

**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-110-2013-0026-CX

CASEFILE/PROJECT NUMBER: COC-60756
COC75975 (Federal 299-26-2 disposal well)
COC75976 (water pipeline)
COC75977 (access road)

PROJECT NAME: WPX Federal RG 299-26-2 injection well conversion

LEGAL DESCRIPTION: T2S, R99W, Sec.26, NWNW

APPLICANT: WPX Energy Ryan Gulch LLC (WPX)

DESCRIPTION OF PROPOSED ACTION: WPX proposes to convert the existing Ryan Gulch Federal 299-26-2 well into a salt water disposal well (see Project Map, Figure 1). WPX anticipates injection rates at the wellhead would be from 500bbls/day at 100psi up to 8,500bbls/day at 3,500psi. Until sustained injectivity rates could be confirmed for the injection well, WPX would be trucking produced water to the well pad and utilizing temporary storage equipment to hold water. Six to 12 water trucks per day would be expected to be offloaded at the well pad for not greater than one month. Water would be trucked from wells on and off unit, so a right-of-way (ROW) will be required for the disposal well and the access road. The truck traffic would originate from the Ryan Gulch / Ryan Gulch Unit Leasehold area (to the Northeast of the 299-26-2 well) and return to the Ryan Gulch / Ryan Gulch Unit leasehold after dropping water for disposal. No additional truck traffic will be generated to the west of the 299-26-2 well.

WPX proposes to install one 3in water line connecting the proposed Federal 299-26-2 well to the adjacent, planned and already-authorized Ryan Ridge Water lines. The new water line would be 340ft in length and would be installed entirely within the existing disturbance, alongside the existing access road. A 25ft disturbance width is requested to install the total length of the water line (making the total disturbance related to construction total 0.25 acres). A ROW will be required for the water pipeline. Once the 340ft pipeline is fully installed, the temporary equipment located on the Federal 299-26-2 site would be removed and WPX would utilize the existing, approved injection equipment located on the Federal 299-27-5 pad for permanent

injection in the Federal 299-26-2 well. Water to be injected into the Federal 299-26-2 well would then be offloaded at the adjacent Federal 299-27-5 pad, processed, separated and stored in the existing equipment, and pumped to the subject location for injection.

Decision to be Made: BLM will decide whether or not to authorize the installation of 175ft of water line to the injection well, the temporary placement of facilities on the Federal 299-26-2 location, and the operation of maintenance of the Federal 299-26-2 injection 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 National Environmental Policy Act (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?*

Yes. The total surface disturbance that would occur as a result of the Proposed Action is 0.25 acres, and this disturbance would occur in an area already authorized for disturbance.

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

Yes, the total disturbance on the lease is less than 150 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 CO-110-2004-198-EA document analyzed drilling four well locations with associated access roads, pipelines and a processing plant. The Proposed action is within the boundaries of the existing NEPA analysis for the project area. The NEPA analysis was signed on 12/10/2004.

INTERDISCIPLINARY REVIEW:

The Proposed Action was presented to, and reviewed by, the White River Field Office interdisciplinary team on 12/11/12. A 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	12/18/2012
Larua Dixon	Wildlife Biologist	Special Status Wildlife Species	12/28/2012
Baili Foster	Ecologist Intern	Special Status Plant Species	1/08/2013
Mary Taylor	Rangeland Management Specialist	Vegetation	12/18/2012

REMARKS:

Cultural Resources: The well pad location was inventoried at the Class III (100 percent) pedestrian level (Conner 2004 compliance dated 11/12/2004) but only to a ten acre area. Provided that all injection equipment can be confined to the original ten acre inventory area there should be no new impacts to any known cultural resources. There are no known cultural resources within 1,000 feet (305 meters) of the well head. If all work is confined to the access road and existing well pad disturbance there should be no new impacts to cultural resources, surface or unidentified subsurface. The proposal to bury a pipeline for injection water could impact previously unknown subsurface remains.

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 existing well pad is located in an area generally mapped as the Uintah Formation (Tweto 1979) which the BLM, WRFO has classified as a potential Fossil Yield Classification (PFYC) 5 formation. The Uintah Formation is known to produce scientifically noteworthy fossil resources (c f Armstrong and Wolny 1989). The proposed excavations into the underlying sedimentary rock for pipelines necessary to convert the well to an injection well and any other support facilities that require excavation could impact scientifically noteworthy fossil resources.

Special Status Wildlife Species: There are no special status wildlife species that are known to inhabit or derive important use from the project area. The project area lies immediately outside (~80 meters) general sage-grouse habitat as mapped by Colorado Parks and Wildlife (CPW). Sage-grouse are a candidate species under the Endangered Species Act and considered sensitive by the BLM. An active lek is located approximately 3.7 miles from the project area. The project area itself is poorly suited for sage-grouse occupation due to dense pinyon juniper woodland encompassing the project area. In addition, based on telemetry data from CPW, sage-grouse use in the area is concentrated nearly four miles further up ridge, with no evidence of use in the immediate vicinity of the project area. The Proposed Action would not involve any additional surface disturbance that would have influence on sage-grouse populations or habitats important to this species. Access to the Proposed Action would be from the east and would not be through sage-grouse priority or general habitat. If access routes change and the Proposed Action is accessed from the east, sage-grouse habitat would be affected and additional analysis would be required.

The Proposed Action will result in the direct removal of 0.2 acres habitat and has the potential to indirectly influence an additional 13 acres of habitat through disturbance from construction activities. This represents an incremental loss in habitat for nesting migratory birds. However, due to the proximity to existing disturbance, short term nature of the Proposed Action and minute amount of habitat removal, effects to migratory birds are not expected. Pinyon-juniper surrounding the site may provide suitable nesting substrate for woodland raptors. There is a known Cooper's hawk nest located approximately 600 meters of the project area. However, due to the proximity to existing disturbance, short term nature of the Proposed Action and minimal amount of habitat removal, effects to raptors are not expected. There are no additional wildlife related issues or concerns associated with the Proposed Action.

Special Status Plant Species: This area was surveyed by WestWater Engineering Inc. in 2010. The Proposed Action is within 0.3 miles from the Black Sulphur Tongue of the Green River Formation. The Black Sulphur Tongue is potential habitat for special status plant species Dudley Bluffs bladderpod (*Physaria congesta*) and Dudley Bluffs twinpod (*Physaria obcordata*). However, there have been no reported special status plants occurring on the Black Sulphur Tongue. Due to the proximity of existing disturbance and minimal amount of habitat removal, there are no direct impacts expected to special status plant species associated with the Proposed Action. If special status plant species colonize any of the soils near the Proposed Action, the fragmentation of the surrounding vegetative communities may impact the new populations.

Some impacts may include an increase in non-native species invasion, fragmentation of pollinator habitat, and possible increase of human disturbance because of easier access on roads used by energy proponents. Any future activities requiring disturbance may require a special status plant species survey.

Vegetation: There will be short-term vegetation removal, the modification of vegetation structure, plant species composition, and temporary reduction of basal and aerial vegetative cover. There will be increased potential for non-native/noxious plant establishment and introduction, accelerated wind and water erosion, changes in water runoff due to road/facility construction, soil impacts that affect plant growth (soil erosion or siltation), shifts in species composition and/or changes in vegetative density away from desirable conditions.

REFERENCES CITED:

Armstrong, Harley j., and David G. Wolny

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

Conner, Carl E.

2004 Class III Cultural Resources Inventory for four Proposed Well Locations and Related Short Accesses in Rio Blanco County, Colorado for Riata Energy, Inc. Grand River institute, Grand junction, Colorado. (04-11-30: SHPO #RB.LM.NR1657)

Tweto, Ogden

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

MITIGATION:

Pre-Construction Activities and Notifications

1. The designated Natural Resource Specialist will be notified via email or phone 24 hours prior to beginning all construction-related activities associated with this project that result in disturbance of surface soils. 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.

Post-Construction Notifications

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) (e.g., 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.

- a) 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.
- b) 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.
- c) 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.
- d) 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
- e) Internal and external review of the reporting process and the adequacy of the associated information to meet established goals will be conducted on an ongoing 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.
- f) 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.

Resource-Specific Mitigation:

- 3. All sediment control structures or disposal pits will be designed to contain a 100-year, 6-hour storm event. Storage volumes within these structures will have a design life of 25 years.
- 4. All activity should cease when soils or road surfaces become saturated to a depth of three inches unless otherwise approved by the Authorized Officer.

5. WPX should provide vegetation or artificial stabilization of cut and fill slopes in the design process. Establishment of vegetation should be avoided where it inhibits drainage from the road surface or where it restricts safety or maintenance.
6. WPX should eliminate undesirable berms that retard normal surface runoff.
7. Slopes within the disturbed area should be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetative cover should be reestablished to increase infiltration and provide additional protection from erosion.
8. When erosion is anticipated, sediment barriers should 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
9. Applicant should use seed that is certified and free of noxious weeds. Seed certification tags should be submitted to the Area Manager within 30 days of seeding.
10. Reclamation activities will include using available soil material to back-fill cut slopes. Disturbed areas will be seeded with the approved mix of perennial and annual forbs and grasses.
11. The compressor fans should be oriented to the east or north to reduce potential impacts to deer and elk as a result of displacement due to noise disturbance.
12. To reduce airborne dust the operator should be required to either surface (with magnesium chloride or similar material) the access roads or periodically water them as directed by the Field Manager in order to reduce or eliminate negative impacts to vegetation and its usefulness to herbivores.
13. Paint on all production, processing, and permanent facilities should be Juniper Green.

Cultural and Paleontological Resources

14. WPX 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.
15. 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. WPX 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. WPX, 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.
16. Pursuant to 43 CFR 10.4(g), WPX 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), WPX must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the AO.
17. WPX 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.
18. If any paleontological resources are discovered as a result of operations under this authorization, WPX 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.
 19. 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.

Hazardous and Solid Wastes

20. Comply with all Federal, State and/or local laws, rules and regulations, including but not limited to onshore orders and notices to lessees, addressing the emission of and/or the handling, use, and release of any substance that poses a risk of harm to human health or the environment. All spills or leakages of oil, gas, produced water, toxic liquids or waste materials, blowouts, fires, shall be reported by the operator in accordance with the regulations and as prescribed in applicable orders or notices .
21. All lessees and/or operators and right-of-way holders shall comply with all federal, state and/or local laws, rules, and regulations, including but not limited to onshore orders and notices to lessees, addressing the emission of and/or the handling, use, and release of any substance that poses a risk of harm to human health or the environment.
22. Where required by law or regulation to develop a plan for the prevention of releases or the recovery of a release of any substance that poses a risk of harm to human health or the environment, provide a current copy of said plan to the BLM WRFO.
23. Through all phases of oil and gas exploration, development, and production, all lessees and/or operators and holders of rights-of-way shall employ, maintain, and periodically update to the best available technology(s) aimed at reducing: 1) emissions, 2) fresh water use, and 3) utilization, production, and release of hazardous material.
24. All substances that pose a risk of harm to human health or the environment shall be stored in appropriate containers. Fluids that pose a risk of harm to human health or the environment, including but not limited to produced water, shall be stored in appropriate containers and in secondary containment systems at 110% of the largest vessel's capacity. Secondary fluid containment systems, including but not limited to tank batteries shall be lined with a minimum 24 mil impermeable liner.
25. Construction sites and all facilities shall be maintained in a sanitary condition at all times; waste materials shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ashes, and equipment.

26. As a reasonable and prudent lessee/operator in the oil and gas industry, acting in good faith, all lessees/operators and right-of-way holders will report all emissions or releases that may pose a risk of harm to human health or the environment, regardless of a substance's status as exempt or nonexempt and regardless of fault, to the BLM WRFO (970) 878-3800.
27. As a reasonable and prudent lessees/operator and/or right-of-way holder in the oil and gas industry, acting in good faith, all lessees/operators and right-of-way holders will provide for the immediate clean-up and testing of air, water (surface and/or ground) and soils contaminated by the emission or release of any substance that may pose a risk of harm to human health or the environment, regardless of that substance's status as exempt or non-exempt. Where the lessee/operator or right-of-way holder fails, refuses or neglects to provide for the immediate clean-up and testing of air, water (surface and/or ground) and soils contaminated by the emission or release of any quantity of a substance that poses a risk of harm to human health or the environment, the BLM WRFO may take measures to clean-up and test air, water (surface and/or ground) and soils at the lessee/operator's expense. Such action will not relieve the lessee/operator of any liability or responsibility.
28. With the acceptance of this authorization, the commencement of operations under this authorization, or within thirty calendar days from the issuance of this authorization, whichever occurs first, and during the life of the pipeline, the right-of-way holder and the lessee/operator, and through the right-of-way holder and lessee/operator, its agents, employees, subcontractors, successors and assigns, stipulate and agree to indemnify, defend and hold harmless the United States Government, its agencies, and employees from all liability associated with the emission or release of substances that pose a risk of harm to human health or the environment.

Pre-Reclamation Notification

29. 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, or constructing exclosures (e.g., fences) to exclude livestock from reclaimed areas.

Reclamation and Weed Management

30. All disturbed areas including any stockpiled topsoil shall be reseeded at the first appropriate seeding window (September 1 – March 15) using Seed Mix #3 outlined below. Seeding rates are PLS (Pure Live Seed) and apply to drill seeding. For broadcast application, double the seeding rate and then harrow to insure seed coverage.

Seed Mix 3			
Cultivar	Common Name	Scientific Name	Application Rate (lbs PLS/acre)
Rosana	Western Wheatgrass	<i>Pascopyrum smithii</i>	4
Whitmar	Bluebunch Wheatgrass	<i>Pseudoroegneria spicata ssp. inermis</i>	3.5
Rimrock	Indian Ricegrass	<i>Achnatherum hymenoides</i>	3
	Needle and Thread Grass	<i>Hesperostipa comata ssp. comata</i>	2.5
	Sulphur Flower Buckwheat	<i>Eriogonum umbellatum</i>	1.5
	Scarlet Globemallow	<i>Sphaeralcea coccinea</i>	0.5

31. If, after three growing seasons, the following success criteria are not achieved then the steps will be reassessed in consultation with the BLM WRFO and additional seeding at an appropriate seeding window will occur. Success criteria to achieve:
- a) Vegetation monitoring (method approved by the BLM) reveals that the total vegetative ground cover in the reseeded area is no less than 80 percent of foliar cover of the desired plant community (as determined by the BLM).
 - b) The resulting plant community must have at least five desirable plant species, at least two of which must be a forb or shrub, each comprising at least three percent relative cover, none of which may exceed 70 percent relative cover individually.
32. Final reclamation of the pad will use the seed mix and reclamation practices recommended by BLM at that time.
33. Where it is apparent that livestock use will hamper reclamation efforts in terms of vegetation establishment WPX may build fences (built to BLM Specifications, BLM manual H-1741-1) around reclaimed areas. Fences will be maintained by WPX and upon achieving reclamation success fences will be removed by WPX.
34. 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 and phone number of the contractor that performed the work, 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.

Information Sharing & Reclamation Monitoring

35. 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.

36. 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.

Realty

Additional mitigation to be applied to disposal well ROW COC75975:

37. This ROW grant is independent of Environmental Protection Agency (EPA) and Colorado Oil and Gas Conservation Commission (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.
38. This ROW is granted only for the disposal of produced water in well Federal #299-26-2.
39. 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 Federal #299-26-2. 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 Federal #299-26-2 (T2S, R99W, sec. 26) before such injection begins. The BLM may modify the proposal and condition the approval.

40. This ROW is granted to WPX Energy Ryan Gulch, LLC for the exclusive use of well Federal #299-26-2 for disposal of produced water originating from any well.

MONITORING AND COMPLIANCE: 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: Christina Ashley

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:

01/16/2013

ATTACHMENTS:

Figure 1. Project Site Map

WPX Proposed 299-26-2 Injection Well Conversion (2013-0026-CX)

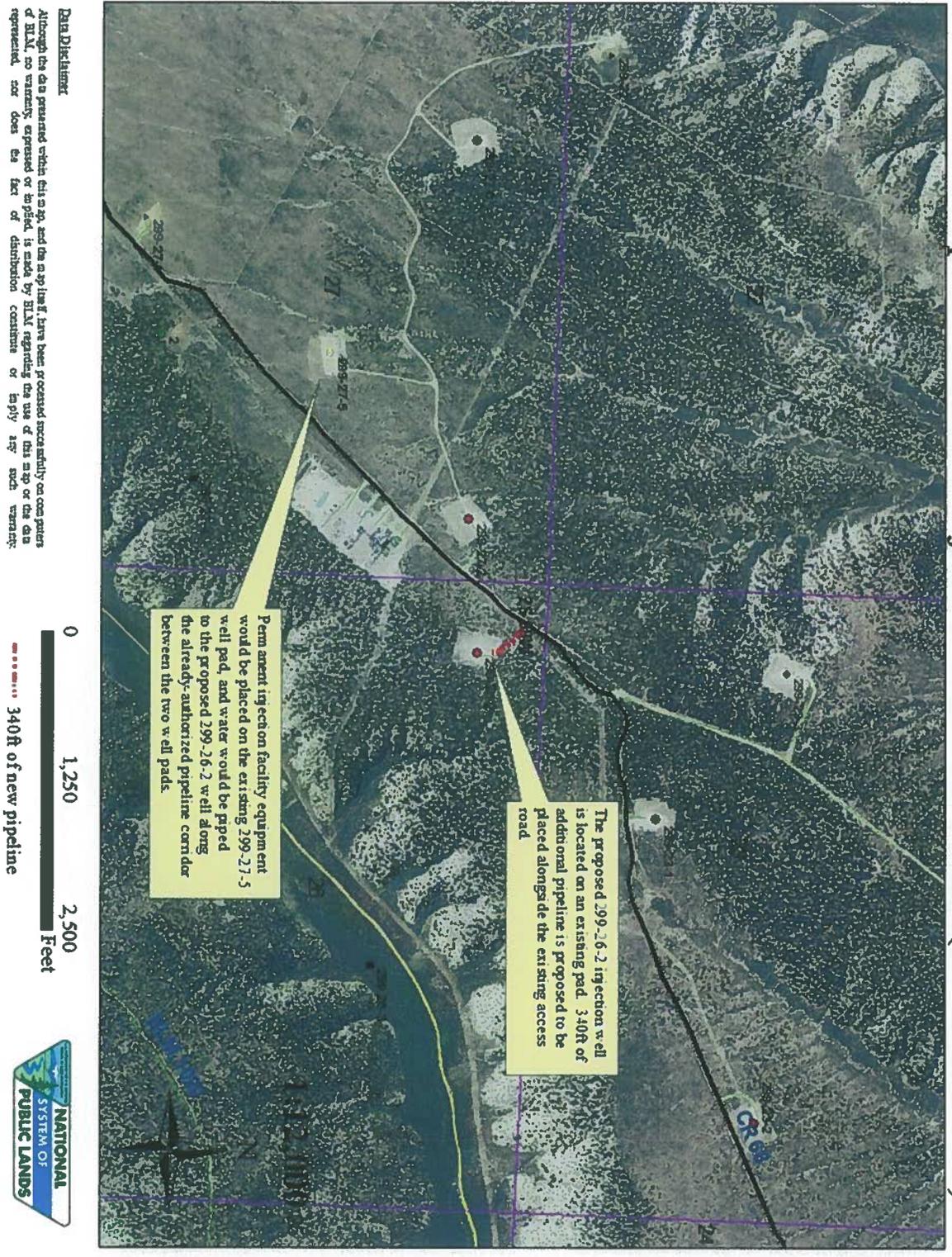


Figure 1. Project Map

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

DECISION

PROJECT NAME: WPX Federal 299-26-2 injection well conversion

CATEGORICAL EXCLUSION NUMBER: DOI-BLM-CO-110-2013-00026-CX

DECISION

It is my decision to implement the Proposed Action, as mitigated in DOI-BLM-CO-2013-0026, authorizing the installation of 175ft of water line to the injection well, the temporary placement of facilities on the Federal 299-26-2 location, and the operation and maintenance of the Federal 299-26-2 injection well.

Mitigation Measures

Pre-Construction Activities and Notifications

1. The designated Natural Resource Specialist will be notified via email or phone 24 hours prior to beginning all construction-related activities associated with this project that result in disturbance of surface soils. 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.

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- h) 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.
- i) 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.
- j) 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
- k) Internal and external review of the reporting process and the adequacy of the associated information to meet established goals will be conducted on an ongoing 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.
- l) 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.

Resource-Specific Mitigation:

3. All sediment control structures or disposal pits will be designed to contain a 100-year, 6-hour storm event. Storage volumes within these structures will have a design life of 25 years.
4. All activity should cease when soils or road surfaces become saturated to a depth of three inches unless otherwise approved by the Authorized Officer.
5. WPX should provide vegetation or artificial stabilization of cut and fill slopes in the design process. Establishment of vegetation should be avoided where it inhibits drainage from the road surface or where it restricts safety or maintenance.
6. WPX should eliminate undesirable berms that retard normal surface runoff.
7. Slopes within the disturbed area should be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetative cover should be reestablished to increase infiltration and provide additional protection from erosion.

8. When erosion is anticipated, sediment barriers should 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
9. Applicant should use seed that is certified and free of noxious weeds. Seed certification tags should be submitted to the Area Manager within 30 days of seeding.
10. Reclamation activities will include using available soil material to back-fill cut slopes. Disturbed areas will be seeded with the approved mix of perennial and annual forbs and grasses.
11. The compressor fans should be oriented to the east or north to reduce potential impacts to deer and elk as a result of displacement due to noise disturbance.
12. To reduce airborne dust the operator should be required to either surface (with magnesium chloride or similar material) the access roads or periodically water them as directed by the Field Manager in order to reduce or eliminate negative impacts to vegetation and its usefulness to herbivores.
13. Paint on all production, processing, and permanent facilities should be Juniper Green.

Cultural and Paleontological Resources

14. WPX 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.
15. 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. WPX 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. WPX, 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.
16. Pursuant to 43 CFR 10.4(g), WPX 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), WPX must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the AO.
17. WPX 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.
18. If any paleontological resources are discovered as a result of operations under this authorization, WPX 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.

19. 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.

Hazardous and Solid Wastes

20. Comply with all Federal, State and/or local laws, rules and regulations, including but not limited to onshore orders and notices to lessees, addressing the emission of and/or the handling, use, and release of any substance that poses a risk of harm to human health or the environment. All spills or leakages of oil, gas, produced water, toxic liquids or waste materials, blowouts, fires, shall be reported by the operator in accordance with the regulations and as prescribed in applicable orders or notices .
21. All lessees and/or operators and right-of-way holders shall comply with all federal, state and/or local laws, rules, and regulations, including but not limited to onshore orders and notices to lessees, addressing the emission of and/or the handling, use, and release of any substance that poses a risk of harm to human health or the environment.
22. Where required by law or regulation to develop a plan for the prevention of releases or the recovery of a release of any substance that poses a risk of harm to human health or the environment, provide a current copy of said plan to the BLM WRFO.
23. Through all phases of oil and gas exploration, development, and production, all lessees and/or operators and holders of rights-of-way shall employ, maintain, and periodically update to the best available technology(s) aimed at reducing: 1) emissions, 2) fresh water use, and 3) utilization, production, and release of hazardous material.
24. All substances that pose a risk of harm to human health or the environment shall be stored in appropriate containers. Fluids that pose a risk of harm to human health or the environment, including but not limited to produced water, shall be stored in appropriate containers and in secondary containment systems at 110% of the largest vessel's capacity. Secondary fluid containment systems, including but not limited to tank batteries shall be lined with a minimum 24 mil impermeable liner.
25. Construction sites and all facilities shall be maintained in a sanitary condition at all times; waste materials shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ashes, and equipment.
26. As a reasonable and prudent lessee/operator in the oil and gas industry, acting in good faith, all lessees/operators and right-of-way holders will report all emissions or releases that may pose a risk of harm to human health or the environment, regardless of a substance's status as exempt or nonexempt and regardless of fault, to the BLM WRFO (970) 878-3800.
27. As a reasonable and prudent lessees/operator and/or right-of-way holder in the oil and gas industry, acting in good faith, all lessees/operators and right-of-way holders will provide for the immediate clean-up and testing of air, water (surface and/or ground) and soils contaminated by the emission or release of any substance that may pose a risk of harm to

human health or the environment, regardless of that substance’s status as exempt or non-exempt. Where the lessee/operator or right-of-way holder fails, refuses or neglects to provide for the immediate clean-up and testing of air, water (surface and/or ground) and soils contaminated by the emission or release of any quantity of a substance that poses a risk of harm to human health or the environment, the BLM WRFO may take measures to clean-up and test air, water (surface and/or ground) and soils at the lessee/operator’s expense. Such action will not relieve the lessee/operator of any liability or responsibility.

28. With the acceptance of this authorization, the commencement of operations under this authorization, or within thirty calendar days from the issuance of this authorization, whichever occurs first, and during the life of the pipeline, the right-of-way holder and the lessee/operator, and through the right-of-way holder and lessee/operator, its agents, employees, subcontractors, successors and assigns, stipulate and agree to indemnify, defend and hold harmless the United States Government, its agencies, and employees from all liability associated with the emission or release of substances that pose a risk of harm to human health or the environment.

Pre-Reclamation Notification

29. 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, or constructing exclosures (e.g., fences) to exclude livestock from reclaimed areas.

Reclamation and Weed Management

30. All disturbed areas including any stockpiled topsoil shall be reseeded at the first appropriate seeding window (September 1 – March 15) using Seed Mix #3 outlined below. Seeding rates are PLS (Pure Live Seed) and apply to drill seeding. For broadcast application, double the seeding rate and then harrow to insure seed coverage.

Seed Mix 3			
Cultivar	Common Name	Scientific Name	Application Rate (lbs PLS/acre)
Rosana	Western Wheatgrass	<i>Pascopyrum smithii</i>	4
Whitmar	Bluebunch Wheatgrass	<i>Pseudoroegneria spicata ssp. inermis</i>	3.5
Rimrock	Indian Ricegrass	<i>Achnatherum hymenoides</i>	3
	Needle and Thread Grass	<i>Hesperostipa comata ssp. comata</i>	2.5
	Sulphur Flower Buckwheat	<i>Eriogonum umbellatum</i>	1.5
	Scarlet Globemallow	<i>Sphaeralcea coccinea</i>	0.5

31. If, after three growing seasons, the following success criteria are not achieved then the steps will be reassessed in consultation with the BLM WRFO and additional seeding at an appropriate seeding window will occur. Success criteria to achieve:

- c) Vegetation monitoring (method approved by the BLM) reveals that the total vegetative ground cover in the reseeded area is no less than 80 percent of foliar cover of the desired plant community (as determined by the BLM).
 - d) The resulting plant community must have at least five desirable plant species, at least two of which must be a forb or shrub, each comprising at least three percent relative cover, none of which may exceed 70 percent relative cover individually.
32. Final reclamation of the pad will use the seed mix and reclamation practices recommended by BLM at that time.
33. Where it is apparent that livestock use will hamper reclamation efforts in terms of vegetation establishment WPX may build fences (built to BLM Specifications, BLM manual H-1741-1) around reclaimed areas. Fences will be maintained by WPX and upon achieving reclamation success fences will be removed by WPX.
34. 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 and phone number of the contractor that performed the work, 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.

Information Sharing & Reclamation Monitoring

35. 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.

36. 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.

Realty

Additional mitigation to be applied to disposal well ROW COC75975:

37. This ROW grant is independent of Environmental Protection Agency (EPA) and Colorado Oil and Gas Conservation Commission (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.
38. This ROW is granted only for the disposal of produced water in well Federal #299-26-2.
39. 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 Federal #299-26-2. 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 Federal #299-26-2 (T2S, R99W, sec. 26) before such injection begins. The BLM may modify the proposal and condition the approval.
40. This ROW is granted to WPX Energy Ryan Gulch, LLC for the exclusive use of well Federal #299-26-2 for disposal of produced water originating from any well.

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 12/11/2012. External scoping was conducted by posting this project on the WRFO’s on-line National Environmental Policy Act (NEPA) register on 12/11/2012. No comments or inquiries were received as of 1/9/2013.

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. Injection is BLM’s preferred method of disposal of produced water.

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:

01/16/2013