass (Rimrock,)	2	
Fourwing saltbush (Wytana)	1	
Utah Sweetvetch		
Alternates: Needle and thread, globemallow		

19. Debris will not be scattered on the pipeline until after seeding operations are completed and will not exceed 3 tons per acre/20% ground cover. Seed mixture rates are Pure Live Seed (PLS) pounds per acre.
20. All seed tags will be submitted to the *designated Natural Resource Specialist* within 14 calendar days from the time the seeding activities have ended via Sundry Notice. The sundry will include the purpose of the seeding activity (i.e., seeding well pad cut and fill slopes, seeding pipeline corridor, etc.). In addition, the SN will include the well or well pad number associated with the seeding activity, if applicable, the name of the contractor that performed the work, his or her phone number, the method used to apply the seed (e.g., broadcast, hydro-seeded, drilled), whether the seeding activity represents interim or final reclamation, an estimate of the total acres seeded, an attached map that clearly identifies all disturbed areas that were seeded, and the date the seed was applied.

Wastes, Hazardous or Solid

21. The release of any oil, produced water, toxic liquid, or other waste materials must be

controlled and contained immediately upon discovery and cleaned up as soon as possible. The BLM AO may require additional action to prevent or mitigate potential or actual adverse environmental impacts on any air, water, soil, or biological resource. Releases shall be reported by the operator to the BLM according to Notice to Lessees and Operators of Onshore Federal and Indian Oil and Gas Leases (NTL-3A). In addition to the reporting requirements set forth in NTL-3A, the operator shall provide a **monthly** report to the BLM documenting any release of liquids less than 10 barrels in quantity. The report will include: a) the date and time of occurrence, b) the location where the incident occurred, c) the type and volume of the material released, d) the volume of material recovered, e) the cause of the incident, and f) corrective action to address the incident (e.g., initial mitigation, investigation, remediation, etc.). The monthly report will be submitted electronically via email as a Microsoft Excel file to the BLM White River Field Office Hazardous Materials Coordinator, Christina Barlow (Christina\_Barlow@blm.gov)

22. In the Surface Use Plan, the operator has committed to, and must uphold the following: “Any spills of oil, gas, salt water or other potentially hazardous substances will be reported immediately to the BLM, and other responsible parties, and will be mitigated immediately, as appropriate, through clean up or removal to an approved disposal site.”
23. The concentration of contaminants of concern in pits and around production equipment (e.g., separators, above-ground storage tanks, etc.) at the time of closure must not exceed applicable or relevant and appropriate requirements (e.g., Colorado Oil and Gas Conservation Commission [COGCC] 900 Series Rules – Exploration and Production Waste Management, Table 910-1). This condition applies to pit contents as well as soil underlying pit liners and production equipment. The need for groundwater and/or surface water analysis would be determined on a case by case basis.
24. The bermed cuttings mixing area, if utilized, must be located on the approved well pad from which the cuttings were generated. Subsequent to use, an appropriate number of soil samples shall be collected from directly below the mixing surface and submitted to an environmental laboratory for analysis. The concentration of contaminants of concern must not exceed the requirements indicated in COGCC 900 Series Rules, Table 910-1.
25. **All pits** must be lined with at least a 24-mil synthetic or fabricated liner. At least 50 percent of the pit capacity shall be located in cut material.

#### Water Quality, Surface and Ground

26. All surface disturbing activities on BLM administered lands will strictly adhere to “Gold Book” (fourth edition) surface operating standards for oil and gas exploration and development (copies of the “Gold Book” can be obtained at the WRFO).
27. Provide for erosion-resistant surface drainage by adding necessary drainage facilities and armoring prior to fall rain or snow. When erosion is anticipated, sediment barriers shall be constructed to slow runoff, allow deposition of sediment, and prevent it from leaving the site. In addition, straining or filtration mechanisms may also contribute to sediment removal from runoff.
28. Locate culverts or drainage dips in such a manner as to avoid discharge onto unstable terrain such as headwalls or slumps. Provide adequate spacing to avoid accumulation of water in ditches or road surfaces. Install culverts with adequate armoring of inlet and outlet. Patrol areas susceptible to road or watershed damage during periods of high runoff.
29. Keep road inlet and outlet ditches, catchbasins, and culverts free of obstructions, particularly

before and during spring runoff. Routine machine-cleaning of ditches should be kept to a minimum during wet weather. Leave the disturbed area in a condition that provides drainage with no additional maintenance.

30. Culverts and waterbars should be installed according to 9113 standards and sized for the 10-year storm event with no static head and to pass a 25-year event without failing.
31. The inslope on the road should be maintained on the access road to the pad and the barrow ditch should be well maintained. If erosion is noted in barrow ditch or across the road surface due to this design the operator will rework the road surface for a crown and ditch design.

#### Invasive, Non-native Species

32. The operator will be required to monitor the project area for the life of the project and eradicate all noxious and invasive species which occur on site using materials and methods approved in advance by the Authorized Officer.
33. Application of herbicides must be under field supervision of an Environmental Protection Agency (EPA) certified pesticide applicator. Herbicides must be registered by the EPA and application proposals (PUPs) must be approved by the BLM prior to application.

#### Threatened and Endangered Plant Species

34. Vehicle access and construction vehicles and equipment will not utilize RBC Road 20 or any roads or routes within the Duck Creek ACEC, to prevent fugitive dust aerosolization onto occupied Dudley Bluffs bladderpod populations directly adjacent to the road.

#### Migratory Birds

35. The operator shall prevent migratory bird access to facilities that store or are expected to store fluids which may pose a risk to such birds (e.g., toxicity, compromised insulation). Features that prevent access to such fluids must be in place and functional within 24 hours of the drilling rig moving off the location and shall remain effective until such pits are removed or incapable of storing fluids. Deterrence methods may include netting or other alternative methods that *effectively* prevent use and that meet BLM approval (the use of “bird balls” is discouraged).
36. It will be the responsibility of the operator to **notify the BLM** of the method that will be used to prevent use two weeks prior to when completion activities are expected to begin. The BLM approved method will be applied within 24 hours after completion activities have begun.

#### Wildlife, Terrestrial

37. All lethal and non-lethal events that involve migratory birds will be reported to the BLM Petroleum Engineer Technician immediately.
38. General access to the location will be restricted by means of a lockable gate (e.g., may require fence wings) placed along the proposed access at a point as close as possible to the point of its intersection with RBC Road 122. The proponent would be responsible for constructing and maintaining these structures and meeting vehicle control objectives through the life of the project. The selected control point would be subject to the approval of the authorized officer with the objectives of effectively deterring unauthorized vehicle use of the well access (i.e., vehicle use not associated with natural gas development and production)

and preventing bypass of the control. This gate would be installed by the time initial well completion activities are complete and are to **remain locked throughout the year** (except during well workover or high-traffic maintenance activities).

39. Retention and maintenance of a permanent travel lane is not authorized along the pipeline corridor from its intersections with RBC Road 24X northeast to its intersection with the RBC Road 122 corridor. On these segments, the proponent will be responsible for installing physical controls to effectively deter unauthorized vehicle use along the right-of-way, the controls' continuous maintenance, and, at a minimum, annual monitoring to assess the controls' efficacy and/or need for enhancing the means for vehicle control. Annual monitoring reports and documentation of maintenance activity will be forwarded to the BLM WRFO Authorized Officer by September 30 of each year.
40. No well, pad, road, or pipeline development, including clearing, construction, drilling, fracing, and completion activities, are allowed on the following lands between 1 April and 15 May, unless the occupancy status of associated raptor nests can be determined to the satisfaction of the Authorized Officer:  
T1S R99W Section 1: Lot 7  
Section 2: Lots 14, 19, 20

The associated nest sites are identified as UNK 2, UNK 3, and UNK 4 in the Biological Survey Report prepared for the applicant by WestWater Engineering, July 2009. WRFO raptor nest timing limitations (TL-04, April 1-15 August) will be applied to any nest that is occupied by 15 May.

#### Wild Horses

41. Prior to surface-disturbing activities, the proponent (or their contractors) should determine if wild horses are present in the vicinity of proposed development sites. The proponent shall create an informal report that includes at a minimum: (1) the date, (2) the number of horses observed, (3) the color of the horses observed, (4) approximate ages of horses (if able to be determined) of horses observed. Said report is to be submitted to WRFO. If no horses are observed prior to surface-disturbing activities, the proponent is to submit the report stating that no horses were observed on that date.
42. During the spring foaling period, between March 1 and June 15, if BLM determines wild horses are in the vicinity of proposed development, development activities may be delayed for a specified 60-day period within the window of March 1 through June 15, as outlined by the White River ROD/RMP, to reduce impacts during this sensitive time period. The proponent will be notified if the BLM determines that it will be necessary for development activities to be delayed.
43. If the proposed action is scheduled during a wild horse gather, project activities shall be subject to timing restrictions/adjustments if determined necessary by the BLM AO.
44. Should the proposed action occur simultaneous with a wild horse gather, all project-related traffic would need to be coordinated with the BLM and the contractor for the gather.
45. If determined by the BLM AO, the proponent may be required to perform special conservation measures within this area including: a) habitat improvement projects in adjacent areas, if development displaces wild horses from critical habitat; b) replacement of disturbed watering sites with an equal source of water having equal utility; and c) activity/improvements providing for unrestricted movement of wild horses between summer

and winter ranges. The proponent will be notified if any of these measures are determined necessary.

46. In wild horse use areas, open trenches for burial of gathering pipelines should be inspected daily to reduce the potential for horses to become trapped should they fall into a trench.
47. To minimize the incidents of young foals becoming dislocated from their mares, crews would be required to slow or stop when wild horses are encountered, allowing bands to move away at a pace slow enough so that the foals can keep pace and are not separated.
48. To minimize the incidents of young foals becoming dislocated from their mares, crews would be required to slow or stop when wild horses are encountered, allowing bands to move away at a pace slow enough so that the foals can keep pace and are not separated.

#### Visual Resource Management

49. All permanent structures, facilities and equipment placed above ground shall be painted and maintained Standard Environmental Color Chart, Juniper Green or equivalent within six months of installation.

#### Fire Management

50. In the event of an accidental ignition or natural ignition resulting in a wildfire in the area, the contractor or a representative will contact Craig Interagency Fire Dispatch at 970-826-5037. The dispatch center will notify BLM fire personnel in order for local fire management to evaluate the situation for the safety of all crews in the area and determine the appropriate management action.

#### Forestry Management

51. In accordance with the 1997 White River ROD/RMP pages 2-22, all trees removed in the process of construction shall be purchased from the BLM prior to removal. An invoice will be furnished to the proponent by the BLM.
52. Once the disturbance has been recontoured and reseeded (interim reclamation), stockpiled woody material shall be scattered across the reclaimed area where the material originated. Chipped material shall be scattered across reclaimed areas in a manner that avoids the development of a mulch layer that suppresses growth or reproduction of desirable vegetation. Redistribution of woody debris will not exceed 20% ground cover. Woody material will be distributed in a manner that effectively deters vehicle use. Materials would be distributed in such a way to avoid large concentrations of heavy fuels.

#### Recreation Management

53. The proponent must temporarily halt operations in the project area during the fall hunting season, specifically on the first two days of each season, combined (deer/elk) 3<sup>rd</sup> season (Oct. 31-Nov. 2), and 4<sup>th</sup> season (Nov. 11-13) unless prior approval is obtained by the BLM AO.

#### Access and Transportation

54. All activities would be required to comply with applicable local, state, and federal transportation laws, statutes, regulations, standards, and plans. Activities would strictly adhere to Gold Book fourth edition surface operating standards for oil and gas exploration and development (USDI, USDA 2007 ) and BLM manual Section 9113 (BLM 1985).

Geology

55. The production casing should be cemented from TD (Total Depth) to surface casing to cover the potential gas and water zones in the Wasatch and Williams Fork.

REFERENCES CITED:

Armstrong, Harley J. and David G. Wolny

1989 Paleontological Resources of Northwest Colorado: a Regional Analysis. Museum of Western Colorado, Grand Junction, Colorado.

Conner, Carl E., Nicole Darnell, Barbara J. Davenport and Dakota Smith.

2009 Class III Cultural Resource Inventory Report: Seven Proposed Well Locations and Related Linear Routes in the Buckhorn Draw Unit (F01-199, F11-199, H07-198, G26-199, J15-199, M09-299, G11-299) in Rio Blanco County, Colorado for EnCana Oil and Gas (USA) Inc. Grand River Institute, Grand Junction, Colorado. (09-11-23)

Tweto, Ogden

1979 Geologic Map of Colorado. United States Geologic Survey, Department of the Interior, Reston, Virginia.

COMPLIANCE PLAN: On-going compliance inspections and monitoring of drilling, production and post-production activities will be conducted by White River Field Office staff during construction of well pads, access roads, and pipelines. Specific mitigation developed in the associated Categorical Exclusion and the lease terms and conditions will be followed. The Operator will be notified of compliance related issues in writing, and depending on the nature of the issue(s), will be provided 30 days to resolve such issues.

NAME OF PREPARER: Briana Potts

NAME OF ENVIRONMENTAL COORDINATOR: Caroline Hollowed

DATE: 7/7/10

ATTACHMENTS: (1) Well Pad Diagram- Surface Disturbance  
(2) Topo D- Pipeline Route, Pad Location

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

This action is listed in the Instruction Memorandum Number 2005-247 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 5 qualifying criteria listed above and have determined that it does not represent an exception and is, therefore, categorically excluded from further environmental analysis.

SIGNATURE OF AUTHORIZED OFFICIAL: Betty J. Law for Kent Walter  
Field Manager

DATE SIGNED: 7 July 2010

#### 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 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 Briana Potts, Natural Resource Specialist, White River Field Office, 220 E Market Street, Meeker, CO 81641, Phone (970) 878-3868.



