

**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-110-2013-0002-CX(390)

CASEFILE/PROJECT NUMBER: COC58705 (lease)
COC75947 (ROW for injection site)

PROJECT NAME: Robert Bayless' Proposed Weaver Ridge 27-16 Injection Well

LEGAL DESCRIPTION: T. 1 S., R. 104 W., SE¼SE¼, Sec 27, 6th Principle Meridian

APPLICANT: Robert L Bayless, Producer (Bayless)

BACKGROUND: The Bureau of Land Management (BLM), White River Field Office (WRFO) received an application from Bayless on September 20, 2012 requesting authorization to inject produced water into the existing Weaver Ridge (WR) 27-16 well.

As of October 9, 2012, Bayless did not have an Underground Injection Control (UIC) permit. On June 20, 2012 Bayless was granted authorization by the Colorado Oil & Gas Conservation Commission (COGCC) to re-complete the Castlegate formation and perform the down-hole work for the proposed disposal well. However, the UIC permit, which authorizes the injection well, cannot be obtained or approved by the COGCC until the down-hole work has been completed and the results have been submitted to COGCC for review.

DESCRIPTION OF PROPOSED ACTION: Bayless proposes to recomplete the Weaver Ridge 27-16 well, which is currently shut in. Produced water will be hauled from wells listed in Table 1. These wells are producing an estimated 120 barrels of produced water per week. Once a week, one truck will gather produced water from each well listed in Table 1 and transport these fluids to the WR 27-16 to be injected.

Table 1. The following table summarizes the proposed source of water (by well) that will be injected into the proposed WR 27-16 water injection well. Estimates for total travel distance (in one direction) from the source to the WR 27-16 injection well are also included.

Well Name and Number	Distance from WR 27-16 (miles)	On-lease/Off-lease
Weaver Ridge 13-9	19.4	Off-lease
Weaver Ridge 13-16	19.4	Off-lease
Weaver Ridge 13-9H	19.4	Off-lease
Weaver Ridge 14-15H	4.29	Off-lease
Weaver Ridge 23-10	4.20	On-lease
Weaver Ridge 23-7H	4.20	On-lease
Weaver Ridge 23-14	3.50	On-lease
Weaver Ridge 23-15	3.50	On-lease
Weaver Ridge 23-16	3.99	On-lease
Weaver Ridge 24-6	3.56	Off-lease
Weaver Ridge 27-1	1.12	On-lease
Weaver Ridge 27-9	0.02	On-lease
Hells Hole 6-14	7.00	Off-lease
Hells Hole 18-9	11.43	Off-lease
Hells Hole 19-1	12.43	Off-lease
Weaver Canyon 26-2	14.34	Off-lease
Weaver Canyon 26-3	14.14	Off-lease
Weaver Canyon 26-5	13.27	Off-lease
Weaver Canyon 27-2	13.88	Off-lease

The applicant has agreed to implement the following design features:

1. Bayless will remain within the original area of disturbance of the existing Weaver Ridge 27-16 and Weaver Ridge 27-9 wells (located on the same wellpad). No new surface disturbance is planned for the conversion of the Weaver Ridge 27-16 well.
2. The water from these wells (see Table 1) is currently being hauled by truck using the existing roads in the area (Figure 1). Bayless has a right-of-way (COC68238) for access to the injection well. Humboldt Incorporated and RN Industries are authorized to haul water for Bayless.
3. Only produced water from owned and operated Bayless wells will be injected into this well, no third party waters will be allowed to be injected. The majority of the produced water will be from the Mancos B formation. The produced water for the Hells Hole wells will be produced from the Dakota and Mancos formation. Under normal operating conditions the anticipated volume to be injected into the Castlegate formations will be 17 barrels per day (120 barrels per week). Metering of the injected water will be done with barrel counters.

4. The berm of the existing tank battery that currently services the Weaver Ridge 27-9 and Weaver Ridge 27-16 will be expanded to accommodate the two new 300 barrel water tanks and pump building. The new tanks will be placed immediately west of the existing battery. The final battery will be surrounded by a dike or metal berm of sufficient capacity to contain 110 percent of the volume of the largest production tank. All loading lines and valves will be placed inside the berm surrounding the tank battery.
5. Compaction and construction of the berms surrounding production tanks will be designed to conform with Spill Prevention, Control, and Countermeasure (SPCC) Plans to prevent lateral movement of fluids through the berm, prior to any storage of fluids.
6. Water will be permanently hauled off by trucking and no pipelines will be necessary. The produced water will be hauled over the existing roads in the area. Anticipated traffic volume to each well (see Table 1) will be one truck once a week. No new roads are necessary.
7. The subject well is currently shut in. No water will be disposed of in this well until authorized to do so.
8. The new surface equipment required consists of two, 300 barrel water tanks for water storage, and a pump building. The pump building will serve as protection for the injection pump and the pump motor. The pump motor that is required to run the injection pump will be a natural gas driven motor. The source of power for the pumping unit will be gas. No power lines or electric generators are planned or will be used for the conversion of this well.
9. A natural gas driven motor will be used to run the injection pump. Both the injection pump and the pump motor will be located on the inside of the pump house building to protect equipment from severe weather conditions.
10. The initial configuration of the injection equipment will consist of a GPT-TS1511 injection pump, which pumps 4.0 gallons per minute at 3,500 pounds per square inch, and a FD620D Kawasaki motor. Injection equipment may vary according to actual pressures and pump rates upon completion and the step-rate injectivity test of the Castlegate formation. If the results of this test dictate a different equipment configuration other than what has been mentioned above, Bayless will notify the WRFO via Sundry Notice and describe the requested change.
11. The injection equipment (pump and pump motor) will be enclosed in a pump building. The pump building will help reduce noise, and it will protect the injection equipment from severe weather conditions.
12. All production facilities will comply with Federal rules regarding noise, regardless of whether the operation is in the construction, drilling or production phase.

13. The noise produced by the injection pump and pump motor is estimated to be within 60-70 decibels. If noise mitigation is needed, adequate muffling techniques, acoustical sound panels and enclosures will be applied.
14. The drilling pit has been closed, topsoil has been redistributed and seeding and revegetation with seed mix and applications rates approved on original Application for Permit to Drill.
15. Proposed facilities will include two, 300 barrel water tanks, a pump building and pump, a pump motor, a water injection line from the pump building and pump to the 27-16 wellhead, and a one inch supply gas line for pump motor that will run from the pump motor to the WR 27-9 wellhead. The water injection flowline will be a two inch steel coated line. The length of this line is proposed to be 140 feet and will be buried in a trench with minimum of four feet cover. The supply gas line to power the pump motor will be an underground line from the Weaver Ridge 27-9 wellhead to the pump house. The length of this line is 130 feet and will be buried in a trench with minimum of four feet of cover. Bayless Best Management Practices will be utilized to minimize potential impacts from the line construction.
16. Production equipment will be painted light reflective colors to limit evaporation and waste of liquid hydrocarbons. All above ground permanent structures including production equipment will be painted to blend with the surrounding landscape. The color juniper green will be used. All above ground equipment will be painted and maintained through the life of the well.
17. No new facilities will be located off the existing wellpad.

Decision to be Made: The BLM will decide whether or not to approve the Sundry Notice for the Notice of Intent to convert to injection the WR 27-16 well, and if so, under what conditions.

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."

CATEGORICAL EXCLUSION REVIEW: The Energy Policy Act of 2005 (P.L. 109-58) prescribed five categorical exclusions (CX) for activities whose purpose is for the exploration of oil or gas.

The Proposed Action qualifies as a categorical exclusion under the Section 390 of the Energy Policy Act, #1: *“Individual surface disturbances of less than five 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 the NEPA has been previously completed.”*

Documentation

The BLM NEPA Handbook (H-1790-1) provides specific instructions for using this CX.

1) Is surface disturbance associated with the Proposed Action less than five acres?

The Proposed Action will not require any new disturbance outside what has already been authorized.

2) Is there less than 150 acres of surface disturbance, including the Proposed Action, on the entire leasehold?

Based on 2011 NAIP aerial photography, lease COC-58705 surface disturbance is estimated at 23.80 acres.

3) Is the Proposed Action within the boundaries of an area included in a site-specific NEPA document? (The NEPA document must have analyzed the exploration and/or development of oil and gas (not just leasing) and the action/activity being considered must be within the boundaries of the area analyzed in the environmental assessment (EA) or environmental impact statement (EIS). The NEPA document need not have addressed the specific permit or application being considered.)

The Proposed Action is within the boundaries of CO-110-2005-132-EA, which was approved on June 17, 2005.

INTERDISCIPLINARY REVIEW: The Proposed Action was presented to, and reviewed by, the White River Field Office interdisciplinary team on 10/09/2012. A list of resource specialists who participated in this review is available upon request from the White River Field Office. Table 2 lists resource specialists who provided additional remarks concerning cultural resources and special status species.

Table 2. Resource Specialists

Name	Title	Resource	Date
Michael Wolfe	Archaeologist	Cultural Resources, Native American Religious Concerns	10/19/2012
Michael Selle	Paleontologist	Paleontological Resources	11/16/2012
Laura Dixon	Wildlife Biologist	Special Status Wildlife Species	10/22/2012
Zoe Miller	Ecologist	Special Status Plant Species	11/13/2012

REMARKS:

Cultural Resources: Cultural resource concerns have been adequately addressed in the original EA (CO-110-2005-132-EA).

Cultural Resources Mitigation:

1. The operator 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.
2. 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 operator 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 operator, 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.
3. Pursuant to 43 CFR 10.4(g), the must notify the AO, by telephone and 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), the operator must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the AO.

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 injection well is located in an area generally mapped as the Douglas Creek member of the Green River Formation (Tweto 1979). The BLM, WRFO has classified the Douglas Creek unit as a Potential Fossil Classification Yield (PFYC) 4 formation meaning it is known to produce scientifically noteworthy fossil resources including vertebrates (c. f. Armstrong and Wolny 1989). If in the course of burying the natural gas lines for the injection pump motor or the injection water lines it becomes necessary to excavate into the underlying sedimentary rock formation there is a potential to impact scientifically noteworthy fossil resources.

Paleontological Resources 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 disturbing or collecting vertebrate fossils, collecting large amounts of petrified wood (over 25 lbs./day, up to 250 lbs./year), or collecting fossils for commercial purposes on public lands.
2. If any paleontological resources are discovered as a result of operations under this authorization, the operator/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.
3. Any excavations into the underlying native sedimentary stone must be monitored by a permitted paleontologist. The monitoring paleontologist must be present before the start of excavations that may impact bedrock.

Threatened and Endangered Wildlife Species: The BLM concurs with Bayless' intent to mitigate noise associated with injection facilities through the use of hospital grade mufflers, acoustical sound panels and enclosures. It is also suggested that Bayless directs the noise produced from the exhaust system into the cut bank on the well pad to further reduce noise. No threatened and endangered wildlife species are known to inhabit or derive important use from the project area and all other wildlife issues were adequately addressed in the original EA (CO-110-2005-132-EA).

Threatened and Endangered Wildlife Species Mitigation:

1. BLM recommends that Bayless directs the noise produced from the exhaust system into the cut bank on the well pad to further reduce noise.

Threatened and Endangered Plant Species: The Proposed Action occurs on the lower part of the Green River formation which is potential habitat to several special status plants species in the WRFO (see Table 3). The project area has not been previously surveyed for these special status plant species. Since there is a possibility that these plants may be growing along the roadside, on interim reclamation, or near enough to pad to be affected either directly or indirectly by the Proposed Action or future actions, special status plants surveys are required in the growing season of 2013. If occupied populations of these special status plant species are identified during surveys, future mitigation may apply.

Table 3. Special status plant species that may potentially occur in the project area.

Name	Species	BLM Status	Habitat
Debris milkvetch	<i>Astragalus detritalis</i>	Sensitive	Pinyon/juniper and mixed desert shrub, often on rocky soils ranging from sandy clays to sandy loams. Also alluvial terraces with cobbles (5,400-7,200 ft)
Duchesne milkvetch	<i>Astragalus duchesnensis</i>	Sensitive	Pinyon/juniper woodland and desert shrub, around sandstone or shale outcrops (4,600-6,400 ft)
Tufted cryptantha	<i>Cryptantha caespitosa</i> (<i>Oreocarya caespitosa</i>)	Sensitive	Sparsely vegetation shale knolls, with pinyon/juniper or sagebrush; usually with other cushion plants (5,500-8,100 ft)
Rollins cryptantha	<i>Cryptantha rollinsii</i> (<i>Oreocarya rollinsii</i>)	Sensitive	White shale slopes of the Green River Formation, in pinyon/juniper or cold desert shrub communities (5,300-5,800 ft)
Ephedra buckwheat	<i>Eriogonum ephedroides</i>	Sensitive	Shale and clay flats of slopes in saltbush, sage and pinyon/juniper habitats (4,900-6,900 ft)
Narrow-stem gilia	<i>Alciella stenothyrsa</i> (<i>Gilia stenothyrsa</i>)	Sensitive	Grassland, sagebrush, mountain mahogany or pinyon/juniper; silty to gravelly loam soils of the Green River formation (6,200 -8,600 ft)
Piceance bladderpod	<i>Lesquerella parviflora</i>	Sensitive	Shale outcrops of the Green River Formation, on ledges and slopes of canyons in open areas (6,200-8,600 ft)
Graham's beardtongue	<i>Penstemon grahamii</i>	Proposed	Talus slopes and knolls of the Green River Formation in sparsely vegetated desert scrub and pinyon/juniper (5,800-6,000 ft)
White River beardtongue	<i>Penstemon scariosus</i> <i>var. albifluvis</i>	Candidate	Sparsely vegetated shale slopes of the Green River Formation Desert in shrub and pinyon/juniper communities (5,000-7,200 ft)

Special Status Plant Species Mitigation:

- Complete surveys in spring 2013 according to the most current "WRFO Standards for Contractor Inventories for Special Status Plant Species & Noxious Weed Affiliates." Surveys shall be completed around the injection well pad and access road with at least a 200 meter buffer. If special status plant species are identified, the buffer may be increased to include entire populations, especially if the species found are designated a candidate to be listed or proposed to be listed.
 - Any future maintenance or change in operations may require special status plant surveys.
 - In reference to the proposed Graham's beardtongue and the candidate White River beardtongue, the BLM Manual 6840 states (.1E2), "Monitoring and evaluating ongoing management activities to ensure conservation objective for listed species are being met."
 - If these species are federally listed in the future, ESA section 7(a)(3) states "a Federal agency shall consult with the Secretary on any prospective agency action...if the applicant has reason to believe that an endangered or a threatened species may be present in the area affected by his project and that implementation of such action will likely affect such species." The regulatory definition of "action" in the ESA handbook: Action - all activities or programs of any

kind **authorized**, funded, or **carried out**, in whole or in part, by Federal agencies in the United States or upon the high seas. Examples include, but are not limited to: (a) actions intended to conserve listed species or their habitat; (b) the promulgation of regulations; (c) the granting of licenses, contracts, leases, easements, rights of-way, permits, or grants-in-aid; or (d) **actions directly or indirectly causing modifications to the land, water, or air.**” [50 CFR §402.02]

2. As soon as plant populations are surveyed and identified, sensitive plant species and suitable habitat found within 50 m (164 feet) of the well pad location may be fenced (with fence maintained), protected for the life of the well, and signed to deter construction workers and public foot traffic.
 - An independent third party monitor will be required to be on-site to advise operator of placement of a protective fence, if BLM cannot be present.
 - BLM Manual 6840 states (.1I), “In compliance with existing laws, including the BLM multiple use mission as specified in the FLPMA, the BLM shall designate Bureau sensitive species and implement measures to conserve these species and their habitats, including ESA proposed critical habitat, to promote their conservation and reduce the likelihood and need for such species to be listed pursuant to the ESA.” In the event that a candidate or proposed species is found and a protective fence is placed around occupied or suitable habitat, the BLM will be in compliance by “...incorporate best management practices, standard operating procedures, conservation measures, and design criteria to mitigate specific threats to Bureau sensitive species...” (BLM Manual 6840 (.2C7)).
3. Dust suppression will be accomplished only with fresh water free of any chemicals, oils or solvents. The BLM may require that no water will be applied within any fenced plant protection area or on any special status plant species.
4. If special status plant species are found in an area where they may be directly or indirectly impacted, the BLM may require seeds of the special status plant species to be collected on-site and at nearby off-site populations by a third party during the summers of 2013 and 2014. The seed will be sent to Denver Botanical Gardens or the Upper Colorado Environment Plant Center to be grown out to produce more seed for re-seeding in suitable habitat within the pad vicinity. Additionally, seeding attempts may be made in nearby suitable habitat. Some of the seed may also be stored for genetic preservation of the species. (Bayless will cover the cost of seed collection and seed grow-out by either of the two organizations mentioned above.)
 - The BLM Manual 6840 states “On BLM-administered land, the BLM shall manage Bureau sensitive species and their habitats to minimize or eliminate threats affecting the status of the species or to improve the condition of the species habitat, by: ...incorporate best management practices, standard operating procedures, conservation measures, and design criteria to mitigate specific threats to Bureau sensitive species...” (.2C7).

5. All sites shall be monitored and treated for noxious weeds on an annual basis for the life of the project until Final Abandonment has been approved by the BLM.
6. If populations are identified on areas to be reclaimed in the future or in close proximity to future reclamation activities, the operator will work with the BLM to avoid these species and design a new reclamation plan.
7. All herbicide use must comply with buffers found in DOI-BLM-CO-110-2010-0005-EA.
8. Invasive species found in and near special status plant species populations must be manually controlled. Surrounding areas must be spot-treated with backpack sprayers. BLM must approve all herbicides used within 300 m of special status plant species populations.
9. The herbicide applicator must be trained in the identification of the nearby special status plant species. The independent 3rd party monitor shall train personnel in special status plant species identification and flag special status plant species populations to avoid killing special status plants near weeds infestations. (This plant ID training can be accomplished simultaneously when surveys are completed to reduce the cost. The herbicide applicator personnel can meet the contractor on-site during the survey season).

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.

Tweto, Ogden

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

MITIGATION: The following mitigation measures that were developed for NEPA document CO-110-2005-132-EA also apply to this application.

1. The operator will be responsible for complying with all local, state, and Federal air quality regulations and provide documentation to the BLM that they have done so.
2. Revegetate surfaces disturbed during construction. Stockpiled soils must be covered and adequate ground cover must be applied (e.g. woody debris) to minimize surface exposure to eolian processes.
3. Dust abatement (spreading water) will be required during dry periods.
4. In accordance with Condition of Approval #179 from Appendix B of the White River ROD/RMP, application of herbicides must be under field supervision of an EPA-certified pesticide applicator. Herbicides must be registered by the EPA and application proposals must be approved by the BLM.

5. The applicant shall be required to collect and properly dispose of any solid wastes generated by the Proposed Actions.
6. To mitigate contamination of local ground water, environmentally unfriendly substances (e.g. diesel) must not be allowed to contact soils. The use of impermeable matting under equipment is suggested to intercept such contaminants prior to contacting soils. Furthermore, all pits must be lined and all wastes associated with construction and drilling will be properly treated and disposed of. Finally, aquifers beneficial for human consumption and livestock encountered during the drilling process must be properly sealed to reduce potential for contamination.
7. Heavy truck traffic must be eliminated during wet periods to reduce deterioration of the roadways and prevent rut development. Seasonal restrictions for heavy truck traffic must be implemented and enforced.

In addition to mitigation that was developed for CO-110-2005-132-EA, the following mitigation also applies to this application:

1. BLM recommends that Bayless directs the noise produced from the exhaust system into the cut bank on the well pad to further reduce noise.
2. Complete plant surveys in spring 2013 according to the most current “WRFO Standards for Contractor Inventories for Special Status Plant Species & Noxious Weed Affiliates.” Surveys shall be completed around the injection well pad and access road with at least a 200 meter buffer. If special status plant species are identified, the buffer may be increased to include entire populations, especially if the species found are designated a candidate to be listed or proposed to be listed.
3. Any future maintenance or change in operations may require special status plant surveys.
4. As soon as plant populations are surveyed and identified, sensitive plant species and suitable habitat found within 50 m (164 feet) of the well pad location may be fenced (with fence maintained), protected for the life of the well, and signed to deter construction workers and public foot traffic.
 - An independent third party monitor will be required to be on-site to advise operator of placement of a protective fence, if BLM cannot be present.
5. Dust suppression will be accomplished only with fresh water free of any chemicals, oils or solvents. The BLM may require that no water will be applied within any fenced plant protection area or on any special status plant species.
6. If special status plant species are found, the BLM may require seeds of the special status plant species to be collected on-site and at nearby off-site populations by a third party during the summers of 2013 and 2014. The seed will be sent to Denver Botanical Gardens or the Upper Colorado Environment Plant Center to be grown out to produce

more seed for re-seeding in suitable habitat within the pad vicinity. Additionally, seeding attempts may be made in nearby suitable habitat. Some of the seed may also be stored for genetic preservation of the species. (Bayless will cover the cost of seed collection and seed grow-out by either of the two organizations mentioned above.)

7. A Sundry Notice must be submitted to the BLM Vernal Field Office describing final disposition of the produced water for the wells administered by that office that will contribute produced water as part of the proposal for the WR 27-16 injection well.
8. This ROW is granted only for the disposal of produced water into the Weaver Ridge 27-16 well.
9. The initial cost per barrel fee will be \$0.15 (originating only from those wells operated by the holder, as recognized by the BLM or COGCC) and \$0.25 (originating from any well) of produced water injected into well Weaver Ridge 27-16. 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 Weaver Ridge 27-16 (T1S, R104W, sec. 27) before such injection begins. The BLM may modify the proposal and condition the approval.
11. The ROW is granted to Robert L. Bayless Producer, LLC for the exclusive use of the Weaver Ridge 27-16 well for disposal of produced water.
12. The operator 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.
13. 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 operator 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 operator, 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.
14. Pursuant to 43 CFR 10.4(g), the must notify the AO, by telephone and 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), the operator must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the AO.

15. The operator/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 25 lbs./day, up to 250 lbs./year), or collecting fossils for commercial purposes on public lands.
16. If any paleontological resources are discovered as a result of operations under this authorization, the operator/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.
17. Any excavations into the underlying native sedimentary stone must be monitored by a permitted paleontologist. The monitoring paleontologist must be present before the start of excavations that may impact bedrock.
18. All sites shall be monitored and treated for noxious weeds on an annual basis for the life of the project until Final Abandonment has been approved by the BLM.
19. If populations are identified on areas to be reclaimed in the future or in close proximity to future reclamation activities, the operator will work with the BLM to avoid these species and design a new reclamation plan.
20. All herbicide use must comply with buffers found in DOI-BLM-CO-110-2010-0005-EA.
21. Invasive species found in and near special status plant species populations must be manually controlled. Surrounding areas must be spot-treated with backpack sprayers. BLM must approve all herbicides used within 300 m of special status plant species populations.
22. The herbicide applicator must be trained in the identification of the nearby special status plant species. The independent 3rd party monitor shall train personnel in special status plant species identification and flag special status plant species populations to avoid killing special status plants near weeds infestations. (This plant ID training can be accomplished simultaneously when surveys are completed to reduce the cost. The herbicide applicator personnel can meet the contractor on-site during the survey season).

MONITORING AND COMPLIANCE: On-going compliance inspections and monitoring of pre-injection and injection activities will be conducted by White River Field Office staff during the life of the injection well of all facilities including but not limited to the WR 27-16 wellpad, all wells within the BLM WRFO jurisdiction contributing produced water injected to the WR 27-16

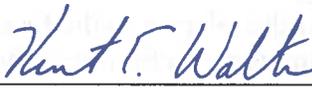
and their access roads. Specific mitigation developed in the associated Categorical Exclusion and the lease terms and conditions will be followed. The Operator will be notified of compliance related issues in writing, and depending on the nature of the issue(s), will be provided 30 days to resolve such issues.

NAME OF PREPARER: Jay Johnson

NAME OF ENVIRONMENTAL COORDINATOR: Heather Sauls

COMPLIANCE WITH NEPA

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with Section 390 of the Energy Policy.

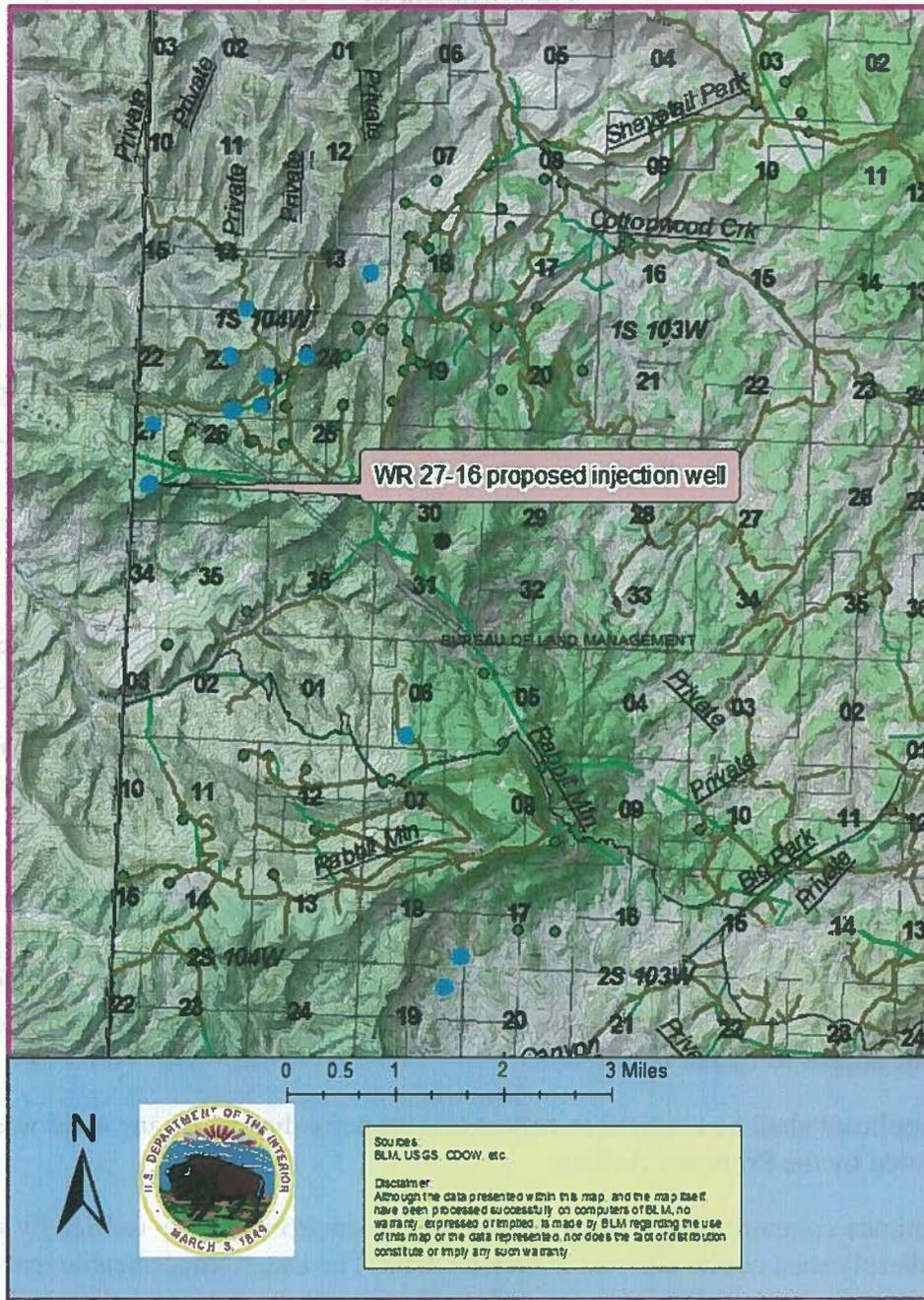
SIGNATURE OF AUTHORIZED OFFICIAL: 
Field Manager

DATE SIGNED: 01/10/2013

ATTACHMENTS:

Figure 1 – Bayless 27-16 injection well (T1S, R104W SESE Section 27 with highlighted wells contributing produced water)

Figure 1 - DOI-BLM-CO-110-2013-0002-CX(390) - Bayless 27-16 injection well T1S, R104W SESE Section 27 (highlighted wells contribute produced water)



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

DECISION RECORD

PROJECT NAME: Robert Bayless' Proposed Weaver Ridge 27-16 Injection Well

CATEGORICAL EXCLUSION NUMBER: DOI-BLM-CO-110-2013-0002-CX(390)

DECISION: It is my decision to implement the Proposed Action, as mitigated in DOI-BLM-CO-110-2013-0002-CX(390), authorizing the construction, operation, and maintenance of the Robert Bayless Injection Well - Weaver Ridge 27-16 (WR 27-16).

MITIGATION: The following mitigation measures that were developed for NEPA document CO-110-2005-132-EA also apply to this application.

1. The operator will be responsible for complying with all local, state, and Federal air quality regulations and provide documentation to the BLM that they have done so.
2. Revegetate surfaces disturbed during construction. Stockpiled soils must be covered and adequate ground cover must be applied (e.g. woody debris) to minimize surface exposure to eolian processes.
3. Dust abatement (spreading water) will be required during dry periods.
4. In accordance with Condition of Approval #179 from Appendix B of the White River ROD/RMP, application of herbicides must be under field supervision of an EPA-certified pesticide applicator. Herbicides must be registered by the EPA and application proposals must be approved by the BLM.
5. The applicant shall be required to collect and properly dispose of any solid wastes generated by the Proposed Actions.
6. To mitigate contamination of local ground water, environmentally unfriendly substances (e.g. diesel) must not be allowed to contact soils. The use of impermeable matting under equipment is suggested to intercept such contaminants prior to contacting soils. Furthermore, all pits must be lined and all wastes associated with construction and drilling will be properly treated and disposed of. Finally, aquifers beneficial for human consumption and livestock encountered during the drilling process must be properly sealed to reduce potential for contamination.

7. Heavy truck traffic must be eliminated during wet periods to reduce deterioration of the roadways and prevent rut development. Seasonal restrictions for heavy truck traffic must be implemented and enforced.

In addition to mitigation that was developed for CO-110-2005-132-EA, the following mitigation also applies to this application:

1. BLM recommends that Bayless directs the noise produced from the exhaust system into the cut bank on the well pad to further reduce noise.
2. Complete plant surveys in spring 2013 according to the most current “WRFO Standards for Contractor Inventories for Special Status Plant Species & Noxious Weed Affiliates.” Surveys shall be completed around the injection well pad and access road with at least a 200 meter buffer. If special status plant species are identified, the buffer may be increased to include entire populations, especially if the species found are designated a candidate to be listed or proposed to be listed.
3. Any future maintenance or change in operations may require special status plant surveys.
4. As soon as plant populations are surveyed and identified, sensitive plant species and suitable habitat found within 50 m (164 feet) of the well pad location may be fenced (with fence maintained), protected for the life of the well, and signed to deter construction workers and public foot traffic.
 - An independent third party monitor will be required to be on-site to advise operator of placement of a protective fence, if BLM cannot be present.
5. Dust suppression will be accomplished only with fresh water free of any chemicals, oils or solvents. The BLM may require that no water will be applied within any fenced plant protection area or on any special status plant species.
6. If special status plant species are found, the BLM may require seeds of the special status plant species to be collected on-site and at nearby off-site populations by a third party during the summers of 2013 and 2014. The seed will be sent to Denver Botanical Gardens or the Upper Colorado Environment Plant Center to be grown out to produce more seed for re-seeding in suitable habitat within the pad vicinity. Additionally, seeding attempts may be made in nearby suitable habitat. Some of the seed may also be stored for genetic preservation of the species. (Bayless will cover the cost of seed collection and seed grow-out by either of the two organizations mentioned above.)
7. If populations are identified on areas to be reclaimed in the future, the operator will work with the BLM to avoid these species and design a new reclamation plan.
8. A Sundry Notice must be submitted to the BLM Vernal Field Office describing final disposition of the produced water for the wells administered by that office that will contribute produced water as part of the proposal for the WR 27-16 injection well.

9. This ROW is granted only for the disposal of produced water into the Weaver Ridge 27-16 well.
10. The initial cost per barrel fee will be \$0.15 (originating only from those wells operated by the holder, as recognized by the BLM or COGCC) and \$0.25 (originating from any well) of produced water injected into well Weaver Ridge 27-16. 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 Weaver Ridge 27-16 (T1S, R104W, sec. 27) before such injection begins. The BLM may modify the proposal and condition the approval.
11. The ROW is granted to Robert L. Bayless Producer, LLC for the exclusive use of the Weaver Ridge 27-16 well for disposal of produced water.
12. The operator 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.
13. 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 operator 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 operator, 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.
14. Pursuant to 43 CFR 10.4(g), the must notify the AO, by telephone and 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), the operator must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the AO.
15. The operator/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 25 lbs./day, up to 250 lbs./year), or collecting fossils for commercial purposes on public lands.
16. If any paleontological resources are discovered as a result of operations under this authorization, the operator/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.

17. Any excavations into the underlying native sedimentary stone must be monitored by a permitted paleontologist. The monitoring paleontologist must be present before the start of excavations that may impact bedrock.
18. All sites shall be monitored and treated for noxious weeds on an annual basis for the life of the project until Final Abandonment has been approved by the BLM.
19. If populations are identified on areas to be reclaimed in the future or in close proximity to future reclamation activities, the operator will work with the BLM to avoid these species and design a new reclamation plan.
20. All herbicide use must comply with buffers found in DOI-BLM-CO-110-2010-0005-EA.
21. Invasive species found in and near special status plant species populations must be manually controlled. Surrounding areas must be spot-treated with backpack sprayers. BLM must approve all herbicides used within 300 m of special status plant species populations.
22. The herbicide applicator must be trained in the identification of the nearby special status plant species. The independent 3rd party monitor shall train personnel in special status plant species identification and flag special status plant species populations to avoid killing special status plants near weeds infestations. (This plant ID training can be accomplished simultaneously when surveys are completed to reduce the cost. The herbicide applicator personnel can meet the contractor on-site during the survey season).

COMPLIANCE WITH LAWS & CONFORMANCE WITH THE LAND USE PLAN

This decision is in compliance with State of Colorado oil and gas rules, 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

Internal scoping was initiated when the project was presented to the White River Field Office (WRFO) interdisciplinary team on 10/09/2012. External scoping was conducted by posting this project on the WRFO's on-line National Environmental Policy Act (NEPA) register on 10/11/2012.

RATIONALE

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with Section 390 of the Energy Policy Act.

Disposal of produced water via injection wells is the BLM's preferred method of disposal and using an existing location and road network eliminates the need for additional surface disturbance.

ADMINISTRATIVE REMEDIES

State Director Review

Under regulations addressed 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 with the BLM Colorado State Office at 2850 Youngfield Street, Lakewood, Colorado 80215 within 20 business days of the date such decision was received or considered to have been received. Upon request and showing of good cause, an extension may be granted by the State Director. Such review shall include all factors or circumstances relevant to the particular case.

Appeal

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 out in 43 CRF Part 4.

SIGNATURE OF AUTHORIZED OFFICIAL:



Field Manager

DATE SIGNED:

01/10/2013