

DECISION RECORD
Devon Energy Production Company, L.P., Leavitt-Underwood Plan of Development (POD)
Categorical Exclusion 3 (CX3), WY-070-390CX3-16-6 to -24
Section 390, Energy Policy Act of 2005
Bureau of Land Management, Buffalo Field Office, Wyoming

DECISION. BLM approves Devon Energy Production Company, L.P. Leavitt-Underwood POD oil and gas well applications for permit to drill (APDs) and construct their associated infrastructure as described in the CX3 analysis, WY-070-390CX3-15-276 to -299, all of which the BLM incorporates here by reference.

Compliance. This decision complies with or supports:

- Federal Land Policy and Management Act of 1976 (FLPMA) (43 USC 1701).
- Mineral Leasing Act of 1920 (MLA) (30 U.S.C. 181); including the Onshore Oil and Gas Orders.
- National Environmental Policy Act of 1969 (NEPA) (42 USC 4321).
- National Historic Preservation Act of 1966 (NHPA) (16 USC 470).
- Powder River Basin Oil and Gas Project Final Environmental Impact Statement (FEIS) (2003).
- Buffalo Resource Management Plan (RMP) (2015).

A summary of the details of the approval follows. The CX3 analysis, WY-070-390CX3-16-6 to -24, includes the project description, including site-specific mitigation measures which are incorporated by reference into this CX3 from earlier analysis. The proposed wells are approximately 7 miles south of Wright, Campbell County, Wyoming. The Leavitt-Underwood POD proposal has 19 APDs along with associated access roads and infrastructure, to develop and produce oil and gas from the Parkman and Turner Formations.

Well Site. BLM approves 19 APDs and support facilities at the following location:

Pad	Well Name	Twn	Rng	Sec	Qtr/Qtr	Surface Ownership	Surface Hole Lease	Lateral Lease	Bottom Hole Lease
LU1	T.Cosner Fed 29-324372-1XTH	43N	72W	20	SWSW	Fee	Fed	Mixed	Fed
	T.Cosner Fed 29-324372-2XTH					Fee	Fed	Mixed	Fed
LU2	Removed from POD								
LU3*	T.Cosner Fed 29-324372-1XPH	43N	72W	29	NWNW	Fee	Fee	Mixed	Fed
LU4*	T.Cosner Fed 29-324372-2XPH	43N	72W	29	NENW	Fee	Fee	Mixed	Fed
LU5*	T.Cosner Fed 29-324372-3XPH	43N	72W	29	SWNE	Fee	Fee	Mixed	Fed
	T.Cosner Fed 29-324372-4XPH					Fee	Fee	Mixed	Fed
LU6	Leavitt Trust Fed 32-294372-3XTH	43N	72W	32	SESE	Fee	Fed	Mixed	Fee
	Leavitt Trust Fed 32-294372-4XTH					Fee	Fed	Mixed	Fee
LU7*	Leavitt Trust Fed 334372-1PH	42N	72W	4	NWNW	Fee	Fee	Fed	Fed
LU8	Leavitt Trust Fed 334372-2PH	43N	72W	33	SESW	Fee	Fed	Fed	Fed
LU9	Leavitt Trust Fed 334372-3PH	43N	72W	33	SWSE	Fee	Fed	Fed	Fed
	Leavitt Trust Fed 334372-4PH					Fee	Fed	Fed	Fed
LU10*	Leavittwood Fed 34-034272-1-XPH	43N	72W	34	NWNW	Fee	Fee	Mixed	Fee
	Leavittwood Fed 34-034272-2XPH					Fee	Fee	Mixed	Fee
LU11*	Underwood Fed 34-034272-3XPH	43N	72W	34	NENE	Fee	Fee	Mixed	Fee
	Underwood Fed 34-034272-4XPH					Fee	Fee	Mixed	Fee
LU12	Underwood Fed 35-024272-1XPH	43N	72W	35	NENW	Fee	Fed	Mixed	Fee
	Underwood Fed 35-024272-2XPH					Fee	Fed	Mixed	Fee
LU13	Underwood Fed 35-024272-3XPH	43N	72W	35	NWNE	Fee	Fed	Fed	Fed

Limitations. There are no denials or deferrals. Also see the conditions of approval (COAs).

THE FINDING OF NO SIGNIFICANT IMPACT (FONSI). Congress, the Department of Interior and BLM affirmed there was no significant impact of a like-structured project when they created this CX3 and its limiting parameters. Thus a FONSI and an EIS are not required.

COMMENT OR NEW INFORMATION SUMMARY. BLM publically posted the APDs for 30 days, received no comments, and then internally scoped them. There are no new policies or information received post analysis that affects this project.

DECISION RATIONALE. BLM bases the decision authorizing the proposed project on:

1. Approval of this project conforms to the terms and the conditions of the 2015 Buffalo RMP (BLM 2015).
2. BLM and Devon included design features and mitigation measures (conditions of approval (COAs)) to reduce environmental impacts while meeting the BLM's need. For a complete description of all site-specific COAs, see the COAs.
 - a. The proposed development is outside priority Greater Sage-grouse habitat.
 - b. With application of Standard Operating Procedures (SOPs), applied mitigation, Required Design Features (RDFs), and COAs identified for Greater Sage-Grouse under the proposed action, impacts caused by surface-disturbing and disruptive activities would be minimized. RDFs were analyzed, even though, they are not required within general habitat. Lined cuttings pits will not present a West Nile virus risk to Greater Sage-Grouse. The pits will have steep sides, be lined, and of a temporary nature; the pits will not provide suitable mosquito breeding habitat.
 - c. There are no conflicts anticipated or demonstrated with current uses in the area.
3. The proposed project will help meet the nation's energy needs, and help stimulate local economies by maintaining workforce stability.
4. The operator committed to:
 - Comply with the approved APDs, applicable laws, regulations, orders, and notices to lessees.
 - Obtain necessary permits from agencies.
 - Offer water well agreements to the owners of record for permitted wells.
 - Incorporate several measures to alleviate resource impacts into their submitted surface use plan and drilling plan.
5. The operator certified they have a surface access agreement.
6. The project lacks wilderness characteristics. A wilderness characteristics inventory was completed in 2013; no lands with wilderness characteristics were identified outside the Big Horn Mountains. The inventory is available at: <http://www.blm.gov/wy/st/en/programs/Planning/rmps/buffalo/docs.html>.
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. This decision does not foreclose the lessee or operator to propose using external pumping units via a sundry application process.
9. This approval is subject to adherence with all of the operating plans, design features, and mitigation measures contained in the master surface use plan of operations, drilling plan, water management plan, and information in individual APDs.

ADMINISTRATIVE REVIEW AND APPEAL. This decision is subject to administrative review according to 43 CFR 3165. Request for administrative review of this decision 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. Parties 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 _____ /s/ Duane W. Spencer _____

Date: _____ November 5, 2015 _____

Categorical Exclusion 3 (CX3), WY-070-390CX3-16-6 to -24
Section 390, Energy Policy Act of 2005
Devon Energy Production Company, L.P., Leavitt-Underwood Plan of Development (POD)
Bureau of Land Management, Buffalo Field Office, Wyoming

Description of the Proposed Action.

Devon Energy Production Company, L.P. (Devon) submitted the Leavitt-Underwood POD with 19 applications for permit to drill (APDs). BLM incorporates the APDs here by reference; see the administrative record (AR). Devon proposes drilling horizontal oil and gas wells and constructing supporting infrastructure at the locations in Table 1.1. The proposal is to explore for, and possibly develop oil and gas from the Parkman and Turner Formations, at depths found in the AR.

Table 1.1. Proposed Wells BLM approves 19 APDs and support facilities at the following locations:

Pad	Well Name	Tw	Rng	Sec	Qtr/Qtr	Surface Ownership	Surface Hole Lease	Lateral Lease	Bottom Hole Lease
LU1	T.Cosner Fed 29-324372-1XTH	43N	72W	20	SWSW	Fee	Fed	Mixed	Fed
	T.Cosner Fed 29-324372-2XTH					Fee	Fed	Mixed	Fed
LU2	Removed from POD								
LU3*	T.Cosner Fed 29-324372-1XPH	43N	72W	29	NWNW	Fee	Fee	Mixed	Fed
LU4*	T.Cosner Fed 29-324372-2XPH	43N	72W	29	NENW	Fee	Fee	Mixed	Fed
LU5*	T.Cosner Fed 29-324372-3XPH	43N	72W	29	SWNE	Fee	Fee	Mixed	Fed
	T.Cosner Fed 29-324372-4XPH					Fee	Fee	Mixed	Fed
LU6	Leavitt Trust Fed 32-294372-3XTH	43N	72W	32	SESE	Fee	Fed	Mixed	Fee
	Leavitt Trust Fed 32-294372-4XTH					Fee	Fed	Mixed	Fee
LU7*	Leavitt Trust Fed 334372-1PH	42N	72W	4	NWNW	Fee	Fee	Fed	Fed
LU8	Leavitt Trust Fed 334372-2PH	43N	72W	33	SESW	Fee	Fed	Fed	Fed
LU9	Leavitt Trust Fed 334372-3PH	43N	72W	33	SWSE	Fee	Fed	Fed	Fed
	Leavitt Trust Fed 334372-4PH					Fee	Fed	Fed	Fed
LU10*	Leavittwood Fed 34-034272-1-XPH	43N	72W	34	NWNW	Fee	Fee	Mixed	Fee
	Leavittwood Fed 34-034272-2XPH				NENW	Fee	Fee	Mixed	Fee
LU11*	Underwood Fed 34-034272-3XPH	43N	72W	34	NENE	Fee	Fee	Mixed	Fee
	Underwood Fed 34-034272-4XPH					Fee	Fee	Mixed	Fee
LU12	Underwood Fed 35-024272-1XPH	43N	72W	35	NENW	Fee	Fed	Mixed	Fee
	Underwood Fed 35-024272-2XPH					Fee	Fed	Mixed	Fee
LU13	Underwood Fed 35-024272-3XPH	43N	72W	35	NWNE	Fee	Fed	Fed	Fed

*BLM's Instruction Memorandum No. 2009-078 entitled Processing Oil and Gas Applications for Permit to Drill for Directional Drilling into Federal Mineral Estate from Multiple-Well Pads on Non-Federal Surface and Mineral Estate Locations will apply to the proposal (COA's are only recommended)

The proposed oil and gas wells are in the Leavitt-Underwood POD boundaries, which includes an area of 14,723 acres. The project area is 7 miles south of Wright, Campbell County, Wyoming. Project elevation ranges from 4,939 feet to 5,076 feet. The topography has gently sloped draws rising to mixed sagebrush and grassland uplands. Ephemeral tributaries of Lower Antelope Creek and Upper Porcupine Creek, in the Cheyenne River drainage, drain the project area. The climate in the area is semi-arid, averaging 10-14 inches of precipitation annually, about 60% of which occurs between April and September. The jurisdiction for the wells is outlined in Table 1.1. The AR is available for public review at the Buffalo Field Office (BFO).

Table 1.2. Associated CX3 Numbers for the Roush 2 POD.

Pad	Well Name	Tw	Rng	Sec	CX #
LU1	T.Cosner Fed 29-324372-1XTH	43N	72W	20	WY-070-390CX3-16-7
	T.Cosner Fed 29-324372-2XTH				WY-070-390CX3-16-8

LU3	T.Cosner Fed 29-324372-1XPH	43N	72W	29	WY-070-390CX3-16-9
LU4	T.Cosner Fed 29-324372-2XPH	43N	72W	29	WY-070-390CX3-16-10
LU5	T.Cosner Fed 29-324372-3XPH	43N	72W	29	WY-070-390CX3-16-11
	T.Cosner Fed 29-324372-4XPH				WY-070-390CX3-16-12
LU6	Leavitt Trust Fed 32-294372-3XTH	43N	72W	32	WY-070-390CX3-16-13
	Leavitt Trust Fed 32-294372-4XTH				WY-070-390CX3-16-14
LU7	Leavitt Trust Fed 334372-1PH	42N	72W	4	WY-070-390CX3-16-6
LU8	Leavitt Trust Fed 334372-2PH	43N	72W	33	WY-070-390CX3-16-15
LU9	Leavitt Trust Fed 334372-3PH	43N	72W	33	WY-070-390CX3-16-16
	Leavitt Trust Fed 334372-4PH				WY-070-390CX3-16-17
LU10	Leavittwood Fed 34-034272-1-XPH	43N	72W	34	WY-070-390CX3-16-18
	Leavittwood Fed 34-034272-2XPH				WY-070-390CX3-16-19
LU11	Underwood Fed 34-034272-3XPH	43N	72W	34	WY-070-390CX3-16-20
	Underwood Fed 34-034272-4XPH				WY-070-390CX3-16-21
LU12	Underwood Fed 35-024272-1XPH	43N	72W	35	WY-070-390CX3-16-22
	Underwood Fed 35-024272-2XPH				WY-070-390CX3-16-23
LU13	Underwood Fed 35-024272-3XPH	43N	72W	35	WY-070-390CX3-16-24

The BLM’s need for this project is to determine whether, and if so, and under what conditions to support the Buffalo Resource Management Plan’s (RMP) goals, objectives, and management actions with permitting the operator’s exercising of conditional lease rights to develop federal fluid minerals. APD information, which BLM incorporates here by reference, is an integral part of this CX. Conditional fluid mineral development supports the RMP, the Mineral Leasing Act of 1920, the Federal Land Policy Management Act (FLPMA), and other laws and regulations.

Devon submitted a notice of staking (NOS) on April 14, 2015, to the BFO. Devon and BFO completed onsite inspections on June 2, 2015 and June 3, 2015. Devon filed applications for permit to drill (APD) which BLM received on June 30, 2015, incorporated here by reference. The onsites evaluated the proposal and modified it to mitigate environmental impacts. The BLM sent a post-onsite deficiency letter to Devon on July 31, 2015 and deficiency responses were received on August 28, 2015. After subsequent correspondence, the BLM considered the APDs complete on October 20, 2015.

Drilling, Construction & Production design features include:

Access Roads and Utilities

- A road network will consist of existing improved all-weather roads; existing primitive (2-track) roads to be upgraded to all-weather improved roads; and improved well access roads. Roads will be maintained in a condition the same as, or better than before operations began. Disturbances are listed in Table 1.3.
- Proposed roads will be built with a 24 foot running surface.
- A detailed description of turnouts, culverts, low water crossings, cattle guards, and engineered designs are listed in the surface use plan (SUP) and Map D (within the APD package, AR).
- Existing and proposed above ground power lines will be used if the wells become producers. Power will be provided by a third party contractor. Lengths and disturbances are listed in Table 1.3.
- Average daily traffic (ADT) is outlined in Table 1.4.
- Drilling and completion water will be supplied to the locations by surface water lines from various sources, outlined in the SUP, and placed in Poseidon tanks.

Well Locations

- Cut and fill slopes of the well pads will be constructed with slopes of 2:1 and 3:1, and reduced as much as possible during interim reclamation.
- Well pad disturbances are listed in Table 1.3.
- Multiple wells are proposed on 12 well pads, for a total of 19 wells. If the wells become producers, facilities to be placed on the well pads are outlined in the SUP.
- Poseidon tanks will be used for water storage during drilling and completion operations.
- The wells will be drilled using a semi-closed loop system. Cuttings will be contained in lined cuttings pits, constructed on the well locations.
- All well pads will be fenced around the extent of the disturbance and will be set back, to allow adequate space for equipment to operate, during construction and reclamation activities.
- No off-site ancillary facilities are planned for this project. No staging areas, man camps/housing facilities are anticipated to be used off-site. Working trailers and sleeping trailers will be placed on the well pad during the drilling and completion of the well.

Drilling and Completion Operations

- Drilling and construction is year-round in the region. Weather may cause delays, but delays rarely last multiple weeks. Timing limitations in the form of COAs and/or agreements with surface owners may impose longer temporal restrictions. The operator anticipates that estimated drilling duration per well will be 30 days.
- Hydraulic fracturing (HF) operations are planned as a ‘plug and perf’ operation done in stages. The process is anticipated to require approximately 20 days to complete. All water used for HF will come from water supplies listed in the SUP. All fresh water will be contained in Poseidon tanks and no surface pits will be used to hold this water. No additional well pad disturbance is anticipated for HF operations. Completion flowback water will be held in tanks on location and trucked offsite to a disposal facility permitted by Wyoming Department of Environmental Quality (WDEQ).
- Flowback equipment and tanks are spotted 2-3 days before pumping. Sand silos are spotted and filled 2-3 days prior to pumping.
- Next pump trucks and chemical mixing equipment arrives and, when ready, operations continue for 36-48 hours or 3-5 days depending on the type of stimulation stage isolation (i.e. packers/sleeves or plug/perf respectively).
- Sand is continuously brought on site in semi-truck loads during pumping. It is necessary to have a safe turning radius available for these trucks. Pumping water may require heating in the winter months.

All locations require extensive earthwork for creating sufficient area to complete the wells. Devon will then reduce the initial well sites with interim reclamation. Individual well designs are in the individual APDs. While these 12 pads are larger than most to date they are more similar than different in that 7 of the 12 pads, host multiple wells; their construction surface disturbance footprint is larger than their operational footprint; their construction footprint is followed with interim reclamation; and the totality of the pads contribution to surface disturbance in the Upper Powder River remains well within the surface disturbance envisioned and analyzed in the PRB FEIS. The proposed size is necessary to safely accommodate the equipment necessary for effective well completions. 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 included with the APDs. Also see the subject APD for maps showing the proposed well location and associated facilities described above. Total short term surface disturbance for the proposal is 172.84 acres and total long term surface disturbance for the proposal is 56.88 acres.

Table 1.3. Disturbance Summary Leavitt-Underwood POD:

Facility	Number or Miles	Factor	Disturbance	Interim Dist.
Proposed Improved Access (no utility corridor)	11,715 ft x 70 ft	820,050 sq ft	18.83 acres	6.45 acres
Proposed Improved Roads (with utility corridor)	3,262 ft x 70 ft	228,340 sq ft	5.24 acres	1.80 acres
Proposed Unimproved Roads (no utility corridor)	1,415 ft x 16 ft	22,640 sq ft	0.52 acres	0.39 acres
Proposed Unimproved Roads (with utility corridor)	256 ft x 16 ft	4,096 sq ft	0.09 acres	0.07 acres
Proposed Surface Water and Production Flow Line not within an access corridor.	41,597 ft x 50 ft	2,079,850 sq ft	47.75 acres	0.0 acres
Proposed Overhead Power	10,179 ft x 15 ft	152,685 sq ft	3.51 acres	3.51 acres
Power Drops (12)	75 ft x 75 ft	67,500 sq ft	1.55 acres	1.55 acres
Frac Pit	Varies	Varies	5.40 acres	5.40 acres
Well Pads (12)	Varies	Varies	89.95 acres	37.71 acres
Total Surface Disturbance			172.84 acres	56.88 acres

Table 1.4. Average Daily Traffic (per well)

Activity	Duration	Large Trucks	Personal Pickups
Rig Move	5 Days	30	15
Drilling	3-4 weeks	6-8	12
Completion	2-3 weeks	12	12
Production	Life of well	1	1

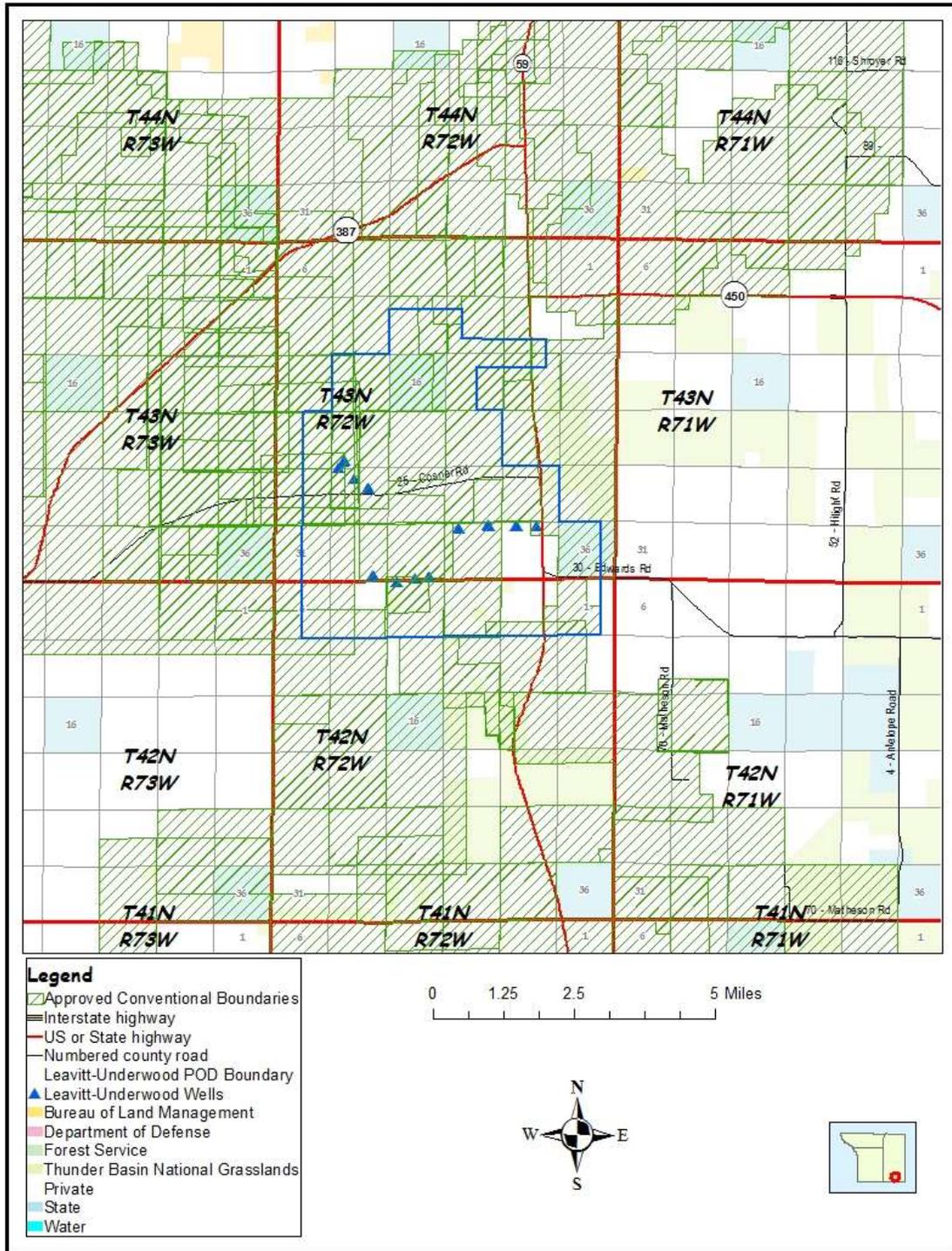
Off Well Pad

Devon will install a buried 3 to 6 inch high-density polyethylene (HDPE) gas gathering pipeline of at least 125 psi rating from each producing well to transport natural gas from the well to a gas gathering trunkline and on to a compressor facility. Gas gathering trunklines will typically consist of 6 to 24 inch HDPE buried lines of at least 125 psi rating. Devon will install a buried 2 to 6 inch corrosion resistant water gathering pipeline of at least 150 psi rating from the well to transport water to a water gathering trunkline and to an approved water disposal well in the area. Water gathering trunklines will typically consist of 6 to 12 inch corrosion resistant buried lines of at least 150 psi rating.

Plan Conformance, Compliance, and Justification with the Energy Policy Act of 2005.

The Energy Policy Act of 2005, Section 390(a) 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, Section 390(b), CX unless BLM rebuts the presumption. This CX analysis is NEPA compliance categorically excluded from an EA or EIS or their analysis; it is not an exclusion from all analysis. (40 CFR 1508.4 and BLM H-1790, p. 17.) The proposal conforms with the terms and conditions of the approved Buffalo Field Office Resource Management Plan (RMP) 2015, as required by 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215. BLM finds that the conditions and environmental effects found in the senior EA and PRB FEIS remain valid. The applicable categorical exclusion from the Energy Policy Act of 2005, Section 390, is exclusion number (b)(3) which is *drilling an oil or gas well within a developed field for which an approved land use plan or any environmental document prepared pursuant to NEPA analyzed such drilling as a reasonably foreseeable activity, so long as such plan or document was approved within 5 years prior to the date of spudding the well.*

Project Map



BLM has 3 requirements to use a Section 390 CX3, (BLM H-1790, Appendix 2, #3, p. 143):

- 1) The proposed APD is in a developed oil or gas field (any field with a completed confirmation well).

Table 1.5 is a list of NEPA analyses that are within or adjacent to the Leavitt-Underwood POD project area. This information shows that BLM conducted analysis and BLM incorporates these here by reference.

Table 1.5. Overlapping NEPA Analyses by Decision Date

Operator	POD / Well Name	NEPA Analysis #	#/ Type Wells	Mo/Yr
Devon	Cosner Fuller TLE 4 POD	WY-070-EA15-55	47/Oil	3/2015
Devon	Cosner-Wright 2 POD	WY-070-EA14-191	18/Oil	2/2014
Devon	Cosner-Wright Fuller 3 POD	WY-070-EA14-225	11/Oil	6/2014
Peak	Bridal Bit Fed 1 POD	WY-070-EA15-66	36/Oil	4/2015
Peak	Leavitt Fed 2 POD	WY-070-EA15-71	16/Oil	3/2015
Yates	Porsche 3H/4H	WY-070-EA14-85	2/Oil	2/2014
Peak	Leavitt Fed 1 POD	WY-070-EA15-19	6/Oil	11/2014
Peak	T. Cosner Fed 19-04372 POD	WY-070-EA14-408	8/Oil	9/2014
Yates	Corporal 3PH/4PH	WY-070-EA15-253	2/Oil	8/2015

See also: SDR WY-2013-005, particularly noting pp. 2-3, incorporating the entirety here by reference.

- 2) Reasonably foreseeable activity (RFA) is found in the Cosner Fuller TLE 4 POD (EA), WY-070-EA15-55, 2015. BLM also notes in the Cosner Fuller TLE 4 POD (EA), WY-070-EA15-55, 2015 RFA, that of the 138 analyzed APDs, only 22 are drilled; thus 116 undrilled, analyzed APDs contribute to the available RFA for this CX3 analysis. The RFA for this analysis area includes oil/gas exploration on 640 acres and possible 320 acre spacing for horizontal wells and 40 acre spacing for vertical wells. The project analysis area is the area within 5 miles of the proposed well and includes only those federal projects approved within 5 years, as of October 2015.
- 3) The tiered NEPA document was finalized or supplemented within 5 years of spudding (drilling) the proposed wells. This Leavitt-Underwood POD CX3 tiers to the NEPA analyses in the Cosner Fuller TLE 4 POD (EA), WY-070-EA15-55, 2015.

In summary, the documents in Table 1.5, analyzed in detail the anticipated direct, indirect, residual, and cumulative effects that would result from the approval of these APDs. The BLM reviewed the analyses and found that the analyses considered potential environmental effects associated with the proposal at a site specific level.

Plan of Operations.

The proposal conforms to all Bureau standards and incorporates appropriate best management practices, greater sage-grouse required design features, and mitigation measures determined to reduce the effects on the environment. BLM reviewed and approved a surface use plan of operations describing all proposed surface-disturbing activities pursuant to Section 17 of the Mineral Leasing Act, as amended. This CX3 analysis also incorporates and analyzes the implementation of committed mitigation measures contained in the SUP, drilling plan, in addition to the Standard COAs found in the PRB FEIS ROD, Appendix A.

Soils/ Vegetation.

Impacts anticipated occurring and mitigation considered with the implementation of the proposal will be similar to those analyzed in the following EA which is adjacent or overlapping to the proposal, is substantially similar, and is incorporated here by reference: Cosner Fuller TLE 4 POD (EA), WY-070-EA15-55, 2015, Sections 3.2 and 4.2.

Water Resources.

The historical use for groundwater in this area was for stock or domestic water. A search of the WSEO

Ground Water Rights Database showed 22 registered stock and domestic water wells within 1 mile of the proposed wells in the project area with depths ranging from 55 feet to 360 feet. For additional information on groundwater, refer to the PRB FEIS, 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 operations. The Fox Hills, the deepest penetrated fresh water zone in the PRB lies well above the target formation. Table 1.6 shows the depths where casing will be set and cemented in place. The operator will verify that there is competent cement across the aquifer, from 100 feet above to 100 feet below the Fox Hills Formation. This will ensure that ground water will not be adversely impacted by well drilling and completion operations.

Table 1.6. Depth to Fox Hills Formation

Pad	Well Name	Depth to the Fox Hills Formation
LU1	T.Cosner Fed 29-324372-1XTH	6,047 feet
	T.Cosner Fed 29-324372-2XTH	6,047 feet
LU3	T.Cosner Fed 29-324372-1XPH	6,029 feet
LU4	T.Cosner Fed 29-324372-2XPH	6,054 feet
LU5	T.Cosner Fed 29-324372-3XPH	6,081 feet
	T.Cosner Fed 29-324372-4XPH	6,083 feet
LU6	Leavitt Trust Fed 32-294372-3XTH	5,977 feet
	Leavitt Trust Fed 32-294372-4XTH	5,978 feet
LU7	Leavitt Trust Fed 334372-1PH	5,941 feet
LU8	Leavitt Trust Fed 334372-2PH	5,935 feet
LU9	Leavitt Trust Fed 334372-3PH	5,935 feet
	Leavitt Trust Fed 334372-4PH	5,934 feet
LU10	Leavittwood Fed 34-034272-1-XPH	5,896 feet
	Leavittwood Fed 34-034272-2XPH	5,894 feet
LU11	Underwood Fed 34-034272-3XPH	5,848 feet
	Underwood Fed 34-034272-4XPH	5,846 feet
LU12	Underwood Fed 35-024272-1XPH	5,783 feet
	Underwood Fed 35-024272-2XPH	5,782 feet
LU13	Underwood Fed 35-024272-3XPH	5,753 feet

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 a well 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.

Invasive Species.

Impacts anticipated occurring and mitigation considered with the implementation of the proposal will be similar to those analyzed in the EA adjacent to or overlapping to this proposal, has substantially similar characteristics, and is incorporated here by reference: Cosner Fuller TLE 4 POD (EA), WY-070-EA15-55, 2015, Sections 3.5 and 4.5.

Wildlife.

Due to the nature of the proposed action and impacts to the identified wildlife resources within the proposed project area Devon has devised and committed to a unique adaptive approach which will allow for year round continuous drilling operations, as identified below, while effectively mitigating impacts to wildlife resources within the project area. This approach was developed in conjunction with input from United States Fish and Wildlife Service (USFWS), BFO BLM, Wyoming Game and Fish Department (WGFD), professional wildlife consultants, as well as Devon. The drilling plan and field development will be implemented and predicated on intensive wildlife surveys/monitoring efforts that will occur through the proposed project's development. The proposed action also includes an in depth Avian Species of management Concern and Raptor Monitoring Plan or simply called a Raptor Mitigation Plan which will be referred to as the RMMP throughout the document. The RMMP includes the best available science as well as numerous empirical and anecdotal references to justify Devon's approach to mitigating impacts associated with field development. Also this approach has been previously applied to the near by operations within the Cosner Fuller TLE 4 POD (EA), WY-070-EA15-55, 2015 and impacts are expected to similar in intensity and duration. For complete details and specifics of the operator committed measures and their justifications can be found in the RMMP, MSUP, and the AR.

It must also be noted that all locations were sited in such a way to reduce impacts to wildlife, especially raptors where feasible and done so prior to applying the RMMP. These considerations included consideration of proximity, presence of biological buffering and existing anthropogenic disruptions in relation to the identified sensitive wildlife resources within the proposed project area.

Summary of mitigation proposed within the RMMP:

Identified Proactive Measures:

- a) Devon has committed to include all well-types regardless of BLM surface jurisdiction within its plan and apply the same outlined mitigation (timing restrictions, monitoring, pad placement, etc.) regardless of BLM jurisdiction.
- b) Baseline data for wildlife was established and included all existing anthropogenic disturbances and nest histories.
- c) The majority of the project will utilize extended reach laterals while using two section interval spacing units.
- d) Well pads wads and associated infrastructure were placed in areas where impacts were minimized to wildlife where feasible.
- e) Associated infrastructure was consolidated where wildlife conflicts arose (production facilities, roads, etc.).

Adaptive Management:

- a) Active monitoring will be utilized throughout life of the project and intensive raptor surveys will be ongoing and outcomes will dictate field development.
- b) Prior to each calendar year the BLM and Devon will reevaluate biological information to plan field development for the given year.
- c) The operator also plans to initiate continuous drilling and construction simultaneously on several pads prior to pre-established nest initiation dates.
- d) Rig movements will be predicated on biological monitoring results.

- e) Proposed infrastructure and pads will be constructed outside the raptor nesting season where monitoring identifies potential conflicts.

Impacts to wildlife are anticipated to be minimal due to the above operator committed measures in, recommendations from the BLM biologist and applied conditions of approval.

A summary of species identified to be of importance within the project area will be discussed below and rational for any species not discussed in detail can be referenced within the administrative record.

Also for a more in depth discussion of wildlife survey results within the proposed project area can be referenced within the MSUP and the wildlife report submitted by Bighorn Environmental Consultants (June 27, 2015) on behalf of the operator.

Raptors

The area provides suitable habitat for a variety of raptor species. Wildlife surveys and in conjunction with information provided by the BFO raptor database indicates that there are 19 raptor nests of significance in the area. Of these nests the majority of them are believed to be ferruginous hawk nests although none of these nests were observed to be active in the 2015 nesting season.

During 2015 survey efforts only three of these nests were documented to be active and included one great horned owl, one burrowing owl, and a red-tailed hawk.

Of the all nests that are present within the project area only one is within 0.25 miles of a proposed pad. This well pad (LU9) should not cause any significant impacts to future nesting attempts due to the presence of adequate biological buffering and the application of the RMMP.

Greater Sage-Grouse (GSG)

The proposed project area does not reside within any Wyoming designated core population areas. There is only one documented GSG lek within two miles of any newly proposed surface disturbance. Pad LU6 resides just within the two mile buffer of the Spring Creek lek which is considered by the Wyoming Game and Fish Department to be occupied.

Impacts should be minimal due to the existing environment within the area (elevated levels of habitat fragmentation and anthropogenic disturbances) also the proposed well pad referenced above will also have a timing limitation (COA) applied during the breeding season to further reduce impacts to the species.

Cultural

In accordance with section 106 of the National Historic Preservation Act, BLM must consider impacts to historic properties (sites that are eligible for or listed on the National Register of Historic Places (NRHP)). For an overview of cultural resources that are generally found within BFO the reader is referred to the *Draft Cultural Class I Regional Overview, Buffalo Field Office* (BLM, 2010). A Class III (intensive) cultural resource inventory (BFO project no. 70150096) was performed in order to locate specific historic properties which may be impacted by the proposed project. The following resources are located in or near the proposed project area.

Cultural Resources Located In or Near the Project Area

Site Number	Site Type	NRHP Eligibility
48CA72226	Historic Homestead	Not Eligible
48CA7227	Historic Cairn and Trash Scatter	Not Eligible
48CA7228	Historic Trash Scatter	Not Eligible
48CA7229	Historic Inscription	Not Eligible
48CA7230	Historic Homestead	Unevaluated

BLM policy states that a decision maker’s first choice should be avoidance of historic properties (BLM Manual 8140.06(C)). If historic properties cannot be avoided, mitigation measures must be applied to resolve the adverse effect. No historic properties will be impacted by the proposed project. Following the *State Protocol Between the Wyoming Bureau of Land Management State Director and The Wyoming State Historic Preservation Officer*, Section V(D)(i) the Bureau of Land Management electronically notified the Wyoming State Historic Preservation Officer (SHPO) on 10/14/2015 that no historic properties exist within the area of potential effect (APE). If any cultural values (sites, features or artifacts) are observed during operation, they will be left intact and the Buffalo Field Manager notified. If human remains are noted, the procedures described in Appendix L of the PRB FEIS must be followed. Further discovery procedures are explained in Standard COA (General)(A)(1).

List of Preparers: Persons and Agencies Consulted (BFO unless otherwise noted)

Position/Organization	Name	Position/Organization	Name
NRS/Team Lead	Dustin Hill	Archaeologist	Clint Crago
Supr NRS	Casey Freise	Wildlife Biologist	Chris Sheets
Petroleum Engineer	Jonathan Shepard	Geologist	Kerry Aggen
LIE	Sharon Soule	Assistant Field Manager	Chris Durham
Assistant Field Manager	Clark Bennett	Supr NRS	Bill Ostheimer
NEPA Coordinator	Tom Bills		

Decision and Rationale on the Proposal.

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 Leavitt-Underwood POD CX3 APD 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.

Field Manager: _____/s/ Duane W. Spencer_____

Date: _____November 5, 2015_____

Contact Person, Dustin Hill, Natural Resource Specialist, Buffalo Field Office, 1425 Fort Street, Buffalo WY 82834, 307-684-1100.