United States Department of the Interior

BUREAU OF RECLAMATION
Mid-Pacific Region
Klamath Basin Area Office
6600 Washburn Way
Klamath Falls, OR 97603-9365

IN REPLY REFER TO:
KO-300
LND-6.00

FEB 24 2011

MEMORANDUM

To: Acting State Director, Bureau of Land Management, 1340 Financial Blvd., Reno, NV 89502
Attn: Amy Leuders

From: Jason Phillips
Area Manager, Klamath Basin Area Office, U.S. Bureau of Reclamation

Subject: Concurrence Relating to the Bureau of Land Management's Record of Decision Amendment 2 and Issuance of the Amended Right-of-Way Grant and Amended Temporary Use Permit No. NVN-084650 for the Ruby Pipeline Project

This memorandum is in reference to the Bureau of Land Management's (BLM) Record of Decision (ROD) Amendment 2 and Issuance of the Amended Right-of-Way Grant (Grant) and Amended Temporary Use Permit (TUP) No. NVN-084650 for the Ruby Pipeline Project (Project). Pursuant to Section 28 of the Mineral Leasing Act of 1920 and 43 CFR 2800, the BLM is authorized to grant or renew rights-of-way or permits for the Project through Federal lands.

Since November 7, 2008, the Bureau of Reclamation has been a cooperating agency in the development of the Final Environmental Impact Statement (EIS) and the associated environmental analysis processes, the preparation of the Plan of Development (POD), and reviewed and concurred with the decision of the BLM on July 12, 2010 to issue a Grant and TUP for the Project.

Ruby Pipeline, LLC filed a proposal to amend the Grant and TUP, Serial No. NVN-084650, (July 12, 2010) to accommodate a route variance to avoid a significant cultural site located in Klamath County, Oregon.

Reclamation's Klamath Basin Area Office reviewed BLM's proposed action to accept the proposed route variance and issue the Amended Grant and Amended TUP for the Project. Reclamation concurs with the BLM's decision to issue the Grant Amendment 2 and TUP Amendment 2 for the Project. This concurrence is supported by the analysis documented in the Federal Energy Regulatory Commission's Ruby Pipeline Project Final EIS and BLM's Determination of National Environmental Policy Act Adequacy prepared for the proposed variance.

To ensure conformance with Reclamation's standards, all original stipulations included in the original Grant and TUP remain in full force and effect to allow construction of the Project on

withdrawn lands under Reclamation's jurisdiction. Any additional stipulations will be outlined in the subsequent Notice to Proceed covering the withdrawn lands under Reclamation's jurisdiction associated with the subject proposed reroute.

Reclamation requests notification of any further proposed changes to the ROD or the Grant and TUP, as amended, associated with the lands, facilities, or waterbodies under Reclamation's jurisdiction. Reclamation looks forward to continued cooperation on the Project.

If you have any questions regarding lands related issues, please contact Jennifer Birri by phone at 541-880-2540 or email jbirri@usbr.gov. For all other issues, please contact Kristen Hiatt by phone at 541-880-2577 or email khiatt@usbr.gov.

cc: MP-153 (ANickles), KO-300 (KHiatt), KO-400 (JBirri)