

COLOR COUNTRY DO – MAY 2014 STIPULATIONS AND NOTICES

STIPULATIONS

UT-S-01 AIR QUALITY

All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower shall not emit more than 2 grams of NO_x per horsepower-hour.

Exception: This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.

Modification: None

Waiver: None

AND

All new and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gram of NO_x per horsepower-hour.

Exception: None

Modification: None

Waiver: None

UT-S-102 CONTROLLED SURFACE USE – FRAGILE SOILS/ SLOPES 30 PERCENT OR GREATER

No surface disturbing proposed projects involving construction on slopes greater than 30. If the action cannot be avoided, rerouted, or relocated than a proposed project will include an erosion control strategy, reclamation and a site plan with a detailed survey and design completed by a certified engineer. This proposed project must be approved by the BLM prior to construction and maintenance.

Exception: None

Modification: None

Waiver: None

UT-S-121 NO SURFACE OCCUPANCY – RIPARIAN AND WETLAND AREAS

No surface disturbance and/or occupancy within buffer zones around natural springs. Base the size of the buffer on hydrological, riparian, and other factors necessary to protect the water quality of the springs. If these factors cannot be determined, maintain a 330-foot buffer zone from outer edge.

Exception: Consider exceptions if it can be shown that (1) there are no practical alternatives to the disturbance, (2) all long-term impacts can be fully mitigated, and (3) the activity will benefit and enhance the riparian area. Consider compensatory mitigation where surface disturbance cannot be avoided within riparian wetland habitats on a site-specific basis.

Modification: None

Waiver: None

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UT-S-161 CONTROLLED SURFACE USE – VRM CLASS II AREAS

Surface disturbing activities must meet the objectives of Visual Resource Management (VRM) Class II.

Exception: The level of change to the landscape should be low; management activities may be seen, but should not attract the attention of the casual observer. Any change to the landscape must repeat the basic elements of form, line, color, and texture found in the predominant natural features of the characteristic landscape. Surface disturbing activities that are determined to be compatible and consistent with the protection or enhancement of the resource values are exempted. Also, recognized utility corridors are exempted only for utility projects, which would be managed according to VRM Class III objectives.

Modification: None

Waiver: None.

UT-S-171 NO SURFACE OCCUPANCY – CULTURAL RESOURCES

No Surface Occupancy within ¼ mile or within the visual horizon, whichever is closer, of cultural sites where the landscape features are important in understanding the property or sites where setting directly contributes to the significance of the property.

Exception: An exception could be authorized if the use is consistent and compatible with protection or enhancement of the resource values or will provide suitable opportunities for public enjoyment of these resources.

Modification: None

Waiver: None

UT-S-221 CONTROLLED SURFACE USE/TIMING LIMITATIONS – UTAH PRAIRIE DOG

The Lessee/Operator is given notice that lands in this lease may contain historic and/or occupied Utah prairie dog habitat, a threatened species under the Endangered Species Act (ESA). Avoidance or use restrictions may be placed on portions of the lease. Application of appropriate measures will depend on whether the action is temporary or permanent, and whether it occurs when prairie dogs are active or hibernating. A temporary action is completed prior to the following active season leaving no permanent structures and resulting in no permanent habitat loss. A permanent action continues for more than one activity/hibernation season and/or causes a loss of Utah prairie dog habitat or displaces prairie dogs through disturbances (e.g., creation of a permanent structure). The following avoidance and minimization measures have been designed to ensure activities carried out on the lease are in compliance with the ESA. Integration of, and adherence to, these measures will facilitate review and analysis of any submitted permits under the authority of this lease. Following these measures could reduce the scope of ESA Section 7 consultation at the permit stage.

Current avoidance and minimization measures include the following:

1. Surveys will be required prior to operations unless species occupancy and distribution information is complete and available. All surveys must be conducted by qualified individual(s).

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UT-S-221 CONTROLLED SURFACE USE/TIMING LIMITATIONS – UTAH PRAIRIE DOG (cont.)

2. Lease activities will require monitoring throughout the duration of the project. To ensure desired results are being achieved, minimization measures will be evaluated and, if necessary, Section 7 consultation reinitiated.
3. Where technically and economically feasible, use directional drilling or multiple wells from the same pad to reduce surface disturbance and eliminate drilling in prairie dog habitat.
4. Surface occupancy or other surface disturbing activity will be avoided within 0.5 mile of active prairie dog colonies.
5. Permanent surface disturbance or facilities will be avoided within 0.5 mile of potentially suitable, unoccupied prairie dog habitat, identified and mapped by Utah Division of Wildlife Resources since 1976.
6. The lessee/operator should consider if fencing infrastructure on well pad, e.g., drill pads, tank batteries, and compressors, would be needed to protect equipment from burrowing activities. In addition, the operator should consider if future surface disturbing activities would be required at the site.
7. Within occupied habitat, set a 25 mph speed limit on operator-created and maintained roads.
8. Limit disturbances to and within suitable habitat by staying on designated routes.
9. Limit new access routes created by the project.

Additional measures to avoid or minimize effects to the species may be developed and implemented in consultation with the U.S. Fish and Wildlife Service between the lease sale stage and lease development stage to ensure continued compliance with the ESA.

Exception: None

Modification: None

Waiver: None

UT-S-233 TIMING LIMITATION - CRUCIAL MULE DEER AND ELK WINTER HABITAT

No surface disturbing activities within crucial mule deer and elk habitats from December 15 through April 15 to protect winter habitats.

Exception: This stipulation does not apply to the maintenance and operation of existing and ongoing facilities. An exception may be granted by the authorized officer if the operator submits a plan that demonstrates that impacts from the proposed action can be adequately mitigated or it is determined the habitat is not being used during the winter period for any given year.

Modification: The authorized officer may modify the boundaries of the stipulation area if (1) a portion of the area is not being used as crucial winter range by deer/elk, (2) habitat outside of stipulation boundaries is being used as crucial winter range and needs to be protected, or (3) the migration patterns have changed causing a difference in the season of use.

Waiver: A waiver may be granted if the winter range habitat is unsuitable or unoccupied during winter months by deer/elk and there is no reasonable likelihood of future winter range use.

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UT-S-310 CONTROLLED SURFACE USE/TIMING LIMITATIONS – LAST CHANCE TOWNSENDIA (*TOWNSENDIA APRICA*)

In order to minimize effects to the federally threatened Last Chance townsendia, the Bureau of Land Management (BLM), in coordination with the U.S. Fish and Wildlife Service (Service), has developed the following avoidance and minimization measures. Implementation of these measures will help ensure the activities carried out during oil and gas development (including but not limited to drilling, production, and maintenance operations) are in compliance with the Endangered Species Act (ESA). For the purposes of this document, the follow terms are so defined: *Potential habitat* is defined as areas which satisfy the broad criteria of the species habitat description; usually determined by preliminary, in-house assessment. *Suitable habitat* is defined as areas which contain or exhibit the specific components or constituents necessary for plant persistence; determined by field inspection and/or surveys; may or may not contain last chance townsendia; habitat descriptions can be found in Federal Register Notice and species recovery plan links at <<http://www.fws.gov/endangered/wildlife.html>>. *Occupied habitat* is defined as areas currently or historically known to support last chance townsendia; synonymous with “known habitat.”

The following avoidance and minimization measures should be included in the Plan of Development:

1. Pre-project habitat assessments will be completed across 100% of the project disturbance area within potential habitat prior to any ground disturbing activities to determine if suitable last chance townsendia habitat is present.
2. Site inventories will be conducted within suitable habitat to determine occupancy. Where standard surveys are technically infeasible and otherwise hazardous due to topography, slope, etc., suitable habitat will be assessed and mapped for avoidance (hereafter, “avoidance areas”); in such cases, in general, 300’ buffers will be maintained between surface disturbance and avoidance areas. However, site specific distances will need to be approved by FWS and BLM when disturbance will occur upslope of habitat. Where conditions allow, inventories:
 - a. Must be conducted by qualified individual(s) and according to BLM and Service accepted survey protocols,
 - b. Will be conducted in suitable and occupied habitat for all areas proposed for surface disturbance prior to initiation of project activities and within the same growing season, at a time when the plant can be detected (usually April 1st to May 30th, however, surveyors should verify that the plant is flowering by contacting a BLM or FWS botanist or demonstrating that the nearest known population is in flower),
 - c. Will occur within 300’ from the centerline of the proposed right-of-way for surface pipelines or roads; and within 300’ from the perimeter of disturbance for the proposed well pad including the well pad,
 - d. Will include, but not be limited to, plant species lists and habitat characteristics, and
 - e. Will be valid until April 1st the following year.
3. Design project infrastructure to minimize impacts within suitable habitat:
 - a. Where standard surveys are technically infeasible, infrastructure and activities will avoid all suitable habitat (avoidance areas) and incorporate 300’ buffers, in general; however, site specific distances will need to be approved by FWS and BLM when disturbance will occur upslope of habitat,
 - b. Reduce well pad size to the minimum needed, without compromising safety,

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**UT-S-310 CONTROLLED SURFACE USE/TIMING LIMITATIONS –
LAST CHANCE TOWNSENDIA (*TOWNSENDIA APRICA*) (cont.)**

- c. Where technically and economically feasible, use directional drilling or multiple wells from the same pad,
 - d. Limit new access routes created by the project,
 - e. Roads and utilities should share common right-of-ways where possible,
 - f. Reduce the width of right-of-ways and minimize the depth of excavation needed for the road bed; where feasible, use the natural ground surface for the road within habitat,
 - g. Place signing to limit off-road travel in sensitive areas, and
 - h. Stay on designated routes and other cleared/approved areas.
 - i. All disturbed areas will be revegetated with native species comprised of species indigenous to the area and non-native species that are not likely to invade other areas.
4. Within occupied habitat, project infrastructure will be designed to avoid direct disturbance and minimize indirect impacts to populations and to individual plants:
- a. Follow the above recommendations (#3) for project design within suitable habitats,
 - b. To avoid water flow and/or sedimentation into occupied habitat and avoidance areas, silt fences, hay bales, and similar structures or practices will be incorporated into the project design; appropriate placement of fill is encouraged,
 - c. Construction of roads will occur such that the edge of the right of way is at least 300' from any plant and 300' from avoidance areas,
 - d. Roads will be graveled within occupied habitat; the operator is encouraged to apply water for dust abatement to such areas from April 15th to June 30th (flowering period); dust abatement applications will be comprised of water only,
 - e. The edge of the well pad should be located at least 300' away from plants and avoidance areas, in general; however, site specific distances will need to be approved by FWS and BLM when disturbance will occur upslope of habitat,
 - f. Surface pipelines will be laid such that a 300' buffer exists between the edge of the right of way and plants and 300' between the edge of right of way and avoidance areas; use stabilizing and anchoring techniques when the pipeline crosses suitable habitat to ensure pipelines don't move towards the population; site specific distances will need to be approved by FWS and BLM when disturbance will occur upslope of habitat,
 - g. Construction activities will not occur from April 15th through June 30th within occupied habitat,
 - h. Before and during construction, areas for avoidance should be visually identifiable in the field, e.g., flagging, temporary fencing, rebar, etc.,
 - i. Place produced oil, water, or condensate tanks in centralized locations, away from occupied habitat, and
 - j. Minimize the disturbed area of producing well locations through interim and final reclamation. Reclaim well pads following drilling to the smallest area possible.
5. Occupied last chance townsendia habitats within 300' of the edge of the surface pipelines right of ways, 300' of the edge of the roads' right of ways, and 300' from the edge of the well pad shall be monitored for a period of three years after ground disturbing activities. Monitoring will include annual plant surveys to determine plant and habitat impacts relative to project facilities. Annual

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UT-S-310 CONTROLLED SURFACE USE/TIMING LIMITATIONS – LAST CHANCE TOWNSENDIA (*TOWNSENDIA APRICA*) (cont.)

reports shall be provided to the BLM and the Service. To ensure desired results are being achieved, minimization measures will be evaluated and may be changed after a thorough review of the monitoring results and annual reports during annual meetings between the BLM and the Service.

6. Reinitiation of section 7 consultation with the Service will be sought immediately if any loss of plants or occupied habitat for the last chance townsendia is anticipated as a result of project activities.

Additional site-specific measures may also be employed to avoid or minimize effects to the species. These additional measures will be developed and implemented in consultation with the U.S. Fish and Wildlife Service to ensure continued compliance with the ESA.

Exception: None

Modification: None

Waiver: None

UT-S-344 NO SURFACE OCCUPANCY – OLD WOMAN ACEC

No surface occupancy within Old Woman ACEC to protect relict vegetation.

Exception: None

Modification: None

Waiver: None

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NOTICES

UT-LN-40 GOLDEN EAGLE HABITAT

The lessee/operator is given notice that lands in this lease have been identified as containing Golden Eagle Habitat. Modifications to the Surface Use Plan of Operations may be required in order to protect the Golden Eagle and/or habitat from surface disturbing activities in accordance with Section 6 of the lease terms, Endangered Species Act, and 43 CFR 3101.1-2.

UT-LN-45 MIGRATORY BIRD

The lessee/operator is given notice that surveys for nesting migratory birds may be required during migratory bird breeding season whenever surface disturbances and/or occupancy is proposed in association with fluid mineral exploration and development within priority habitats. Surveys should focus on identified priority bird species in Utah. Field surveys will be conducted as determined by the authorized officer of the Bureau of Land Management. Based on the result of the field survey, the authorized officer will determine appropriate buffers and timing limitations. This notice may be waived, excepted, or modified by the authorized officer if either the resource values change or the lessee/operator demonstrates that adverse impacts can be mitigated.

UT-LN-49 UTAH SENSITIVE SPECIES

The lessee/operator is given notice that no surface use or otherwise disruptive activity would be allowed that would result in direct disturbance to populations or individual special status plant and animal species, including those listed on the BLM sensitive species list and the Utah sensitive species list. The lessee/operator is also given notice that lands in this parcel have been identified as containing potential habitat for species on the Utah Sensitive Species List. Modifications to the Surface Use Plan of Operations may be required in order to protect these resources from surface disturbing activities in accordance with Section 6 of the lease terms, Endangered Species Act, Migratory Bird Treaty Act and 43 CFR 3101.1-2.

UT-LN-52 NOXIOUS WEEDS

The lessee/operator is given notice that lands in this lease have been identified as containing or are near areas containing noxious weeds. Best management practices to prevent or control noxious weeds may be required for operations on the lease.

UT-LN-65 OLD SPANISH TRAIL

The lessee/operator is given notice that lands in this lease are crossed by the Old Spanish Trail National Historic Trail [Old Spanish Trail Recognition Act of 2002, (Old Spanish Trail PLO 107-325)]. Modifications to the Surface Use Plan of Operations may be required in order to protect the historic integrity of the trail. Coordination with the National Park Service may be necessary.

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UT-LN-72 HIGH POTENTIAL PALEONTOLOGICAL RESOURCES

The lessee/operator is given notice that lands in this lease have been identified as having high potential for paleontological resources. Planned projects should be consistent with BLM Manual and Handbook H8270-1, Chapter III (A) and III (B) to avoid areas where significant fossils are known or predicted to occur or to provide for other mitigation of possible adverse effects (RX, NF, ESR). Modifications to the Surface Use Plan of Operations may be required in order to protect paleontological resources from surface disturbing activities in accordance with Section 6 of the lease terms and 43 CFR 3101.1-2.

UT-LN-91 WATER AND WATERSHED PROTECTION

The lessee/operator is given notice that this lease may need modifications to the Surface Use Plan of Operations in order to prevent water pollution and protect municipal and non-municipal watershed areas. No surface use or otherwise disruptive activity allowed within 500 feet of a supply well in order to prevent water quality degradation in accordance with section 6 of the lease terms and 43CFR3101.1-2.

UT-LN-99 REGIONAL OZONE FORMATION CONTROLS

To mitigate any potential impact oil and gas development emissions may have on regional ozone formation, the following Best Management Practices (BMPs) would be required for any development projects:

- Tier II or better drilling rig engines
- Stationary internal combustion engine standard of 2g NOx/bhp-hr for engines <300HP and 1g NOx/bhp-hr for engines >300HP
- Low bleed or no bleed pneumatic pump valves
- Dehydrator VOC emission controls to +95% efficiency
- Tank VOC emission controls to +95% efficiency

UT-LN-102 AIR QUALITY ANALYSIS

The lessee/operator is given notice that prior to project-specific approval, additional air quality analyses may be required to comply with the National Environmental Policy Act, Federal Land Policy Management Act, and/or other applicable laws and regulations. Analyses may include dispersion modeling and/or photochemical modeling for deposition and visibility impacts analysis, control equipment determinations, and/or emission inventory development. These analyses may result in the imposition of additional project-specific air quality control measures.