



# United States Department of the Interior Bureau of Land Management



**Environmental Assessment CO-110-2007-092**  
**Case File Numbers: COC-71536/WYW-166141**

## **Finding of No Significant Impact and Decision Record**

### **Overland Pass Pipeline Piceance Basin Lateral NGL Project**

**Location:** *Rio Blanco and Moffat Counties, Colorado and Sweetwater and Carbon Counties, Wyoming*

**Applicant/Address:** *Overland Pass Pipeline Company LLC, operated by ONEOK NGL Pipeline, L.L.C., 100 West 5<sup>th</sup> Street, Tulsa, OK 74103*

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**October 2008**



# **Finding of No Significant Impact / Decision Record**

## **INTRODUCTION:**

The Bureau of Land Management (BLM) has conducted an environmental analysis (EA No. CO-110-2007-092) for the Overland Pass Pipeline Piceance Basin Lateral Project. This assessment was completed in response to the proponent's application to the BLM for a right-of-way grant (Attachment A) and associated temporary use permit (Attachment B).

The Overland Pass Pipeline Company (OPPC), a subsidiary of ONEOK, Inc. and Williams Field Service Company, LLC (Williams), is proposing to construct, own, and operate a 152-mile-long, 14-inch-diameter, buried steel, natural gas liquids (NGL) pipeline and related facilities that would connect NGL production from the Piceance Basin in Colorado to the OPPC Overland Pass Pipeline in southern Wyoming. The proposed pipeline would begin at the Willow Creek Gas Plant southwest of Meeker, Colorado, extend in a northerly direction through Rio Blanco and Moffat counties in Colorado and Sweetwater and Carbon counties in Wyoming, and terminate at the Echo Springs pump station southeast of Wamsutter, Wyoming.

The proposed pipeline would be capable of transporting a total of 100,000 barrels per day (bpd) of Y-grade NGL. Initially, 20,000 to 30,000 bpd would be transported; however, the pipe would be designed to handle more NGL as the need increases. Should volumes of NGL increase above approximately 70,000 bpd, a pump station would be constructed at the approximate midpoint of the pipeline route near milepost (MP) 82.4. With the pump station installed, the capacity of the pipeline would be 100,000 bpd.

Approximately 72.3 miles (47.5 percent) of the pipeline route would cross federal lands managed by the BLM. Except for areas restrained by topography or environmental restrictions, approximately 96 percent of the route would follow and be collocated with existing pipeline or utility corridors in the area, approximately 90 percent of which includes the Wyoming Interstate Company, Limited (WIC) Piceance Basin Expansion Project and/or Encana's Entrega Pipeline Project. Both of these projects recently completed full Environmental Impact Statements (EISs) in 2005. As such, the BLM determined that the area had been sufficiently studied for these projects and that this project would not require completion of an EIS to meet NEPA compliance responsibilities. Information from these existing NEPA documents were used along with new resource information collected by OPPC to form the basis for the Environmental Assessment (EA) completed for the proposed project.

The project would consist of the following facilities:

- Piceance Basin NGL Lateral - 152.2 miles of 14-inch-diameter pipe;
- Willow Creek Tie-in, Meter Station, and Pig Launcher at MP 0.0;

- J.L. Davis Lateral - 2,000-foot, 6-inch-diameter pipe;
- J.L. Davis Tie-in, Meter Station, and Pig Launcher and Receiver at MP 5.6;
- Mainline Valve (MLV) #1 at MP 18.9;
- MLV #2 at MP 19.6;
- MLV #3 at MP 32.9;
- MLV #4 at MP 46.3;
- MLV #5 at MP 59.1;
- MLV #6 at MP 59.7;
- MLV #7 at MP 71.7;
- Mid-point Pig Launcher and Receiver and Potential Future Pump Station at, MP 82.4;
- MLV #8 at MP 92.8;
- MLV #9 at MP 93.9;
- MLV #10 at MP 107.9;
- MLV #11 at MP 124.6;
- MLV #12 at MP 139.1; and
- Echo Springs Tie-in and Pig Receiver at MP 152.2.

Construction would begin as soon as all permits are secured, including a Notice to Proceed from the BLM. OPPC's proposed construction is scheduled to begin on or about October 20, 2008 and would take approximately 6 months to complete. The pipeline would be in service by late summer 2009. Construction activities would require a peak of approximately 450 employees working in three pipeline spreads: the first from MP 0-50, the second from MP 50-93, and the third from MP 93-152.

Purpose and Need:

NGL are hydrocarbon liquids associated with the production and processing of natural gas. When natural gas is removed from the ground it is compositionally different than what is transported through natural gas transmission systems and ultimately used by the public for such things as home heating and cooking. When removed from the ground, the mixture is predominately methane, but also includes heavier hydrocarbons and inert gases. Although the mixture can vary greatly, a typical stream may include 85 percent methane, 10 percent heavier hydrocarbons (NGL), and 5 percent inert gases. The NGL and inert gases must be removed to make the natural gas salable and transportable.

Once removed from the natural gas, the NGL must be transported under pressure by alternate pipelines to fractionators. The fractionators separate the NGL into purity products such as ethane, propane, and butane, which are used in the petrochemical,

petroleum refining, and agricultural industries. Gas processing plants are much smaller, simpler facilities than fractionators and are more commonly located very near the natural gas drilling areas. Fractionators, on the other hand, are very complex facilities that are located in areas of the country with ready access to delivery markets and, typically, underground storage facilities.

As natural gas production increases, typical NGL production also increases. Increased drilling activity and natural gas production in the Rocky Mountain region, and particularly in the Piceance Basin, are creating a corresponding increase in the amount of NGL that need to be carried out of the area to existing fractionators in the Midwest and Gulf Coast regions. An underground NGL pipeline located largely in existing pipeline rights-of-way would have considerable environmental and safety advantages over alternative means of transporting NGL out of the Piceance Basin, such as trucking or rail transport. Currently, existing NGL pipelines are operating at or near capacity. The proposed project would address the needs of producers in Colorado by providing additional NGL pipeline capacity out of the Piceance Basin to fractionation facilities in Bushton and Conway, Kansas. Downstream customers would thereby gain access to the Piceance Basin supply. In summary, approval of the project would meet the mutual needs of producers and downstream customers, and would further federal policy in regard to the development of pipeline infrastructure in the Rocky Mountain region.

In addition to being necessary, the removal of NGL from the natural gas stream also can enhance the value of the components removed. Although only 10 percent of the stream by weight, the NGL can contribute approximately 15 percent of the energy of the stream.

Since NGL must be removed up to a certain level and are often removed in greater quantities for economic purposes, regional NGL production quantities track with regional natural gas production quantities. Specifically in the Rocky Mountain region of the United States (U.S.), as natural gas production grows, NGL production also grows. According to the EA for the Mid-America Pipeline Company, LLC Western Expansion Project, the Rocky Mountain region is a significant contributor to the supply of natural gas in the U.S., producing approximately 25 percent of the U.S. natural gas. Natural gas production in the Rocky Mountains increased 56 percent between 1999 and 2003. Some experts predict that the Rocky Mountain region's gas production could increase from 3.3 trillion cubic feet per year (tcfy) in 2002 to 4.6 tcfy in 2010 and 6.3 tcfy in 2025. Notwithstanding the variance in supply predictions, industry experts agree that production from the Rocky Mountain region would be critical to serving the country's increasing energy needs. Using typical average NGL content (2 gallons per thousand cubic feet) and an average NGL recovery factor (50 percent), this increase in natural gas production would produce a substantial increase in NGL that would need to be moved.

Agency Selected Alternative:

The decision is to authorize the proposed action as modified by the Grassland Reserve Program (GRP) land re-route alternative. Authorization of the proposed action with or without the re-route alternative would be acceptable given the conditions of this decision

record. This proposal incorporates modifications required by the BLM resource managers and other interested parties. The proposed action and alternatives are described in detail in the EA (CO-110-2007-092) available at the White River Field Office, Little Snake Field Office, and Rawlins Field Office. Three alternatives were considered in the preparation of the EA. The alternatives were the proposed action, the no action alternative, and the GRP land re-route alternative. Two other alternatives were originally proposed but were eliminated from consideration due to anticipated undesirable residual impacts. Chapters 1.0 and 2.0 of the EA discuss the proposed action in detail and the alternatives evaluated, including the two alternatives that were eliminated from consideration.

### **PLAN CONFORMANCE AND CONSISTENCY:**

The proposed action and alternatives have been reviewed and found to be in conformance with the following BLM Land Use Plans and the associated decision(s):

- White River Resource Management Plan (RMP) (1997);
- Little Snake RMP (1989);
- Oil and Gas Plan Amendment to the Little Snake RMP (1991); and
- Rawlins RMP (2008).

The management goals for oil and gas minerals management and for lands and realty for the three BLM resource areas as stated in their respective RMPs include:

- White River RMP – Chapter 2:
  - Oil and Gas Minerals: To make federal oil and gas resources available for leasing and development in a manner that provides reasonable protection for other resource values.
  - Land Use Authorizations: To make public lands available for the siting of public and private facilities through the issuance of applicable land use authorizations, in a manner that provides for reasonable protection of other resource values.
- Little Snake RMP – Chapter 2:
  - Oil and Gas: To maximize the availability of the federal oil and gas estate for exploration and development, and to facilitate orderly, economic, and environmentally sound exploration and development of oil and gas resources using balanced multiple-use management.
  - Major Right-of-Way Management: To allow the most efficient right-of-way routes while identifying areas which would not be compatible with use as rights-of-way.

- Rawlins RMP – Chapter 2:
  - Minerals: To manage mineral resources from available BLM-administered public lands and federal minerals while minimizing the impacts to the environment, public health and safety, and other resource values and uses.
  - Lands and Realty: To manage the acquisition, disposal, withdrawal, and use of public lands to meet the needs of internal and external customers (i.e., to respond to community needs for expansion and economic development and to preserve important resource values); to improve management efficiency in areas of scattered or intermingled land ownership patterns; and to review and evaluate the need and merits of current withdrawals.

Additionally, the White River RMP and Rawlins RMP identify existing right-of-way corridors as the likely location for placement and development of new delivery pipelines for oil and gas. The proposed project generally follows these designated right-of-way corridors. Therefore, development of the proposed project would be in conformance with the management directives identified in the RMPs for oil and gas minerals management and utility right-of-way development.

**FINDING OF NO SIGNIFICANT IMPACT DETERMINATION:**

Based upon a review of the EA and the supporting documents, we have determined that the selected alternative with or without the GRP land re-route is not a major federal action and will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as defined in 40 CFR 1508.27 and do not exceed those effects described in the three BLM field office RMPs described above. Therefore, an EIS is not needed. This finding is based on the context and intensity of the project as described below:

**Context**: The project is a site-specific action directly involving a total of approximately 1,611 acres for 153 miles of temporary linear construction, of which approximately 769 acres are lands administered by the BLM in Colorado and Wyoming. Comparatively, the BLM White River Field Office manages 1.5 million acres and the BLM Little Snake Field Office manages 1.3 million acres in Colorado, while the BLM Rawlins Field Office manages 3.5 million acres in Wyoming. The acreage impacts associated with the temporary construction of the project on BLM-administered lands account for approximately 0.01 percent of the overall management areas. While the area directly affected does not have international, national, regional, or state-wide importance, these lands are part of a greater project region known for its wildlife characteristics. The project crosses two State Wildlife Areas, and designated habitat for greater sage-grouse and big game. However, the agency-selected alternatives would follow existing pipeline and other utility corridors for approximately 96 percent of the route and be both limited in scope and duration; therefore, it would have limited impacts to these resources. When

added to other past, present, and reasonably foreseeable future actions, the incremental impacts would be minimal.

**Intensity:** The following discussion is organized around the Ten Significance Criteria described in 40 CFR 1508.27, supplemental Instruction Memorandum, Acts, regulations, and Executive Orders. The following have been considered in evaluating intensity for this proposal:

1. **Impacts may be both beneficial and adverse.** The selected alternatives would impact resources as described in the EA. Applicant-committed protection measures were incorporated into the design of the selected alternatives to avoid or minimize impacts to fish habitat, surface water quality, and bank stabilization; threatened, endangered, and special status species and habitat; reclamation and revegetation success; land use; and local and regional infrastructure. None of the environmental effects discussed in detail in the EA and associated appendices are considered significant, nor do the effects exceed those described in the governing RMPs. The selected alternatives would allow for safe and efficient transportation of NGL to markets using the least environmentally impacting means.
2. **The degree to which the selected alternatives will affect public health or safety.** Based on the burial depth of the pipeline, the suppression of construction-related dust, the overall remoteness of the project footprint, implementation of safety rules during the construction and operation phases of the project, and the applicant-committed safety measures incorporated in the selected alternatives, it is reasonable to conclude the implementation of the selected alternatives would not significantly affect public health and safety.
3. **Unique characteristics of the geographic area such as proximity to historic or cultural resources, park lands, prime farm lands, wetlands, wilderness, wild and scenic rivers, or ecologically critical areas.** The historic and cultural resources of the area have been inventoried and potential impacts mitigated in the design and treatment plan for the selected alternative. There are no national parks, national landmarks, state or municipal parks, or national wild and scenic rivers present in the project area; therefore, they are not affected by the selected alternatives. The project does cross two State Wildlife Areas; however, the agency-selected alternatives would follow existing pipeline corridors through these areas and be both limited in scope and duration. Therefore, the project would have limited impacts through these areas. In addition, the elements of the human environment and other resource issues were analyzed in detail in Chapter 4 of the EA. None of these would be significantly impacted. OPPC would also follow the applicant-committed measures in its application, the EA, the right-of-way grant (Attachment A), temporary use permit, and supporting documents (Attachment B). Examples of these mitigation measures include, but are not limited to, horizontal directional drilling under the major waterways, restricting or avoiding construction at certain periods to avoid wildlife habitat uses, and implementing a noxious weed management program to control the spread of

noxious weeds. OPPC would also implement the avoidance, minimization, and mitigation measures specific to these resources as outlined in the Plan of Development (POD) (Attachment C) and the attached Memorandum of Agreement (MOA) (Attachment D).

4. **The degree to which the effects on the quality of the human environment are likely to be highly controversial.** It is understood by the BLM that the term “controversial” in 40 CFR 1508.27 refers to situations where a substantial dispute exists as to the size, nature, or effect of a project, rather than opposition by some parties to the project. In this case, the proposed project and, more particularly, the selected alternatives are not unique. Standard and accepted industry practices would be followed for pipeline construction and other project operations. The potential environmental effects of pipeline construction, road construction, and restoration are well understood and there is no scientific controversy over the nature of the impacts. There is no substantial dispute about the technology that would be utilized, the standard industrial practices that would be followed, or the size, nature, or effects of the selected alternatives.
5. **The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.** No highly uncertain or unknown risks to the human environment were identified during analysis of the project and alternatives, including the proposed action. The BLM has experience implementing similar actions in similar areas. As mentioned above, standard and accepted industry practices would be followed in the project. The potential effects of the project were fully considered and analyzed in the EA and, based on that analysis, there are no known effects on the human environment considered to be highly uncertain or involve unique or unknown risks.
6. **The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration.** The actions considered in the selected alternatives were considered by the BLM within the context of past, present, and reasonably foreseeable future actions. Significant cumulative effects are not predicted. The selected alternatives neither establish a precedent for future BLM actions with significant effects nor represent a decision in principle about a future consideration. Future pipeline proposals would be considered only through appropriate NEPA analysis, including adequate consideration of cumulative effects.
7. **Whether the action is related to other actions with individually insignificant but cumulatively significant impacts – which include connected actions regardless of land ownership.** The selected alternatives are not related to other actions with individually insignificant but cumulatively significant impacts, which include connected actions and non-federal actions. A complete analysis of the direct, indirect, and cumulative effects of the selected alternatives and all other alternatives are described in Chapters 4 and 5 of the EA. The selected alternatives

were considered in the context of past, present, and reasonably foreseeable future actions. No individually or cumulatively significant impacts were identified for the selected alternatives.

8. **The degree to which the action may adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historical resources.** The project will not adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places, nor will it cause loss or destruction of significant scientific, cultural, or historical resources. A cultural inventory has been completed for the selected alternatives OPPC filed the project Class III Cultural Resource Inventory report with the BLM in April 2008, with addendum reports filed in June and July 2008. In accordance with Section 106 of the National Historic Preservation Act (NHPA), the BLM has consulted with the Colorado and Wyoming State Historic Preservation Offices (SHPO) on their determinations of eligibility and effect pursuant to the State Protocols, and the SHPOs have concurred with BLM's determinations. The BLM has also consulted with Native American Tribes and with the Advisory Council on Historic Preservation. OPPC submitted a Cultural Resource Protection Plan with the POD (Attachment C, Appendix 3) for approval in July 2008. OPPC has entered into a MOA (Attachment D) with the BLM, the Colorado SHPO, and the Wyoming SHPO regarding adverse effects to historic properties from construction of the selected alternatives. The MOA stipulates that OPPC will implement the following measures to mitigate adverse effects to historic properties:
  - 1) preparation and implementation of an approved Treatment Plan that will describe the mitigation of adverse effects for each historic property, will identify the nature of the effects to each historic property and the treatment strategies for mitigating the adverse effects, and will incorporate a Monitoring and Cultural Resource Discovery Plan for dealing with inadvertent discoveries should they occur;
  - 2) compensatory mitigation for the adverse effects to the visual setting of the Cherokee Trail, by means of OPPC funding of a historic assessment of the Trail near the undertaking area; and
  - 3) public outreach, by means of funding the implementation of the existing Project Archaeology curricula (i.e., Ute Rock shelter and/or Basin House investigations) directly with students in fourth and fifth grade classrooms in northwestern Colorado and southwestern Wyoming.
  
9. **The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973, or the degree to which the action may adversely affect: 1) a proposed to be listed endangered or threatened species or its habitat, or 2) a species on BLM's sensitive species list.** Mitigating measures to reduce impacts to wildlife and fisheries have been incorporated into the design of the selected alternatives. A total of 10 federally listed species, 2 candidate species, 49 BLM sensitive species, 1 state listed species, and 1 state listed species of concern were initially considered of concern within the linear

project area. Twelve of these species were eliminated from detailed analysis because it was determined that the project would have no effect on individuals. The remaining 51 species were analyzed in detail relative to direct, indirect, short-term, long-term, and cumulative impacts. It was determined that by implementing applicant-committed protection measures and pre-construction surveys, OPPC would avoid impacts to or avoid adverse impacts to all species. A Biological Assessment under Section 7 of the Endangered Species Act was prepared and submitted to United States Fish and Wildlife Service (USFWS) by BLM on July 11, 2008 and the USFWS provided a concurrence letter on August 7, 2008 (Attachment E). OPPC will comply with the terms and conditions set forth in the USFWS concurrence letter during construction and hydrostatic test water withdrawal at the White River, Little Snake, and Yampa river crossings to minimize impacts to endangered fish species. Additionally, withdrawal is authorized from these locations for the total water withdrawal of 46 acre-feet.

**10. Whether the action threatens a violation of a federal, state, local, or tribal law, regulation or policy imposed for the protection of the environment, where non-federal requirements are consistent with federal requirements.**

The project does not violate any known federal, state, local or tribal law or requirement imposed for the protection of the environment. State, local, and tribal interests were given the opportunity to participate in the EA process. Furthermore, letters were sent to six Native American tribes concerning consulting party status, and only one tribe, the Southern Ute, responded by requesting they be informed of any human remains that are found during project construction. Follow-up phone calls were initiated with the remaining five tribes. Only two tribes responded. The Eastern Shoshone requested additional information on the project and the Northern Arapahoe Tribe requested participation in any field visits to the project area. BLM has continued to contact all six tribes and provided information on cultural resource inventory findings on February 21, 2008. As of the published date of the EA, none of the tribes had responded to the cultural resource inventory findings with any information, concerns, or issues. The BLM will continue with efforts to consult with the tribes regarding the project. In addition, the project is consistent with applicable land management plans, policies, and programs.

**DECISION:**

Based on our review of the EA and supporting documents, it is our decision to select Alternative B. The BLM will issue a notice to proceed authorizing construction on federal lands, except for the area within the GRP land re-route as identified in Alternative B.

The GRP land re-route would be implemented under the following conditions:

1. The BLM concludes that the U.S. Department of Agriculture is unable to modify the easement allowing OPPC to construct the subject pipeline on private lands within the GRP, as identified in the proposed action.
2. Implementation of the GRP land re-route would occur no earlier than June 30, 2009. Implementation could occur at an earlier date if the BLM determines that impacts to the active sage grouse lek located within 0.6 miles of the re-route can be mitigated or avoided.
3. The BLM issues a notice to proceed for the federal lands within the GRP land re-route.

The GRP land re-route would not be implemented if OPPC is able to obtain an easement across the following described private lands, as defined in the proposed action:

6<sup>th</sup> Principal Meridian, T. 11 N., R. 94 W.:  
 Sec. 21, N<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub>, NE<sup>1</sup>/<sub>4</sub>.

The right-of-way grant COC-71536 and temporary use permit COC-71536-01 would then be amended to include those private lands described above and remove the following described federal lands, known as the GRP land re-route:

6<sup>th</sup> Principal Meridian, T. 11 N., R. 94 W.:  
 Sec. 28- NE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>, NW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>  
 Sec. 21- SW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub>  
 Sec. 17- SW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>, NW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>, NE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>  
 Sec. 20- SE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>, NW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>, NW<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub>.

In order to implement the selected alternative, our decision is to:

1. Grant rights-of-way authorizing the construction, operation, and maintenance of a 14-inch natural gas liquids pipeline. On federal lands the permanent right-of-way would be 383,744 feet in length (72.7 miles), 50 feet in width, and encompass 446.4 acres more or less (includes 2,000 feet in length encompassing approximately 3.4 acres for permanent access to the J.L. Davis meter station). The pipeline right-of-way would be granted under the authority of the Mineral Leasing Act of 1920 as amended (30 U.S.C. 185). The legal description of the right-of-way is shown in the attached right-of-way grant exhibits (Attachment A). The term of the right-of-way would be 30 years with the right of renewal.
2. Issue a temporary use permit in association of the pipeline right-of-way authorizing the construction of a natural gas liquids pipeline. On federal lands, the temporary use permit would encompass an area that is 383,744 feet in length (72.7 miles), varies from 75 feet in width (nominal) to up to 200 feet in width in areas with rough terrain, side slopes, silty or sandy soils, or staging areas; and encompasses 766.3 acres more or less (includes 2,000 feet in length encompassing approximately 3.4 acres for permanent access to the J.L. Davis

meter station). The temporary use permit would be granted under the authority of the Mineral Leasing Act of 1920 as amended (30 U.S.C. 185). The legal description for the temporary use areas is shown in attached temporary use permit exhibits (Attachment B). The term of the permit would be 3 years with the right of renewal.

3. Issue a temporary use permit authorizing the upgrade, use, and maintenance of existing access roads. The temporary use permit would be 912,128.5 feet in length, 18 feet in width, and encompass 377 acres, more or less. The temporary use permit would be granted under the authority of the Mineral Leasing Act of 1920 as amended (30 U.S.C. 185). The legal descriptions for the temporary access roads are shown in Attachment B. The subject roads are also identified and discussed in the Transportation Plan which is part of the POD (Attachment C, Appendix 11). The term of the permit would be 1 year.

**Authorities:** The authorizations pursuant to the authority of the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 185 et seq.); the Federal Land Policy and Management Act of 1976 (43 U.S. C. 1701 et seq.); and implementing regulations found in 43 CFR parts 2800 and 2880.

In accordance with 43 CFR 2800 and 2880, the BLM will issue a right-of-way grant to OPPC for the proposed 14-inch NGL pipeline located on federal lands. The BLM will also issue temporary use permits for the temporary use of federal lands required for construction including staging areas and access roads. The decision will specifically affect federal lands as detailed in Attachments A and B and as described in the EA for the project.

Prior to any construction or other surface disturbance associated with the right-of-way grant and temporary use permits, the authorized officer or delegated agency representative will issue written Notices to Proceed (NTPs). Any NTP shall authorize construction or use only as therein expressly stated and only for the particular location, segment, area, or use described. In accordance with 43 CFR 2800, OPPC provided the BLM with a POD (Attachment C) detailing how the pipeline and associated facilities would be constructed in compliance with the right-of-way and temporary use permit terms, conditions, and stipulations. The POD would be approved by the BLM prior to the issuance of the NTPs for federal lands. The NTPs are subject to the condition that OPPC complies with all required environmental protection measures outlined in the POD to the satisfaction of the BLM. These measures include the standard stipulations for the right-of-way grant and temporary use permits. The construction NTP will only apply to federal lands.

**Agency Standards:** The right-of-way grant and temporary use permits must comply with agency (BLM, USFWS, and U.S. Army Corps of Engineers) stipulations described and referenced in the attachments to this document. As part of these standards and stipulations, OPPC would be required to post a performance bond to ensure adherence to

all terms and conditions attached to the right-of-way grants (Attachment A), temporary use permits (Attachment B), and MOA (Attachment D).

**State and Federal Legal Requirements:** This decision also requires OPPC to meet the requirements of the other major authorizing agencies for this project concerning any necessary federal and state permits, licenses, and/or approval and consultation requirements as identified in Table 1.2-1 of the EA.

**Compliance and Monitoring:** The applicant has committed to provide a compliance environmental inspector/monitor for pipeline construction, construction of associated facilities, and access road upgrades. This monitor will report directly to the BLM and ensure compliance with all terms, conditions and stipulations of the right-of-way grant and temporary use permits. The environmental inspector/monitor shall follow the compliance and monitoring plan outlined in the Environmental Compliance Plan which is part of the POD (Attachment C, Appendix 4). OPPC will also be responsible for monitoring the reclamation and stabilization of the pipeline over the long term. Included in this requirement is the yearly monitoring of the right-of-way for noxious weeds and, if necessary, spraying.

**Terms / Conditions / Stipulations:** The decision is contingent on meeting all stipulations and monitoring requirements listed below:

1. OPPC shall follow the construction procedures and committed protection measures described in its application, as identified in the EA and as modified by the conditions of approval (BLM EA No. CO-110-2007-092).
2. The right-of-way and temporary use permits are subject to the standard stipulations of the right-of-way and temporary use permits.
3. OPPC shall construct, operate, and maintain the facilities, improvements, and structures within the right-of-way and temporary permit areas in strict conformity with the POD entitled the OPPC Piceance Basin Lateral Pipeline Project, August 2008 (Attachment C), which when approved will be made part of the grant. Any relocation, additional construction, or use that is not in accordance with the approved POD, shall not be initiated without the prior written approval of the authorized officer. Appendix 4, Environmental Compliance Plan, is supplemented by Attachment H; Environmental Compliance Monitoring Plan dated October 2008. Appendix 13 of the POD is replaced in its entirety by the Attachment F; revised Appendix 13 dated October 13, 2008.
4. The holder is subject to the terms and conditions of the concurrence letter written by the USFWS dated August 7, 2008 (Attachment E).
5. The holder is subject to the terms and conditions outlined in the attached MOA (Attachment D).

**EA Availability:** Copies of the EA (CO-110-2007-092) are available at the White River Field Office, Little Snake Field Office, and Rawlins Field Office. The EA is

incorporated by reference in this Finding of No Significant Impact determination and decision record.

### **Alternatives Considered:**

Three alternatives, the proposed action, the no action alternative, and the GRP land re-route were considered and analyzed in detail in the EA. Two additional route alternatives were also considered but eliminated from detailed analysis. Chapter 2 of the EA discusses details of all alternatives considered.

**Proposed Action.** The proposed action is described in detail in Chapter 2 of the EA and impacts are analyzed in Chapters 4 and 5. The objective of this alternative was to site the pipeline such that it allowed the proponent to meet the purpose and need of the project with efforts to minimize environmental impacts. This objective was met.

**No Action Alternative.** If the BLM were to deny OPPC's application, the environmental effects identified in the EA would be avoided, but OPPC would not be able to achieve its project objectives. Without the pipeline infrastructure that the proposed project creates, new NGL production in the Piceance Basin and adjacent natural gas production basins would be hindered by lack of pipeline take-away capacity. As natural gas production increases in the Piceance Basin and surrounding gas supply basins, the need for a new pipeline that provides a similar level of service as the proposed OPPC system also would increase. If other NGL pipelines and associated facilities are constructed in the future instead of the proposed project, each future project would result in its own specific impacts that could be less, equal, or greater than the OPPC Project.

**GRP Land Re-route.** The GRP land re-route, like the proposed action, is described in detail in Chapter 2, Section 2.3 of the EA and impacts are analyzed in Chapters 4 and 5. This re-route was developed to avoid a 0.8-mile section of the proposed pipeline route enrolled in the GRP through a conservation easement. This easement precludes construction of a pipeline through the subject lands. The purpose of this re-route is to avoid the GRP land in the event that resolution of the easement issue does not occur, allowing pipeline construction to proceed as proposed. The GRP is a voluntary program administered by the National Resources Conservation Service, Farm Service Agency, and the U.S. Forest Service offering landowners the opportunity to protect, restore, and enhance grasslands on their property and providing assistance for rehabilitating grasslands. This portion of the proposed action route is at a location where it parallels the existing pipeline corridor containing three other pipelines; including the recently constructed WIC Piceance and Entrega pipelines.

**Alternatives Considered But Not Analyzed.** The EA also addressed but dropped from further consideration two route alternatives. These alternatives were considered to determine if there are other locations for the proposed facilities that would have less impact on environmental resources than the proposed action route. The two route alternatives considered but not analyzed in detail included a south connector route alternative and a north connector route alternative.

- **South Connector Route Alternative.** While the proposed action follows the WIC Piceance pipeline along the southern-most part of the route, the south connector route alternative would parallel the Entrega pipeline route along Piceance Creek to the west for the first 42 miles of the route. This alternative is approximately 3 miles shorter, but includes five (5) additional crossings of Piceance Creek as well as 23 additional stream crossings. This alternative route would also cross 10.9 additional miles of mule deer severe winter range and 0.7 additional miles of Visual Resource Management Class II areas when compared to the proposed action route. The terrain along the south connector route alternative is much steeper and additional width would be required for construction in these areas. Problems encountered during the construction of the Entrega pipeline were also taken into consideration.
- **North Connector Route Alternative.** This alternative would follow the proposed action for the first 136.5 miles of the route at which point it turns and trends in a northeasterly direction for approximately 12.7 miles toward the Echo Springs pump station. While this alternative would be 3 miles shorter than the proposed action route, it would cross previously undisturbed land for the entirety of the 12.7 miles, while the proposed action route would parallel existing utility corridors and previously disturbed land for all but 0.5 miles of the northernmost 15.7 miles of the route. The north connector route alternative would cross an additional 2.2 miles of mountain plover habitat and increase habitat fragmentation for wildlife in the area.

**Rationale for Decision:**

- The selected alternatives meet the project purpose and need and are consistent with Executive Order 13212 (May 18, 2001), which, among other things, states that increased production and transmission of energy in a safe and environmentally sound manner is essential to the well-being of the public.
- The GRP land re-route, along with the proposed action, were fully analyzed in the EA. Table 2.2-1 compares key resources impacted by implementation of this alternative as compared to the proposed action. Approximately 2.7 miles of the 3.3-mile re-route are located on federal lands. An additional 11.8 acres of vegetation, soils, and sage grouse habitat would be affected by the GRP re-route as compared to the proposed action.
- Implementation of the GRP land re-route would place the disturbance within 0.6 miles of an active sage grouse lek. However, seasonal timing restrictions would ensure that construction does not occur during critical nesting periods, thus, mitigating impacts to this lek. Section 4.7.1.3 of the EA discusses in detail sage-grouse protection measures OPPC has committed to in order to limit impacts to greater sage grouse.
- The GRP land re-route would be constructed in an area the Colorado Division of Wildlife has designated as “core sage-grouse habitat” as did the original route through

the private land. Implementation of the GRP land re-route would impact 30.3 acres of core sage-grouse habitat or an additional 11.8 acres as compared to the original pipeline route. Approximately 647,000 acres have been designated core habitat in the project vicinity. Although our goal is to limit impacts to sage grouse habitat, in particular “core sage-grouse habitat,” the selected re-route would impact 421, acres or 0.07 percent, of designated “core habitat”. Direct impacts to this habitat would be mitigated through committed reclamation efforts as outlined in Section 3.8 of the POD including seeding with a mixture of grasses, forbs, and shrubs native to the area as outlined in the Environmental Protection Plan (Attachment C, Appendix 12).

- According to the Department of Agriculture Office of General Counsel, the legislation authorizing the GRP does not allow modification of the easement to allow for any surface disturbance within the easement. As such, until this issue is resolved OPPC has no other option to complete construction of their pipeline other than through the re-route. Both the BLM as well as the proponent have thoroughly investigated the easement issue and at this juncture have found no resolution. There are ongoing efforts with the Colorado Congressional delegation to see if the Secretary of Agriculture would evaluate this issue and allow construction to occur within the GRP easement. If the Department of Agriculture was able to allow a modification of their easement to allow construction of the pipeline across the private land, the GRP land re-route would not be implemented.
- Implementation of the GRP land re-route would not occur any earlier than June 30, 2009 for two reasons. The first is that BLM is hopeful that in the ensuing months the Department of Agriculture will find an internal solution to the GRP easement issue that would allow construction to occur. If this effort fails, it is hoped that legislation would be enacted allowing for modification of GRP easements. Secondly, between March 1 and June 30 a seasonal restriction for the protection of sage-grouse is in effect.
- The winter contingency plan was revised by the BLM to ensure adequate protection of environmental resources if construction were to occur during the winter (Attachment F).
- The selected alternatives are in conformance with the applicable RMPs; objectives of the guiding federal regulations; state, local, and tribal plans; and federal interagency agreements.
- The decision to implement the selected alternatives, coupled with the standard terms and conditions, applicant-committed environmental protection measures, stipulations attached to the right-of-way amendments and temporary use permits (including those listed in the POD, Attachment C), will not result in unnecessary or undue degradation of the environment and does not create significant cumulative effects.
- There would be no significant impacts to geology and soils. OPPC would follow the applicant-committed measures in its application, EA, and POD as well as stipulations attached to the right-of-way grant, temporary use permit, and supporting documents. Examples of these protection measures include, but are not limited to, planning of the route to overlap with previously disturbed areas and topsoil segregation during

construction. Likewise, OPPC would implement the avoidance, minimization, and protection measures specific to these resources as outlined in the POD (Attachment C, Appendices 2, 7, 12, and 13).

- There would be no significant impacts to groundwater, surface waters, wetlands, or exceptional water resource areas. OPPC would follow the applicant-committed protection measures in its application, EA and POD as well as the stipulations attached to the right-of-way grant, temporary use permit, and supporting documents. Examples of these protection measures include, but are not limited to, horizontal directional drill crossing of major waterways including the White, Little Snake, and Yampa rivers. Likewise, OPPC would implement the avoidance, minimization, and protection measures specific to these resources as outlined in the POD (Attachment C, Appendices 1, 7, 8, 12, and 14).
- There would be no significant impacts to vegetation. OPPC would follow the applicant-committed protection measures in its application, EA and POD as well as the stipulations attached to the right-of-way grant, temporary use permit, and supporting documents. Examples of these protection measures include, but are not limited to, route planning in order to overlap the construction corridor to the maximum extent practical with previously disturbed areas; pre-construction surveys and spraying for noxious and invasive weeds; restoration using native vegetation; and post-construction monitoring for reclamation success. Likewise, OPPC would implement the avoidance, minimization, and protection measures specific to these resources as outlined in the POD (Attachment C, Appendices 1, 6, 7, 9, and 12). The selected alternatives would require approximately 1,611 acres for construction, including lands administered by the BLM, lands managed by the States of Colorado and Wyoming, and private lands. However, once reclaimed, operation of the permanent right-of-way of the underground pipeline would not preclude pre-existing vegetation cover types important to wildlife, recreationalists, and grazing potential.
- There would be no significant impacts to fisheries, wildlife, and special status plant and animal species. OPPC would follow the applicant-committed protection measures in its application, EA and POD as well as the stipulations attached to the right-of-way grant, temporary use permit, and supporting documents. Examples of these protection measures include, but are not limited to, pre-construction sensitive plant surveys and pre-construction nest surveys for migratory birds of importance, including raptors, in order to avoid impacts during construction to nesting individuals through implementation of “no construction” zones during the nesting periods. Likewise, OPPC would implement the avoidance, minimization, and protection measures specific to these resources as outlined in the POD (Attachment C, Appendices 1, 7, 8, 12, and 13).
- OPPC would comply with the terms and conditions set forth in the USFWS concurrence letter (Attachment E) during water withdrawals for construction and hydrostatic testing at the three major extraction locations on the White, Little Snake, and Yampa rivers to minimize impacts to endangered fish species. OPPC is authorized for the total water withdrawal of 46 acre-feet. Implementation of the applicant-committed protection measures would minimize direct and indirect effects

to the designated critical habitat and three federally listed fish species. The USFWS determined that this level of anticipated temporary withdrawal is not likely to result in jeopardy to the species or destruction or adverse modification of critical habitat when the reasonable and prudent alternative is implemented.

- There would be no significant impacts to cultural and paleontological resources. Cultural and paleontological surveys have been completed for all areas where surface disturbance would occur and all known sites would be avoided, mitigated, and/or monitored during construction as outlined in the POD (Attachment C, Appendices 3 and 15). Cultural and paleontological resources may be found during pipeline excavation; therefore, a monitoring and discovery plan would be implemented. Because the plans call for proper collection, curation, and study of presently undiscovered sites, there would be no adverse impact to cultural and paleontological resources.
- There would be no significant impacts to land uses, recreation, or visual resources. OPPC would follow the applicant-committed protection measures in its application, EA and POD as well as the stipulations attached to the right-of-way grant, temporary use permit, and supporting documents. Examples of these protection measures include, but are not limited to, pre-construction routing of the route to include previously disturbed areas (i.e., overlap with existing utility windows; approximately 96 percent of the route is co-located along existing utility corridors) and avoidance of sensitive areas. Likewise, OPPC would implement the avoidance, minimization, and protection measures specific to these resources as outlined in the POD (Attachment C, Appendix 12). The selected alternatives would require approximately 1,611 acres for construction, including lands administered by the BLM, lands managed by the states of Colorado and Wyoming, and private lands. However, once reclaimed, operation of the permanent right-of-way would not preclude pre-existing land uses, including the multiple use objectives described in the guiding RMPs.
- There would be no significant impacts to socioeconomics. Little long-term impact would result from the operation of the pipeline because OPPC anticipates adding two permanent employees to its existing workforce as a result of project implementation. OPPC would follow best management practices in the Transportation Management Plan to minimize impacts during construction (Attachment C, Appendix 11). Furthermore, OPPC has been informed that construction personnel would not be allowed to camp on public lands during the construction of the project except in designated campgrounds and OPPC would help to communicate this rule to construction personnel during the project training required for construction personnel.
- There would be no significant impacts to air quality. OPPC would follow the applicant-committed protection measures in its application, EA and POD as well as the stipulations attached to the right-of-way grant, temporary use permit, and supporting documents. OPPC would implement dust suppression techniques, such as watering the right-of-way and access roads, thus, minimizing the impacts of fugitive dust (Attachment C, Appendix 6). OPPC would ensure proper maintenance of construction equipment. Given the limited scope of the project, emissions associated with the construction phase would be short term in nature.

- Reliability and safety issues have been adequately addressed by the selected alternatives. OPPC would follow the applicant-committed protection measures in its application, EA and POD as well as the stipulations attached to the right-of-way grant, temporary use permit, and supporting documents. OPPC intends to operate the pipeline in accordance with 49 CFR Part 192. Likewise, OPPC would implement emergency response plans during construction (Attachment C, Appendices 5 and 10).
- There would be no significant cumulative impacts to resources in consideration of other projects in the vicinity which require a federal review process.
- OPPC would employ environmental inspectors/monitors who would be responsible for compliance with all environmental conditions during construction (Attachment C, Appendix 4). As noted, these inspectors would report directly to the BLM.
- The No Action Alternative was not selected because it would deprive the applicant the opportunity to transport and market additional NGL resources and would not meet their purpose and need.

### **Public and Regulatory Agency Participation:**

On June 20, 2007, OPPC filed an application with the BLM for construction of the proposed project. The BLM published a scoping notice on their website, issued a press release in three local newspapers, and mailed postcards to 700 potentially interested parties, announcing the project and comment period from February 22 through March 14, 2008. Potentially interested parties included federal, state, and local officials and agencies; Native American tribal representatives; non-government conservation organizations; local libraries and newspapers; and property owners along the proposed pipeline route.

An interagency meeting was held on February 27, 2008 in Craig, Colorado to solicit comments and concerns from agencies having jurisdiction over the project. Attendees included representatives from each of the three BLM field offices (White River, Little Snake, and Rawlins), the USFWS, the U.S. Army Corps of Engineers, Colorado Division of Wildlife, and the Colorado State Land Board. The Wyoming Game and Fish was invited but did not attend.

The EA was available for a 30-day public review and comment period from July 14 through August 13, 2008. The EA and draft POD were posted on the BLM website the day it was released, a press release was issued in three local newspapers and hard copies and/or compact discs containing the EA were distributed to interested parties or made available at the BLM field offices and local libraries.

The EA was available for an additional 14-day comment period from September 25, 2008 through October 9, 2008. The purpose for the additional comment period was to solicit comments on the GRP land re-route discussed above. The availability of the revised EA and POD was posted to the BLM website and a press release was issued in four local newspapers.

Seven scoping comment submittals (e.g., letter, e-mail) were received: two letters from private individuals, one from a state agency (Wyoming Game and Fish Department), one from an industry representative, and three from non-government conservation organizations. During the first public review of the EA, a total of four comment letters were received; two from state agencies, one from a non-government conservation agency, and one from the applicant. During the additional 14-day comment period, the BLM received four additional comment letters: one from a federal agency, one from a state agency, one from a non-government conservation agency, and one from a private individual. All comments received are part of the public record for the project. Response to substantive public comments on the EA may be found in Attachment G.

### **Summary:**

In summary, we conclude that the proposed project, including pipeline and associated facilities, is an appropriate and beneficial use of these lands. The BLM has independently reviewed all submitted data, and reviewed the alternatives considered but eliminated from detailed analysis (see Chapter 2 of the EA). The selected alternatives with all applicant-committed environmental protection measures, agency mandated environmental protection measures, and state and federal laws and regulations, will ensure the protection of cultural and natural resources. Thus, the selected alternatives will not have significant impacts. Further, the incremental impact of the agency selected alternatives when added to other past, present, and reasonably foreseeable actions would be minimal; therefore, the cumulative impacts would not be significant.

### **Appeals Language:**

This decision shall take effect immediately upon the date it is signed by the authorized officer (*October 15, 2008*). As stated in the regulations at 43 CFR 2804.1, and 2884.1, the provisions of 43 CFR 4.21(a) do not apply, and the decision shall remain effective pending appeal unless the Board determines otherwise. Within 30 days of the decision, a notice of appeal must be filed in the office of the authorized officer, Kent E. Walter at the Bureau of Land Management, White River Field Office, 220 East Market Street, Meeker, Colorado 81641. If a statement of reasons for the appeal is not included with the notice, it must be filed with the Interior Board of Land Appeals, Office of Hearings and Appeals, U.S. Department of the Interior, 801 North Quincy St., Suite 300, Arlington, VA 22203 within 30 days after the notice of appeal is filed with the authorized officer.

If you wish to file a petition for stay pursuant to 43 CFR Part 4.21(b), the petition for stay should accompany your notice of appeal and shall show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied;
2. The likelihood of the appellant's success on the merits;
3. The likelihood of irreparable harm to the appellant or resources if the stay is not granted; and

4. Whether the public interest favors granting the stay.

If a petition for stay is submitted with the notice of appeal, a copy of the notice of appeal and petition for stay must be served on each party named in the decision from which the appeal is taken, and with the Board at the same time it is filed with the authorized officer.

A copy of the notice of appeal, any statement of reasons and all pertinent documents must be served on each adverse party named in the decision from which the appeal is taken and on the Office of the Regional Solicitor, U.S. Department of the Interior, not later than 15 days after filing the document with the authorized officer and/or Board.

Kent E. Walter  
Authorized Officer

October 15, 2008  
Date

**Attachments:**

- A. Right-of-Way Grant and Exhibits
- B. Temporary Use Permits and Exhibits
- C. Plan of Development for the OPPC Piceance Basin NGL Lateral Project Dated August 2008
- D. Memorandum of Agreement Between the BLM and SHPO
- E. USFWS Concurrence Letter Dated August 7, 2008
- F. Revised Appendix 13 of POD, Winter Contingency Plan
- G. Responses to Public Comments on the Environmental Assessment
- H. Environmental Compliance Monitoring Plan, dated October 2008