UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Farmington District
Farmington Field Office
6251 N College Blvd., Ste. A
Farmington, NM 87402

DECISION RECORD

for the

Cluster 14

Gallo Canyon Unit P26-2306 01H

ATS-F010-14-104

Gallo Canyon Unit P26-2306 02H

ATS-F010-14-105

Gallo Canyon Unit M26-2306 01H

ATS-F010-14-14

Gallo Canyon Unit O27-2306 01H

ATS-F010-14-102

Gallo Canyon Unit O27-2306 02H

ATS-F010-14-103

NEPA No. DOI-BLM-NM- F010-2014-0109

I. Decision

I have decided to select **Proposed Action** for implementation as described in the **Cluster 14 EA**. Based on my review of the Environmental Assessment (EA) and project record, I have concluded that **the proposed action** was analyzed in sufficient detail to allow me to make an informed decision. I have selected this alternative because the proposed **project would allow Encana O&G (USA) access to their proposed drilling sites in order to horizontally drill for oil and gas within their valid existing lease.**

II. Conformance and Compliance

The proposed action is in conformance with the 2003 BLM-FFO Resource Management Plan (RMP). Pursuant to 40 CFR 1508.28 and 1502.21, this site-specific Environmental Assessment (EA) tiers into and incorporates by reference the information and analysis contained in the BLM-FFO Proposed Resource Management Plan/Final Environmental Impact Statement (PRMP/FEIS) (BLM 2003a). The RMP was approved by the September 29, 2003 Record of Decision (ROD) (BLM 2003b), and updated in December 2003.

It is the policy of the BLM to make mineral resources available for disposal and to encourage development of mineral resources to meet national, regional, and local needs, consistent with national objectives of an adequate supply of minerals at reasonable market prices. At the same time, the BLM strives to ensure that mineral development is carried out in a manner that minimizes environmental damage and provides for the rehabilitation of affected lands. (BLM 2003b, 2-2 – 2-3)

III. Finding of No Significant Impact

I have reviewed the direct, indirect and cumulative effects of the proposed activities documented in the EA for the **Cluster 14**. I have also reviewed the project record for this analysis. The effects of the proposed action and alternatives are disclosed in the Alternatives and Environmental Consequences sections of the EA. I have determined that **construction of three well pads, associated pipeline ties, and access roads will allow Encana O&G (USA) reasonable access to the mineral lease in order to develop the existing lease** as described in the EA will not significantly affect the quality of the human environment. Accordingly, I have determined that the preparation of an Environmental Impact Statement is not necessary.

IV. Other Alternatives Considered

The applicant analyzed several scenarios to determine how to best develop Sections 35 and 36, Township 23 North, Range 6 West. Rough topography, visual and safety concerns, and cultural sites make this area challenging to develop. Several configurations of the proposed well pads, pipelines, and roads were considered and evaluated by the applicant, the BLM, and natural and cultural resources experts using desktop tools and in-field examination. These alternatives were considered but have been eliminated from further consideration as they would have resulted in greater environmental impacts.

Gallo Canyon Unit M26-2306

Twinning the Gallo Canyon Unit M26-2306 with the Gallo Canyon Unit O27-2306 pad was considered but eliminated because of severe operational risks associated with the extended offset reach of approximately 2,200 feet. These operational risks include very high torque and drag values during drilling; the risk of not being able to drill out all completion plugs, thus stranding reserves; and loss of artificial lift efficiency.

Gallo Canyon Unit O27-2306

The originally proposed site for Gallo Canyon Unit O27-2306 was eliminated to minimize impacts to topography and visual resources.

Gallo Canyon Unit P26-2306

The two wells that would be drilled from the Gallo Canyon Unit P26-2306 were originally proposed to be drilled from two separate pads: Gallo Canyon Unit M25-2306 and O26-2306. The pads were twinned at the Gallo Canyon Unit P26-2306 site to reduce surface disturbance and to move the proposed O26-2306 away from potential raptor cliff nesting habitat. The proposed access road and well tie pipeline were moved from their originally proposed alignments to eliminate impacts to jurisdictional drainages and to avoid impacting an historical transportation route between Cuba and Bloomfield, New Mexico. No other alternatives were identified that would create less disturbance and still achieve the purpose and need of the proposed action.

Centralized Facilities

Consolidating liquids storage facilities for multiple wells was considered for the proposed action but eliminated because of economic and logistic infeasibility and a lack of environmental benefit. Centralized facilities would allow the produced oil and water from multiple wells to be separated and stored at a consolidated site. The location for the centralized facility would either be an expansion of an existing well pad, an area adjacent to an existing well pad, or a separate area that is remote from all well pads. Because of the proximity of these pads to each other, there would be a minimal reduction in traffic for hauling produced water and oil. Consolidating facilities would not reduce surface disturbance since the separator and storage tanks that would be located at one well would also have to be installed instead at another or at a separate location. Additionally a pipeline—either a liquid gathering system (LGS) or three-phase gathering system (3PGS)—would have to be installed to transport produced water and oil from well-to-well and to the centralized facilities, which would result in surface disturbance. LGS and 3PGS systems require frequent maintenance, resulting in an increase in traffic in the area. Additionally, there is a risk of paraffin buildup in the pipeline requiring pigging the pipeline at some unknown frequency. Paraffin buildup can also cause pipeline blockage, which in some cases cannot be cleared.

V. Rationale for the Decision

Pursuant to 40 Code of Federal Regulations (CFR) 1508.28 and 1502.21, this EA incorporates the information and analysis contained in the 2003 Farmington Proposed Resource Management Plan (PRMP)/Final Environmental Impact Statement (FEIS) (USDI/BLM 2003a). The proposed action would be in conformance with the oil and gas leasing and development management actions in the Resource Management Plan (RMP)/Record of Decision (ROD) signed December 2003 and updated in December 2003 (USDI/BLM 2003b). The proposed action would be in conformance with the 2003 RMP/ROD that states, to the extent possible, new ROWs will be located within or parallel to existing ROWs or corridors to minimize resource impacts (USDI/BLM 2003b, page 2-11).

The PRMP/FEIS and ROD are available for review at the FFO in Farmington, New Mexico or electronically at http://www.nm.blm.gov/ffo/ffo_home.html. This project EA addresses site-specific resources and/or impacts that are not covered within the PRMP/FEIS, as required by the NEPA.

I have determined that the activities described in the proposed action will not adversely affect or cause loss or destruction of scientific, cultural, or historical resources, including those listed in or eligible for listing in the National Register of Historic Places (40 CFR 1508.27(b)(8)). **Cultural resource surveys were completed (BLM report Number** 2014(I)049F2014(II)050F,2014(II)031F.**Cultural resources were identified within the project area and will be protected by employee education, site monitoring, and site barrier fencing. The project is not within a Traditional Cultural Property or ACEC.**

The proposed activities are not likely to adversely affect any endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act (40 CFR 1508.27(b)(9)). **The project area is not within any Sensitive species or Threaten and Endangered habitat.**

VI. Public Involvement

The Notice of Staking was made available for the public to review at the Farmington Field Office. No comments were received. The project was posted on the Farmington Field Office NEPA log. No comments were received.

VII. Administrative Review and Appeal

Under BLM regulations, this Decision Record (DR) is subject to administrative review in accordance with 43 CFR 3165. Any request for administrative review of this DR, with or without oral presentation, 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, 301 Dinosaur Trail, Santa Fe, NM 87508, no later than 20 business days after this DR 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.

Maureen Joe
Assistant Field Manager
Farmington Field Office

05/07/14
Date