FINDING OF NO SIGNIFICANT IMPACT & DECISION RECORD

PROJECT SPONSER: Burlington Resources

ENVIRONMENTAL ASSESSMENT: Farmington Field Office, NM F010-2011-120

FINDING OF NO SIGNIFICANT IMPACT: Based on the analysis of the potential environmental impacts of the proposed action in the attached environmental assessment, I have determined that no significant impacts are expected and, therefore, an environmental impact statement is not required.

DECISION: It is my decision to approve Alternative B as described in the attached Environmental Assessment (EA) and authorize the Burlington Resources Oil & Gas Company, LP, Grenier B #3P Application for Permit to Drill (APDs), as follows:

Well Name	Number	Township	Range	Section	Quarter	Lease Number
Grenier B	3P	29 N	10W	5	SW/SE	NMNM 03561

This approval is subject to adherence with all of the operating plans and mitigation measures contained in the Master Surface Use Plan of Operations, Drilling Plan, and information in individual APDs. This approval is also subject to operator compliance with mitigation and monitoring requirements contained within the Farmington Proposed Resource Management Plan Final Environmental Impact Statement (PRMP/FEIS) approved September 29, 2003

RATIONALE: The decision to authorize Alternative B, as described in the attached Environmental Assessment (EA), is based on the following:

- Alternative B will not result in any undue or unnecessary environmental degradation.
- Mitigation measures applied by the BLM as Conditions of Approval will alleviate or minimize environmental impacts.
- The proposed action is tiered to the PRMP/FEIS and in conformance with the Farmington Resource Management Plan (RMP) as approved by the Record of Decision signed September 29, 2003. The RMP is the guiding land use plan for the Public Lands Administered by the Farmington Field Office of the Bureau of Land Management (BLM).

ADMINISTRATIVE REVIEW AND APPEAL: Under BLM regulations, this decision record is subject to administrative review in accordance with 43 CFR 3165. Any request for administrative review of this decision record must include information required under 43 CFR 3165.3(b) (State Director Review), including all supporting documentation. Such a request must be filed in writing with the State Director, Bureau of Land Management, 1474 Rodeo Road, Santa Fe, NM 87505, no later than 20 business days after this Decision Record is received or considered to have been received.

Any party who is adversely affected by the State Director's decision may appeal that decision to the Interior Board of Land Appeals, as provided in 43 CFR 3165.4.

Roy Hinman — 4/18/11
Environmental Protection Specialist — **Date**

Bill Liess — 4/19/11
Branch Chief — **Date**

Gene — 4/20/11
Field Manager — **Date**

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Farmington Field Office
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Farmington, New Mexico 87401

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Grenier B #3P

EA# NM-F010-2011-120

FINDING OF NO SIGNIFICANT IMPACT

Based on my review of the Burlington Resources Oil & Gas Company LP., Grenier B #3P Environmental Assessment located within the T&E Plant SDA, Section 5, T 29 N, R 10 W, I have determined that a complete and comprehensive environmental analysis has been conducted. The impact identification and analysis of the proposed project and/or alternative(s) has been completed and the Proposed Action is in conformance with the approved land use plan and will not have any significant impact on the human, natural, and physical environment.

Completion of the environmental assessment, along with implementation of required stipulations and/or mitigating measures indicates further analysis in an Environmental Impact Statement is not needed.

/s/ Bill Liess
Bill Liess, Branch Chief, Environmental Protection/ Reality (BLM)

4/19/11
Date