

ENVIRONMENTAL ASSESSMENT
EA# NM-066-00-121

WELL NAME & NO.: Shelly Federal #2
Serial #: NM-33944

Section 23, T. 9 S., R. 24 E., NMPM
660' FSL & 1,980' FEL

Chaves County, New Mexico

OPERATOR: Yates Petroleum Corporation

ACTION: Application for Permit to Drill

SURFACE/MINERAL ESTATE: Federal Surface/Minerals

I. INTRODUCTION

A. Need for the Proposed Action:

Yates Petroleum Corporation proposes to drill and complete a **natural gas** well at the above described location. The proposed action is needed to fully develop the 800-acre mineral lease.

B. Background Information:

The proposed **Shelly Federal #2** gas well is located within the proposed BLM/Bitter Lake Habitat Protection Zone. This area is proposed for administrative designation for the protection of groundwater resources supplying springs and sinkholes at the Bitter Lake National Wildlife Refuge (BLNWR) that provide crucial year-long habitat for several threatened and endangered species. Specifically, spring and sinkhole habitats in the northern portion of the Refuge's Middle Tract.

In May 1997, the U.S. Fish and Wildlife Service (USFWS) provided the BLM with a biological opinion on the Roswell Resource Area Draft Resource Management Plan (DRMP). In the opinion of the USFWS, implementation of the DRMP would jeopardize the continued existence of the federal endangered Pecos gambusia (*Gambusia pecosensis*) unless the six elements of their prescribed "reasonable and prudent alternative (RPA)" are implemented. In October 1997, the record of decision (ROD) approved the plan and incorporated the RPA into the plan (Approved Roswell Resource Management Plan, ROD-1). In April 1998, the USFWS rendered a no jeopardy opinion for the Roswell Approved RMP.

The following elements of the Pecos gambusia RPA are germane to the Application for