

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

DETERMINATION OF NEPA ADEQUACY (DNA)

NUMBER: DOI-BLM-CO-110-2011-0104-DNA

CASEFILE/PROJECT NUMBER: Amend Pipeline COC75237
Site COC75205

PROJECT NAME: Exxon disposal well PCU T68-11G and produced water pipeline

LEGAL DESCRIPTION: Sixth Principal Meridian
T.2S., R.97W.,
sec. 11, SW $\frac{1}{4}$ SE $\frac{1}{4}$,

APPLICANT: Exxon Mobil Corporation

BACKGROUND:

The proposal is located entirely within the Piceance Development Project (PDP) which analyzed up to 91 injection wells as a part of CO-110-2005-219-EA. The PDP language addressed “injection wells” for the disposal of produced water. For clarity, the injection wells in this proposal will be referred to as Water Disposal Wells (WDW) to distinguish them from other types of injection wells.

DESCRIPTION OF PROPOSED ACTION: The White River Field Office (WRFO) has received an application from Exxon Mobil Corporation for expansion of their Produced Water Distribution and Disposal (PWDD) system. A 4” PWDD pipeline will replace the existing 3” PWDD pipeline that currently serves the PCU T68-11G well. The pipeline right-of-way will be approximately 301 ft in length and 50 ft in width (see Exhibit A). Because the produced water in the PWDD system is from multiple oil and gas units, a 100 ft by 100 ft site located on the existing disposal well pad would be authorized by COC75205. Construction will include tie-in to the existing pipeline. Total new legal encumbrance would be 0.23 acres on existing disturbance.

The operator has confirmed the following: 1) the Proposed Action will not require any new storage facilities or compressors, and 2) the Proposed Action will not require the installation of any facilities that would generate audible noise.

Existing roads would be used to access the disposal well and no additional access authorization is required.

The areas involved are summarized in the following table:

Description	Width (ft)	Length(ft)	Disturbed Area in acres	Final width feet	Final area Acres
PCU T68-11G	100	100	0.23	100	0.23
Pipeline	50	301	0.35	50	0.35
TOTAL			0.58		0.58

Equipment planned for construction will include two backhoes for trench construction. The pipeline will require one reel of four-inch pipe at 20,000 pounds each. The Plan of Development includes a Reclamation Plan and information as to the anticipated work force, general construction process, maps and a plan view with a slope profile (this information is in the file and available for public review upon request).

LAND USE PLAN (LUP) CONFORMANCE REVIEW:

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

Date Approved: July 1, 1997

Decision Number/Page: Page 2-49

Decision Language: “To make public lands available for the siting of public and private facilities through the issuance of applicable land use authorizations, in a manner that provides for reasonable protection of 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: White River Resource Area Proposed Resource Management Plan and Final Environmental Impact Statement (PRMP/FEIS).

Date Approved: July 1, 1997

Name of Document: DOI-BLM-CO-110-2005-219-EA

Date Approved: April 23, 2007

NEPA ADEQUACY CRITERIA:

1. Is the new Proposed Action a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document(s)? Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently

similar to those analyzed in the existing NEPA document(s)? If there are differences, can you explain why they are not substantial?

Documentation of answer and explanation: Yes, the new proposal is for the same action (installation of equipment for injection purpose with replacement of a 3 inch pipeline to a 4 inch pipeline) analyzed in DOI-BLM-CO-110-2005-219-EA. The location for the Proposed Action is within the same area analyzed in the referenced EA. The concerns associated with construction in this field were addressed in DOI-BLM-CO-110-2005-219-EA and the same mitigation would apply.

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the new Proposed Action, given current environmental concerns, interests, and resource values?

Documentation of answer and explanation: Four alternatives, covering a reasonable range of alternatives to the Proposed Action, were analyzed in DOI-BLM-CO-110-2005-219-EA. No reasons were identified to analyze additional alternatives to the Proposed Action. These alternatives are considered to be adequate and valid for the Proposed Action.

3. Is the existing analysis valid in light of any new information or circumstances (such as, rangeland health standard assessment, recent endangered species listings, updated lists of BLM-sensitive species)? Can you reasonably conclude that new information and new circumstances would not substantially change the analysis of the new Proposed Action?

Documentation of answer and explanation: Additional projects have been analyzed in the area, but no known changes in circumstances or information have been found, thus the analysis is still valid.

4. Are the direct, indirect, and cumulative effects that would result from implementation of the new Proposed Action similar (both quantitatively and qualitatively) to those analyzed in the existing NEPA document?

Documentation of answer and explanation: The direct, indirect, and cumulative effects that could result from implementing this Proposed Action would still remain similar to BLM-DOI-CO-110-2005-219-EA.

5. Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current Proposed Action?

Documentation of answer and explanation: Yes, the process of public involvement and interagency review associated with DOI-BLM-CO-110-2005-219-EA remains adequate for this Proposed Action. This project was listed on the WRFO on line NEPA register as of 6/8/2011. No inquiries or comments have been received as of 11/17/2011.

INTERDISCIPLINARY REVIEW:

The Proposed Action was presented to, and reviewed by, the White River Field Office interdisciplinary team on 4/26/2011. A complete list of resource specialists who participated in this review is available upon request from the White River Field Office. The table below lists resource specialists who provided additional remarks concerning cultural resources and special status species.

Name	Title	Resource	Date
Michael Selle	Archaeologist	Cultural Resources, Native American Religious Concerns	5/4/2011
Ed Hollowed	Wildlife Biologist	Special Status Wildlife Species	5/4/2011
Zoe Miller	Ecologist	Special Status Plant Species	11/17/2011

REMARKS:

Cultural Resources: The proposed new injection pipeline has been covered by portions of four Class III inventories (Brogan 2006 Compliance Dated 3/13/2006, Conner 1992 Compliance Dated 6/25/1992, Schneider et al 2007 Compliance Dated 1/31/2008, Slaughter 2010 Compliance Dated 11/26/2010, which have not identified any surface manifestations of cultural resources. As planned there is no indication that the project will impact known cultural resources. Subsurface resources that have not been identified could be impacted but the likelihood seems quite limited in the area.

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.

Paleontological Resources: The proposed pipeline is located in an area generally mapped as the Uinta Formation (Tweto 1979) which the BLM, WRFO has classified as a PFYC 4/5 formation meaning it is known to produce scientifically noteworthy fossil resources (Armstrong and Wolny 1989). If it becomes necessary to do new excavations into the underlying rock formations for the new trenches, there is a potential to locate and impact noteworthy fossils. Impacting fossil could result in the loss of scientific paleontological data for the region if the resources are not mitigated/recovered.

Threatened and Endangered Wildlife Species: There are no wildlife-related issues or concerns that were not adequately addressed in the parent document CO-110-2005-219-EA. Consistent with that EA, and in order to avoid compromising Cooper's hawk nesting activity at a site active in 2010, the pipeline corridor must remain west of the existing road that traverses the following legal subdivisions:

T2S R97W

Section 12: SESW

Section 13: Lot 3 (NENW)

Threatened and Endangered Plant Species: The project area was surveyed in 2010 and 2011 and no threatened species were found within 600 m (Hayden-Wing 2011). Small patches of marginal habitat was found southwest of the project area, however this will not be impacted by the project. No BLM sensitive species were found in the survey. There should be no special status plant species concerns associated with this project.

REFERENCES CITED:

Brogan, John

- 2006 Exxon-Mobil Corporation's Proposed Piceance Tight Gas Project (Phase I) Class III Cultural Resource Inventory in Rio Blanco County, Colorado. Metcalf Archaeological Consultants, Inc., Eagle, Colorado (06-54-02: SHPO # RB.LM.R1120)

Conner, Carl E.

- 1992 Cultural Resources Inventory Report on a Proposed Powerline to Well 35-12 in Rio Blanco County, Colorado for mobile (sic) Oil Company. Grand River Institute, Grand Junction, Colorado. (92-11-26: SHPO number RB.LM.NR630)

Hayden-Wing Associated, LLC.

- 2011 Rare plant and suitable habitat surveys PCU T68-11G pipeline, ExxonMobil Piceance Development Project Area, Piceance Basin, Rio Blanco County, CO. Laramie, WY.

Schneider, Edward, James Lowe and Nancy Pahr

- 2007 A Class III Cultural Resource inventory for White River hub, LLC's White River Hub Project, Rio Blanco County, Colorado. TRC Laramie, Wyoming. (08-22-01: SHPO number RB.LM.NR1874)

Slaughter, Stephanie

- 2010 ExxonMobil Corporation: A Class III Cultural Resources Inventory of ca 450 Acres for Mule Deer Habitat Treatment, Magnolia Pilot area in Rio Blanco County, Colorado. Metcalf Archaeological Consultants, Inc., Wheat Ridge, Colorado. (10-54-07: SHPO number RB.LM.R1216)

MITIGATION:

See Attached Exhibit B

COMPLIANCE PLAN (optional): On-going compliance inspections and monitoring will be conducted by the BLM White River Field Office staff during and after construction. Specific mitigation developed in this document 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.

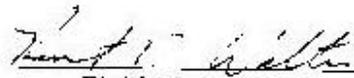
NAME OF PREPARER: Janet Doll

NAME OF ENVIRONMENTAL COORDINATOR: Heather Sauls

CONCLUSION

Based on the review documented above, I conclude that this proposal conforms to applicable land use plan and that the NEPA documentation fully covers the Proposed Action and constitutes BLM's compliance with the requirements of the NEPA.

SIGNATURE OF RESPONSIBLE OFFICIAL:


Field Manager

DATE SIGNED:

12/14/2011

ATTACHMENTS: Exhibit A-Site Map
Exhibit B-Mitigation/Stipulations

Note: The signed Conclusion in this DNA Worksheet is part of an interim step in the BLM's internal decision process and does not constitute an appealable decision. However, the lease, permit, or other authorization based on this DNA is subject to protest or appeal under 43 CFR Part 4 and the program-specific regulations.

Exxon Mobil PCU T68X-11G Disposal Well and Pipeline

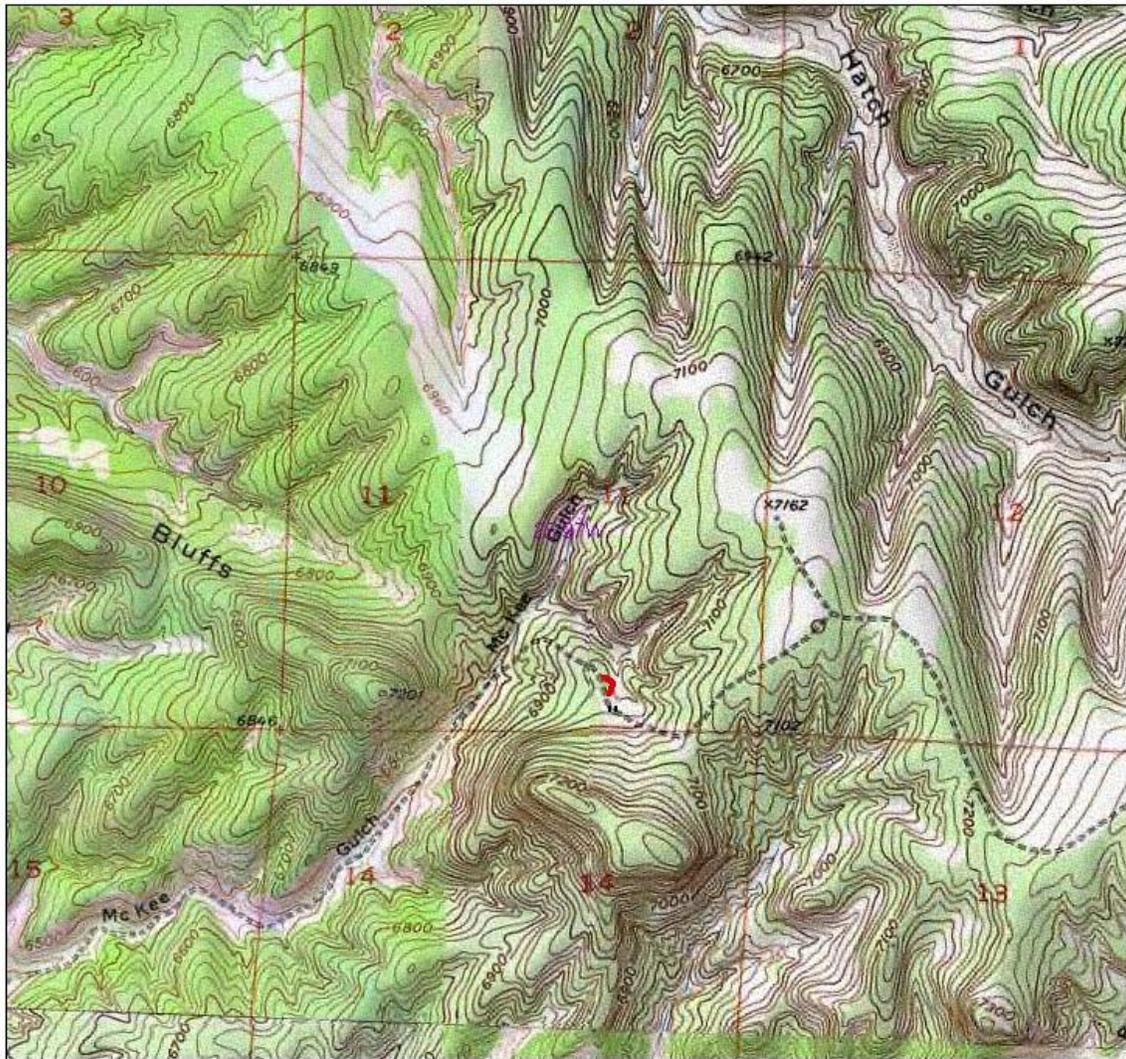


Exhibit A

- COC73610
- COC75205
- PLSS_Townships_GCDB2008

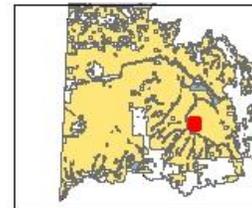


November 2011

0 700 1,400 2,800 Feet

Sources:
BLM, USGS, CDOW, etc.

Disclaimer:
Although the data presented on this map, and the map itself, have been processed electronically on computers of BLM, no warranty, expressed or implied, is made by BLM regarding the use of this map or the data presented, nor does the fact of distribution constitute or imply any such warranty.



MITIGATION-EXHIBIT B

1. The ROW grant is independent of Environmental Protection Agency (EPA) and COGCC approvals. If the holder identifies a conflict between this approval and the necessary approvals granted by the EPA and/or COGCC, the holder will immediately notify this office and propose corrective actions to remedy the conflict.
2. The ROW grant is only for the disposal of produced water in well PCU T68-11G.
3. The initial cost per barrel fee will be \$0.15 of produced water injected in to well PCU T68-11G. Prior approval must be obtained from the BLM for the procedures and equipment proposed to be used for measurement of produced water injected into well PCU T68-11G before such injection begins. The BLM may modify the proposal and condition the approval.
4. The ROW is granted to the holder for the exclusive use of PCU T68-11G for disposal of produced water originating only from those wells operated by the holder, as recognized by the BLM or COGCC.
5. The holder is responsible for informing all persons who are associated with the project that they will be subject to prosecution for knowingly disturbing archaeological sites or for collecting artifacts.
6. If any archaeological materials are discovered as a result of operations under this authorization, activity in the vicinity of the discovery will cease, and the BLM WRFO Archaeologist will be notified immediately. Work may not resume at that location until approved by the AO. The holder will make every effort to protect the site from further impacts including looting, erosion, or other human or natural damage until BLM determines a treatment approach, and the treatment is completed. Unless previously determined in treatment plans or agreements, BLM will evaluate the cultural resources and, in consultation with the State Historic Preservation Office (SHPO), select the appropriate mitigation option within 48 hours of the discovery. The holder, under guidance of the BLM, will implement the mitigation in a timely manner. The process will be fully documented in reports, site forms, maps, drawings, and photographs. The BLM will forward documentation to the SHPO for review and concurrence.
7. The holder is responsible for informing all persons who are associated with the project operations that they will be subject to prosecution for disturbing or collecting vertebrate fossils, collecting large amounts of petrified wood (over 25lbs./day, up to 250lbs./year), or collecting fossils for commercial purposes on public lands.
8. If any paleontological resources are discovered as a result of operations under this authorization, the holder or any of his agents must stop work immediately at that site, immediately contact the BLM Paleontology Coordinator, and make every effort to protect the site from further impacts, including looting, erosion, or other human or natural damage. Work may not resume at that location until approved by the AO. The BLM or designated

paleontologist will evaluate the discovery and take action to protect or remove the resource within 10 working days. Within 10 days, the operator will be allowed to continue construction through the site, or will be given the choice of either (a) following the Paleontology Coordinator's instructions for stabilizing the fossil resource in place and avoiding further disturbance to the fossil resource, or (b) following the Paleontology Coordinator's instructions for mitigating impacts to the fossil resource prior to continuing construction through the project area.

9. The holder will conduct all activities associated with the construction, operation, and termination of the right-of-way within the authorized limits of the right-of-way.

Mitigation Carried Forward from Existing NEPA CO-110-2005-219-EA

1. Notification of all construction-related activities, regardless of size, that result in disturbance of surface soils as a result of this project is required.
2. 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); GIS point and polygon features. These data will be used to accurately locate and identify all geographic as-built (i.e., constructed and design implemented) 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; full well pad footprints (including all stormwater and design features), constructed access roads/widths, existing roads that were upgraded/widths, and pipeline corridors.
 - 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-build 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.

3. 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 SN.

Resource-Specific Mitigation During Construction, Drilling, and Production:

Soils:

- 1) If erosion features such as rilling, gullyng, piping, and mass wasting occur at anytime in the future on disturbed surfaces on public lands downstream from the project, 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.

Wastes, Hazardous or Solid:

- 1) Onsite sewage treatment needs to be approved by the BLM via SN by the AO. Otherwise, all sewage should be disposed of off-site as per the Surface Use Plan (SUP).
- 2) The release of any chemical, oil, petroleum product, produced water, or sewage, etc, must be contained immediately, cleaned up as soon as possible, and reported by the project proponent to the BLM according to Notice to Lessees and Operators of Onshore Federal and Indian Oil and Gas Leases (NTL-3A).

Pre-Reclamation Notification:

- 1) 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.

Reclamation and Weed Management:

- 1) 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 SN. 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.

- 2) Successful re-vegetation should be achieved within three years. Successful reclamation and re-vegetation is defined by the following:
 - A functioning vegetation community will present a minimum cover and composition of 80% of the Desired Plant Community (DPC) as defined by the ecological site description or in relation to the seed mix applied. In cases where wildlife objectives are dependent upon presence of forbs within the community BLM will require their presence at the 80% calculation. The functioning vegetation community established on the reclaimed site is capable of persisting on the site without continued intervention and will allow plant community successional processes to develop to the climax community. *[Vegetation]*
- 3) As stated in the SUP, the operator should clean all construction equipment to remove seed and soil prior to bringing equipment into the project areas. *[Invasive, Non-native Species]*
- 4) The operator should monitor disturbed areas associated with the proposed action throughout the life of the project for establishment of any noxious weed species. Monitoring shall occur until successful reclamation/re-vegetation has been achieved. The operator should eliminate any noxious plants which become established before any seed production has occurred. *[Invasive, Non-native Species]*
- 5) Final reclamation of roads and well pads following abandonment should be achieved with the native seed mix noted above. *[Vegetation]*
- 6) If it is determined that grazing is significantly hampering re-vegetation efforts, fencing of the well pad (including cut and fill slopes) to exclude livestock from the reclaimed areas will be necessary. Fencing will consist of braced corners with a 4 strand barbwire fence. Once reclaimed plant species are fully established on disturbed sites, fences and cattle guards would be completely removed by the applicant. In the interim these fences and cattle guards must be maintained in a functional state by the applicant. *[Vegetation]*

Information Sharing & Reclamation Monitoring:

- 1) 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). 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 30th 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.

- 2) 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.

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DECISION RECORD

PROJECT NAME: Exxon Disposal Well PCU T68-11G and Produced Water Pipeline

DETERMINATION OF NEPA ADEQUACY NUMBER: DOI-BLM-CO-110-2011-0104-DNA

DECISION

It is my decision to implement the Proposed Action, as mitigated in DOI-BLM-CO-110-2005-0219-EA, authorizing the construction, operation, and maintenance of the 4 inch replacement pipeline. It is also my decision to issue a ROW for the existing PCU T68-11G disposal well.

Mitigation Measures

See Exhibit B

COMPLIANCE WITH LAWS & CONFORMANCE WITH THE LAND USE PLAN

This decision is in compliance with the Endangered Species Act and the National Historic Preservation Act. It is also in conformance with the 1997 White River Record of Decision/Approved Resource Management Plan.

PUBLIC INVOLVEMENT

The BLM informed the public about this project by listing it on the online WRFO NEPA Register on 6/8/2011 and a copy of the completed Documentation of NEPA Adequacy will be posted on the WRFO NEPA Register.

RATIONALE

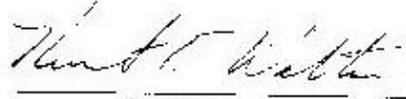
The proposal for a replacement produced water pipeline, in concert with the applied mitigation, conforms to the land use plan and the NEPA documentation previously prepared fully covers the Proposed Action and constitutes BLM's compliance with the requirements of NEPA. Injection is the BLM's preferred method of disposal of produced water.

ADMINISTRATIVE REMEDIES

Any appeal of this decision must follow the procedures set forth in 43 CFR Part 4. Within 30 days of the decision, a Notice of Appeal must be filed in the office of the Authorized Officer at White River Field Office, 220 East Market St., Meeker, CO 81641 with copies sent to the Regional Solicitor, Rocky Mountain Region, 755 Parfet St., Suite 151, Lakewood, CO 80215, and to the Department of the Interior, Board of Land Appeals, 801 North Quincy St., MS300-QC, Arlington, VA, 22203. If a statement of reasons for the appeal is not included with the

notice, it must be filed with the Interior Board of Land Appeals at the above address within 30 days after the Notice of Appeal is filed with the Authorized Officer.

SIGNATURE OF AUTHORIZED OFFICIAL:



Field Manager

DATE SIGNED:

12/14/2011