

DECISION RECORD
Bill Barrett Corporation,
Federal 21-10-4978SH and Federal 24-3-4978SH Application for Permit to Drill (APD)
Categorical Exclusion 1 (CX1), WY-070-390CX1-12-088
Bureau of Land Management, Buffalo Field Office, Wyoming

DECISION. The BLM approves the proposal from Bill Barrett Corporation for the drilling of 2 conventional oil wells, the Federal 21-10-4978SH, and the Federal 24-3-4978SH – both in Section 10, T49N R78W, federal lease WYW069912, and right-of-way, WYW-168341. The first well will be drilled to hold the lease and will not be put into production at this time. The operator plans to drill and produce more wells in the future in the project area, as noted in the CX1 worksheet, WY-070-390CX1-12-88, which BLM incorporates here by reference.

Compliance. This decision complies with:

- Federal Land Policy and Management Act of 1976 (FLPMA) (43 USC 1701), Interior Order 3310.
- National Environmental Policy Act of 1969 (NEPA) (42 USC 4321).
- Energy Policy Act of 2005 (119 Stat. 748 Public Law 109-58)
- Endangered Species Act of 1974 (16 USC 1531).
- Buffalo and Powder River Basin (PRB) Final Environmental Impact Statement (FEISs), 1985, 2003.
- Buffalo Resource Management Plan (RMP) 1985, Amendments 2001, 2003, 2011.

A summary of the details of the approval follows. The CX1 worksheet, WY-070-390CX1-12-088 includes the project description, including site-specific mitigation measures. Mitigation measures will include the conditions of approval (COAs) in Appendix B of the CX worksheet.

The BLM approves the following APD.

WELL NAME	QRT/QRT	SEC	TOWNSHIP	RANGE	LEASE
Federal 21-10-4978SH	NENW	10	49	78	WYW069912
Federal 24-3-4978SH	NENW	10	49	78	WYW069912

BLM will issue the following right-of-way grant.

ROW Grant	ROW Action	Section	Township	Range	Lengths	Width
WYW-168341	Road	4,7-9, 18,19,20, 29	49 N	78 W	4.11 miles	40 feet

THE FINDING OF NO SIGNIFICANT IMPACT (FONSI). The US Congress, Department of Interior, and BLM affirmed there was no significant impact of a like-structured project when they created this CX1 and its limiting parameters so there is no requirement for a FONSI, EIS, or EA.

DECISION RATIONALE. The approval of this project is because:

1. The project will not adversely affect public safety and does not involve any unique or unknown risks.
2. The project will not result in a violation of any federal or known state or local law, statute or ordinance, or other requirement imposed for the protection of the environment.
3. The approved project conditioned by its design features and COAs, will not result in any undue or unnecessary environmental degradation. The PRB FEIS analyzed and predicted that the PRB oil and gas development would have significant impacts to the region's Greater Sage-Grouse (GSG) population. The impact of this development cumulatively contributes to the potential for local extirpation yet its effect is acceptable because it is outside priority habitats and is within the parameters of the PRB FEIS/ROD and current BLM and Wyoming GSG conservation strategies.

There are no conflicts anticipated or demonstrated with current uses in the area. This decision approving the WY-070-390CX1-12-088 complies with the Energy Policy Act of 2005, Section 390, 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215.

4. Approval of this project conforms to the terms and the conditions of the 1985 Buffalo RMP (BLM 1985) and subsequent update (BLM 2001) and amendments (BLM 2003, 2011). This project complies with the breadth and constraints of CX1, Energy Policy Act of 2005, and subsequent policy.
5. The selected alternative will help meet the nation's energy needs, revenues, and stimulate local economies by maintaining workforces.
6. The selected alternative will help meet the nation's energy need, revenues, and stimulate local economies by maintaining workforces.
7. The project is clearly lacking in wilderness characteristics because it is amidst gas development.
8. This decision does not foreclose the lessee or operator to propose a new or supplementary plan for developing the federal oil and gas lease(s) in this project area, including submission of additional APDs to drain minerals in accord with lease rights and law.

For Rights-of-way under either FLPMA, 43 CFR 2800, or MLA, 43 CFR 2880

ADMINISTRATIVE APPEAL. Parties and qualified interested persons may appeal this decision to the Interior Board of Land Appeals, Office of the Secretary, in accord with the regulations in 43 CFR 4. If an appeal is filed your notice of appeal must be filed in the above address within 30 days from receipt of this decision. The appellant has the burden of showing the decision appealed from is in error. Note that under 43 CFR 2800 or 2880 this decision is effect even if an appeal is filed.

For Onshore leasable minerals (oil, natural gas, etc.) 43 CFR 3160

ADMINISTRATIVE APPEAL. This decision is subject to administrative appeal in accord with 43 CFR 3165. Request for administrative appeal 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, P.O. Box 1828, Cheyenne, Wyoming 82003, 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.

Field Manager: _____

[Signature]

Date: _____

9/25/12

Categorical Exclusion 1 (CX1), WY-070-390CX1-12-088
Section 390, Energy Policy Act of 2005
Bill Barrett Corporation, Federal 21-10-4978SH and Federal 24-3-4978SH
Bureau of Land Management, Buffalo Field Office, Wyoming

Description of the Proposed Action

Bill Barrett Corporation requests approval of their 2 applications for permit to drill (APDs) for Federal 21-10-4978SH and Federal 24-3-4978SH horizontal oil wells drilled to the Shannon formation at a total depth of 8,531 and 8,543 feet respectively. The proposed location is approximately 29 miles southeast of Buffalo, Wyoming, in Johnson County in T49N R78W. Both proposed oil wells will be co-located on the same well pad. The need for this project is to determine how and under what conditions to balance natural resource conservation with allowing the operator to exercise lease rights to develop fluid minerals development of 2 horizontal oil wells, Federal 21-10-4978SH and Federal 24-3-4978SH, with surface hole locations on federal lease WYW069912, as described in their APDs, surface use plan, and drilling plan, incorporated here by reference. Bureau of Land Management (BLM) is the surface owner. The extraction of fluid minerals is important to meeting the nation's energy needs. The fluid mineral leasing programs fall under the authority of the Mineral Leasing Act of 1920, the Federal Land Policy Management Act (FLPMA), and other laws and regulations.

Operations would occur at the following surface-hole location:

WELL NAME	QRT/QRT	SEC	TOWNSHIP	RANGE	LEASE
Federal 21-10-4978SH	NENW	10	49	78	WYW069912
Federal 24-3-4978SH	NENW	10	49	78	WYW069912

The Federal 21-10-4978SH and Federal 24-3-4978SH wells are co-located on the same well pad, with wells separated by 16 feet. The 21-10 lateral will produce Section 10, and the 24-3 lateral will produce Section 3 of T49N, R78W. The surface-hole location for Federal 21-10-4978SH is located at 335' FNL and 1,910' FWL in Section 10, T49N, R78W. The bottom-hole location for Federal 21-10-4978SH is 460' FSL and 2,435' FWL in Section 10, T49N, R78W. The surface-hole location for Federal 24-3-4978SH is located at 338.5' FNL and 1,894.4' FWL in Section 10, T49N, R78W. The bottom-hole location for Federal 24-3-4978SH is 660' FNL and 660' FWL in Section 3, T49N, R78W. Refer to Appendix 1, Figure 1, Map of Top & Bottom Hole Locations, Lease Boundaries, Infrastructure.

The NOS for Federal 21-10-4978SH was received on August 8, 2011. The APD for Federal 21-10-4978SH was received by the BLM on December 13, 2011. The APD for Federal 24-3-4978SH was received on June 21, 2102.

The proposal was evaluated at the onsite and modified as necessary to mitigate environmental impacts. Onsites were conducted on October 10, 2011, and February 14, 2012 by the following personnel:

NAME	TITLE	AGENCY
Rachel Matchin	Environmental Compliance	Bill Barrett Corp.
Paul McElvery	Water Resource Engineer	Bill Barrett Corp.
Brady Lewis	Civil Engineer	WWC Engineering
Debby Green	Natural Resource Specialist	BLM
Scott Jawors	Wildlife Biologist	BLM
Arnie Irwin	Soil Scientist	BLM
Stacy Gunderson	Civil Engineer	BLM
Casey Freise	NRS Supervisor	BLM

The project is subject to the conditions-of-approval (COAs) for drilling an oil well in the BFO area under standard split estate jurisdiction. For a detailed description of design features and construction practices associated with the proposed project, refer to the surface use plan (SUP) and drilling plan. Refer to attached maps in Appendix A for Top and Bottom Hole locations.

Operations would include the following performed by Bill Barrett Corporation and/or their contractors:

- Construction of a drilling pad with dimensions of approximately 575 feet by 300 feet plus cut & fill, accounting for 4.23 acres of disturbance.
- Once drilling has begun, the operator anticipates drilling of the well for 30 days, and the completion process for an additional 45 days.
- After drilling and completion, the well pad area will be reduced to approximately 2.0 acres for the production phase by reclamation of disturbed areas created during construction that would not be needed should the well be placed into production. Please refer to Appendix A. Maps, figure 2, for an illustration of interim reclamation pad dimensions.
- A road network consisting of existing improved roads and construction of 150 feet of single lane crown & ditch surface road as access onto the well pad. Existing engineered and template roads constructed for CBNG development will be spot upgraded with turnouts, widening, appropriate signage, erosion dissipation such as cross drainage, and graveling as per Surface Use Plan in Section 4 T49N R78W. Spot upgrades will be made to improve overall safety and match operator's anticipated use for larger trucks and increased traffic. Estimated average daily traffic (ADT) on existing and improved roads after drilling and completion activities are completed will be 2.
- The operator will maintain shared roads with other oil and gas operators to ensure safe, all-weather passage. The operator commits to communicating with current road users to ensure maintenance and construction issues are timely addressed.
- Buried electrical cable from the meter drop to the pumping unit, accounting for 0.03 acres disturbance.
- There is existing 3-phase overhead power in the project area. If the well is placed into production, an above ground power line network will be constructed by a third party provider, Powder River Energy Corporation (PreCorp), adjacent to the existing improved access road.
- Best Management Practices (BMPs) to be employed: Salvaged topsoil pile height will not exceed 10' in order to minimize wind erosion: spoil dirt will be used to create a berm at the interior pad edge during drilling to prevent run-off on fill slopes; on-pad fill will be stabilized by compacting; a V-ditch will be cut around well pad to contain run-on from cut slopes and run-off from fill slopes; silt fencing on fill slopes.
- If determined to be economically viable, the well would be put into production. Production facilities that would be placed on the site include a pumping unit (Weatherford Rotaflex Model 900, height 40'5"); a 2-phase vertical separator (height 12"); vertical heater-treater (25'6"); 4 oil and 2 water production tanks; 36" Combustor; Flare stack (25'9"). The facilities and site would be operated and maintained for the life of the well.
- Should a heater-treater be required as a necessary component for production, the operator has voluntarily committed to adding a "bird cone" per BLM request as a design feature intended to avoid bird/bat mortality.
- No pipelines (oil, gas, water) are proposed for this project. Providing these items become necessary, the operator will submit a sundry notice to the BLM to gain approval prior to construction.
- Produced water during the production phase will be stored in 2 production tanks. These tanks will be emptied as needed using water tanker trucks. Produced water will be disposed of in accordance with Wyoming Department of Environmental Quality (WDEQ) guidelines at the Parkman Reservoir disposal facility in Buffalo, Wyoming, operated by High Plains Resources (permit #83-601).

- Landowners within ½ mile of the proposed wells will be offered a Water Well Agreement. If a water well agreement is not reached with the landowner, the company agrees to mitigate the impacts of these wells in accordance with Wyoming State Water Laws.
- Based on the proximity of the proposed wells to the existing Devon Energy’s CBNG well JDFU 21G-1098, the operator confirmed mutually agreeable mitigation measures with Devon Energy to ensure existing infrastructure is not compromised. See SUP for a listing of measures agreed to between operators.
- It is anticipated that 10,000bbls of water will be needed for drilling. The fresh water for drilling operations will be trucked from the WaterCo load out facility (Dead Horse Creek exit of I-90).
- For completion (hydraulic fracturing) phase, the operator intends to place two Poseidon (or comparable brand) above ground tanks for onsite water storage at the east end of the pad. It is estimated that using portable above-ground tanks will decrease overall traffic to and from the site during completion phase by at least 30%. The above-ground tanks do not require a separate location or additional disturbance.
- For the Shannon formation, it is anticipated that 10,000 bbls of water will be needed for drilling and 38,000 bbls of water will be needed for completion (fracking) activities.
- The entire well pad location will be fenced during drilling and completion operations so as to effectively keep out wildlife, livestock, unauthorized personnel, and unauthorized vehicle access.
- It is the operator’s intent to drill the Federal 21-10-4978SH and Federal 24-3-4978SH consecutively, using the same proposed 100’ by 200’ reserve pit for both wells. Both wells are proposed to be drilled with water-based mud, and the pit to be closed within the standard 180 day time limit. The operator committed to the following measure: If there is unfavorable shows from the initial well, or if other factors delay drilling of the second well (i.e., wildlife timing stipulations, inclement weather, budgetary issues) beyond the standard 180-day time limit for pit closures, the operator commits to permanently close the initial reserve pit and to drill the second well with a closed-loop system.
- Living accommodations during drilling and completion activities will be temporary trailers that do not entail additional construction of disturbance outside the allotted well pad area.
- If the well is not found to be economically viable, all areas disturbed during construction would be reclaimed to approximate pre-disturbance condition, and the well bore would be plugged per State of Wyoming and Bureau of Land Management policy and regulations.

The total new surface disturbance for this action consists of 4.73 acres (see Table 1, below).

Plan Conformance

The proposed project conforms to the terms and the conditions of the Buffalo Resource Management Plan (RMP), 1985, amended 2001, 2003, and 2011. The development area is clearly lacking wilderness characteristics as it is in the midst of extensive coalbed natural gas (CBNG) development with miles of mechanically maintained roads, (see DOI Order 3310). The Energy Policy Act of 2005 subjects oil or gas exploration or development to a rebuttable presumption that the use of a categorical exclusion under the National Environmental Policy Act (NEPA) applies. Thus BLM must use an Energy Policy Act CX unless BLM can prove such CX is inapplicable. This CX worksheet is a form of NEPA compliance categorically excluded from the analysis that occurs in an EA or EIS. BLM H-1790, p. 17.

The applicable categorical exclusion from the Energy Policy Act of 2005 is exclusion number (b)(1) which is *individual surface disturbances of less than 5 acres so long as the total surface disturbance on the lease is not greater than 150 acres and site-specific analysis in a document prepared pursuant to NEPA has been previously completed.*

A Section 390 Categorical Exclusion 1 (BLM NEPA Handbook, Appendix. 2) has 3 requirements:

- 1) The project must disturb less than 5 acres on the site. If more than 1 action is proposed for a lease (for

example 2 or more wells), each activity is counted separately, and each may disturb up to 5 acres. Similarly, the 5-acre limit applies separately to each activity requiring discrete BLM action, such as each APD, even though for processing efficiency purposes the operator submits for BLM review a large master development plan addressing many wells. The surface disturbance for the Federal 21-10-4978SH and Federal 24-3-4978SH well is as follows:

Table 1: Disturbance Summary for Federal 21-10-4978SH Federal 24-3-4978SH

Facility	No. or Mileage	Factor	Disturbance (acres)	Duration
Well Pad During Drilling & Construction Operations plus cut & fill	1 575 ft. x 300 ft.	W*L/43560 acre	4.23 acres	Short term
*Well Pad During Production (Reduction)	350 ft. x250 ft.	W*L/43560 acre	2.0 acres	Long term
Improved Template Road	150 ft	20 ft.	0.07 acres	Long term
Buried power	100 ft.	15 ft.	0.03 acres	Short term
Pipelines (oil, gas, water)	0	30 ft.	N/A	N/A
**3 rd Party Overhead Power	1,187 ft.	15ft. along existing improved access	0.40 acres	
Total			4.73 acres	

*NOTE: After the drilling & construction phase the pad size will be reduced to 2.0 acres of disturbance during production. This figure is not cumulative and has not been added to the total disturbance.

**NOTE: 3rd Party Overhead Power is the sole responsibility of PreCorp prior to point of metering which includes overhead lines, poles, transformers banks, etc.

- 2) The current un-reclaimed surface disturbance readily visible on the entire leasehold must not be greater than 150 acres, including this proposed project. This includes previous disturbances supporting lease development. The 150-acre limit applies separately to each federal lease supporting the development. Lease WYW069912 has a total of 960 acres. There are 15 existing CBNG wells within this lease, 2 of which are locations with 2 wells per site. All CBNG well sites are non-constructed pads which account for 1.5 acres of disturbance. There are approximately 0.57 miles of improved roads which account for 2.08 acres of disturbance. There are no reservoirs permitted by the State Engineer’s Office on lease WYW069912. There are no compressor stations. Including the proposed action with 4.23 acres of disturbance, the total surface disturbance for lease WYW069912 will be 19.02 acres, well under the 150-acre limit which applies separately to each federal lease supporting the development.
- 3) There must be a site-specific NEPA document (not just leasing) that covers the boundaries of the proposed project. This NEPA document may be an exploration or development EA/EIS; it may be part of a specific master development plan, a multi-well EA/EIS, or an individual permit approval EA/EIS. The NEPA document must have analyzed the type of activity or project being considered; yet it need not have addressed the specific permit or application being considered.

The area had historic conventional oil and gas exploration and production, and recent CBNG development. The project area is adjacent to or inside the boundaries of 6 CBNG plans of development (PODs) that include 137 wells, see Table 3.1.). There are 207 oil and gas wells within a 4 mile radius of the area for this proposal (WOGCC as of February 8, 2012). This proposal falls within the foreseeable development scenario that was analyzed in the tiered NEPA documents required to use a CX1.

Table 3.1. This Project Tiers to or Incorporates by Reference this NEPA Analysis

NEPA Document Name	NEPA Document or #	# Wells	Decision Date
Tear Drop POD	WY-070-EA08-012	43 CBNG	04/04/2008
Juniper Draw Golden Eagle POD	WY-070-EA07-111	48 CBNG	12/05/2007
Juniper Draw Kestrel POD	WY-070-EA06-323	22 CBNG	09/29/2006
Juniper Draw Merlin POD	WY-070-EA05-262	13 CBNG	09/02/2005
Nemesis POD	WY-070-EA05-157	43 CBNG	09/13/2005
Juniper Draw Addition POD	WY-070-EA-04-087	16 CBNG	05/05/2004
Federal W-67912 15-15(aka USA 15-15)	WY-3109/82-439-P	1 Oil	03/03/1982
Powder River Basin FEIS	FEIS (WY-070-02-065) & Record of Decision		04/30/2003

This project also incorporates by reference the descriptions and analysis of horizontal drilling and hydraulic fracturing from Samson’s Hornbuckle EA, WY-060-EA11-181 and Barlow Ranch Federal EA, WY-070-EA12-173.

Plan of Operations

The proposal design conforms to all Bureau standards and incorporates appropriate best management practices, required and design mitigation measures determined to reduce the effects on the environment. BFO reviewed a surface use plan (SUP) of operations which described all proposed surface-disturbing activities and approves the SUP pursuant to Section 17 of the Mineral Leasing Act, as amended.

Realty

The following rights-of-way location was identified with the Federal 21-10-4978SH and Federal 24-3-4978SH APDs. Right-of-way WYW-168341 will be granted under the Federal Land Policy and Management Act of 1976. Use of the following location is authorized after separate issuance of the grant. This right-of-way will fall within the constraints of the appropriate stipulations and conditions of approval of the APD.

ROW Grant	ROW Action	Section	Township	Range	Lengths	Width
WYW-168341	Road	4,7-9, 18,19,20, 29	49 N	78 W	4.11 miles	40 feet

Cultural Resources

A previously reviewed and accepted Class III cultural resource inventory (BFO # 070070071) adequately covered the proposed project area. No cultural resources are in the area of potential effect. On February 8, 2012, G.L. “Buck” Damone III, BLM Archaeologist, electronically notified the Wyoming State Historic Preservation Office (SHPO) following section VI(A)(1) of the Wyoming State Protocol, of a finding of no effect for the proposed project.

Water Resources

The historical use for groundwater in this area was for stock water or domestic purposes. A search of the WSEO Ground Water Rights Database showed 5 registered stock and domestic water wells within 1 mile of the proposed well(s) in the project area with depths from 268 to 541 feet. For additional information on groundwater, refer to the PRB FEIS (2003), Affected Environment, pp. 3-1 to 3-36.

Adherence to the drilling COAs, the setting of casing at appropriate depths, following safe remedial procedures in the event of casing failure, and using proper cementing procedures should protect any fresh water aquifers above the target coal zone. This will ensure that ground water will not be adversely impacted by well drilling and completion. The operator will run surface casing to 3,000 feet, total vertical depth to protect shallow aquifers.

At the time of permitting, the volume of water that will be produced in association with these federal minerals is unknown. The operator will have to produce the wells for a time to be able to estimate the water production. In order to comply with the requirements of Onshore Oil and Gas Order #7, Disposal of Produced Water, the operator will submit a sundry to the BLM within 90 days of first production which includes a representative water analysis as well as the proposal for water management.

Historically, the quality of water produced in association with conventional oil and gas has been such that surface discharge would not be possible without treatment. Initial water production is quite low in most cases. There are three common alternatives for water management: Re-injection, deep disposal or disposal into pits. All alternatives would be protective of groundwater resources when performed in compliance with State and Federal regulations.

Wildlife Resources

Big Horn Environmental Consultants (BHEC) performed a habitat assessment and wildlife inventory surveys for mountain plover, sharp-tailed grouse, Greater Sage-Grouse (GSG), raptor nests, and prairie dog colonies in 2012 (BHEC 2012). BHEC searched for potential Ute ladies'-tresses orchid habitat (BHEC 2012). BHEC conducted all surveys according to the PRB Interagency Working Group's protocols, available at: http://www.blm.gov/wy/st/en/field_offices/Bufalo/wildlife.html.

The wildlife biologist determined that the proposed APD, combined with the COAs are: (1) consistent with the FEIS (WY-070-02-065) and its supplements, to include biological opinion (ES-6-WY-02-F006), the RMP and its Amendments, and the above tiered EAs; and (2) consistent with the effects analyzed in the site specific Endangered Species Act section 7 consultation and does not change the determinations in that consultation. Effects to wildlife are anticipated to be similar to those discussed in the Juniper Draw Kestrel POD EA, WY-070-EA06-323.

Greater Sage-Grouse (GSG)

New information regarding GSG includes the 2012 BLM-contracted population viability analysis for the Northeast Wyoming GSG. That study found that there remains a viable population of GSG in the PRB (Taylor et al. 2012); however threats from energy development and West Nile Virus (WNV) are impacting future viability (Taylor et al. 2012). The study indicated that effects from energy development, as measured by male lek attendance, are discernible out to a distance of 12.4 miles. Juniper Draw Kestrel POD (WY-070-EA06-323) contains the affected environment information concerning GSG. The PRB FEIS predicted that the PRB oil and gas development would have significant impacts to the GSG population. The impact of the Federal 21-10-4978SH and Federal 24-3-4978SH development may cumulatively contribute to the potential for local extirpation yet its effect is acceptable because it is outside priority habitats and is within the parameters of the PRB FEIS/ROD and current BLM and Wyoming GSG conservation strategies.

The effects on the soil, vegetation, and watershed components will be minimal with the application of mitigation measures, of the Surface Use Plan of Operation.

Persons and Agencies Consulted

Name	Company/Agency	Title
Scott Jawors	BLM	Wildlife Biologist
G.L. "Buck" Damone III	BLM	Archeologist
Amber Haverlock	BLM	Realty Specialist
Matthew Warren	BLM	Petroleum Engineer
Arnie Irwin	BLM	Soil Scientist

Name	Company/Agency	Title
Sharon Soule	BLM	LIE
Kerry Aggen	BLM	Geologist
Paul McElverey	Bill Barrett Corporation	Water Resource Engineer
Rachel Matchin	Bill Barrett Corporation	Environmental Compliance
John Kelley	BLM	NEPA Coordinator
Debby Green	BLM	Natural Resource Specialist

Decision and Rationale on Action

I approve the Federal 21-10-4978SH and Federal 24-3-4978SH APDs using the following rationale and conditions of approval (COAs) associated with this CX worksheet:

1. The project will not adversely affect public safety and does not involve any unique or unknown risks.
2. The project will not result in a violation of any federal, or known state or local law, statute or ordinance, or other requirement imposed for the protection of the environment.

The COAs provide mitigation and further the justification for this decision and may not be segregated from project implementation without further NEPA review. I reviewed the plan conformance statement and determined that the proposed Federal 21-10-4978SH and Federal 24-3-4978SH CX1 proposal and infrastructure conform to the applicable land use plan, 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215. I reviewed the proposal to ensure the appropriate exclusion category as described in Section 390 of the Energy Policy Act of 2005 is correct. I determined that there is no requirement for further environmental analysis.



Duane W. Spencer
Field Manager

9/25/12
Date

Contact Person

For additional information concerning this decision, contact: Debby Green, Natural Resource Specialist, Buffalo Field Office, 1425 Fort Street, Buffalo WY 82834, 307-684-1058.

References:

Taylor, R. L., D. E. Naugle, L. S. Mills. 2012. Viability analyses for conservation of sage-grouse populations: Buffalo Field Office, Wyoming. Final Report. February 27, 2012. University of Montana, Missoula, MT.

Big Horn Environmental Consultants. 2012. Federal 21-10-4978SH Wildlife Survey and Habitat Report. Sheridan, WY. 12pp.

Appendix A, Maps

Figure 1: Map of Top & Bottom Hole Locations, Lease Boundaries, Existing & Proposed Infrastructure

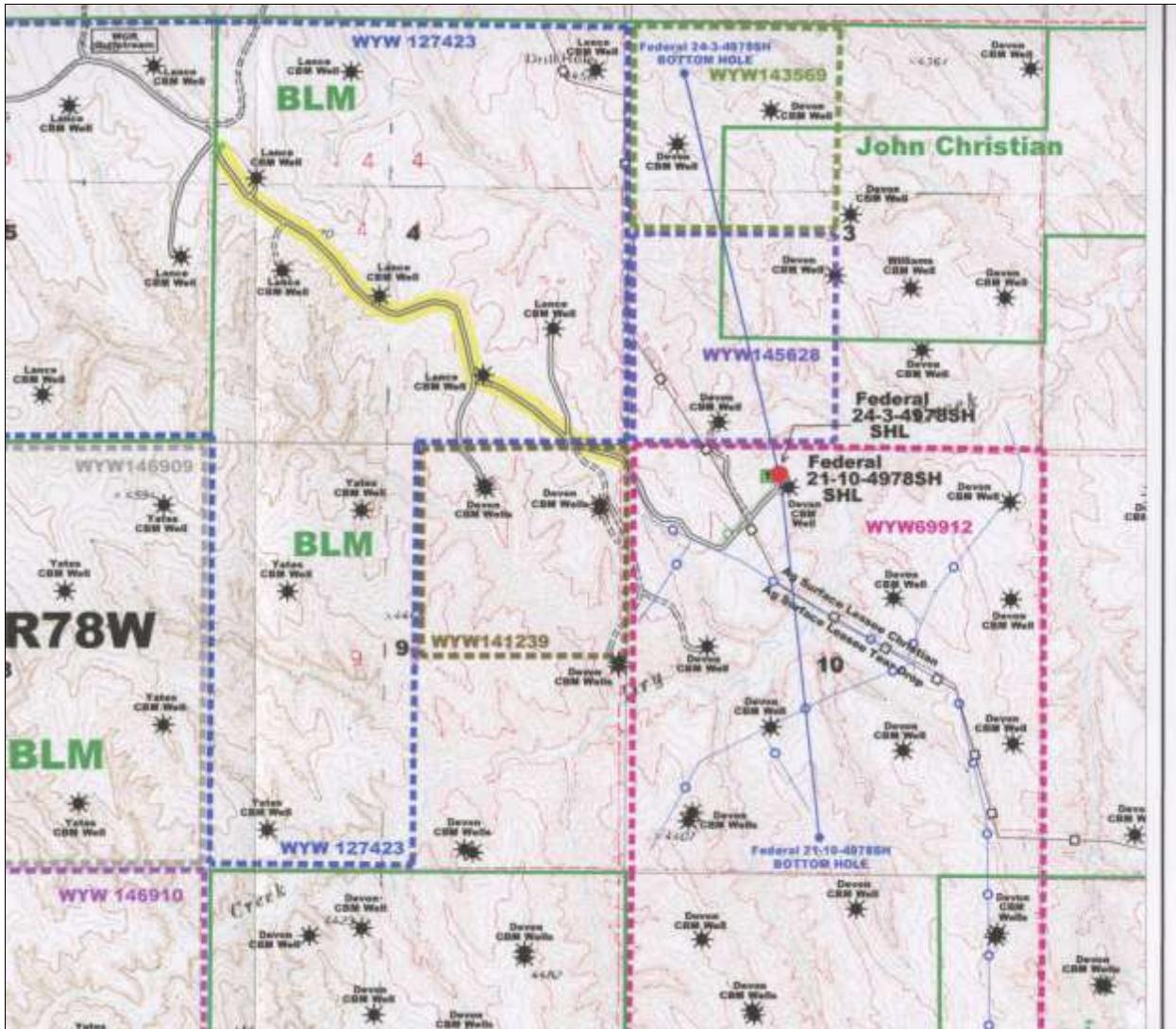


Figure 2: Well Pad Reduction for Interim Reclamation

