

**DECISION RECORD
FOR
EOG Resources, Inc.
Determination of NEPA Adequacy (DNA)
Project 808
WY-070-DNA12-9**

DECISION:

BLM’s decision is to approve EOG Resources Inc.’s Project 808 two (2) oil wells Applications for Permit to Drill (APDs) of the attached DNA worksheet (WY-070-DNA12-9). The DNA alternative is the updated Proposed Action, and is the result of collaboration between the Bureau of Land Management and EOG Resources INC. The DNA alternative has been analyzed in the attached EA and found to have no significant impacts on the human environment, beyond those described in the Powder River Basin Final Environmental Impact Statement (PRB FEIS). Thus an EIS is not required.

Details of the approval are summarized below.

Well Sites:

The following 2 Applications for Permit to Drill (APDs) and associated infrastructure are authorized:

Well Site:

BLM approves the following two (2) APD(s) and associated infrastructure on 2 pads:

	APD	Pad Name	Township	Range	QTR Section	Lease
1	Arbalest 235-01H	3	41N	72W	SWSE Sec 1	WYW129506
2	Crossbow 221-18H	2	41N	71W	SESE Sec 18	WYW108556

Operator Committed Measures:

The operator has incorporated several measures to alleviate resource impacts into their Master Surface Use Plan (MSUP) submitted on March 15, 2010. Please refer to the MSUP for complete details of operator committed measures.

Site-Specific Mitigation Measures:

Site-specific Conditions of Approvals (COAs) have been applied to this project, in addition to the programmatic and standard COAs identified in the PRB FEIS to mitigate the site-specific impacts described in the Environmental Effects section of the EA. For a complete description of all site-specific COAs associated with this approval, see Section 4 in the EA (WY-070-EA-284) and Alternative A attached to the EA.

COMPLIANCE WITH LAWS, REGULATIONS, LAND USE PLANS, AND POLICIES:

This approval is in compliance with all Federal laws, regulations, and policies. This includes, but is not limited to, the Federal Land Policy and Management Act, the National Historic Preservation Act, the Threatened and Endangered Species Act, the Migratory Bird Treaty Act, the Clean Water Act, the Clean Air Act, and the National Environmental Policy Act.

Approval of this DNA alternative is in conformance with the *Powder River Basin Oil and Gas Project Environmental Impact Statement and Proposed Plan Amendment* (PRB FEIS), *Record of Decision and Resource Management Plan Amendments for the Powder River Basin Oil and Gas Project* (PRB FEIS ROD), and the Approved Resource Management Plan (RMP) for the Public Lands Administered by the

Bureau of Land Management, Buffalo Field Office (BFO), (1985/2001/2003/2011).

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. This approval is also subject to operator compliance with all mitigation and monitoring requirements.

The Finding of No Significant Impact (FONSI) analyzed alternative B of EA, WY-070-EA11-284, its FONSI, and the FONSI for the DNA worksheet (WY-070-DNA12-9) found no significant impact on the human environment beyond those in the BPR FEIS, thus, an EIS is not required.

RATIONALE:

The decision to authorize the selected DNA alternative, as summarized above, is based on the following:

1. The Operator, in their project, has committed to:
 - Comply with all applicable Federal, State and Local laws and regulations.
 - Obtain the necessary permits from other agencies for the drilling, completion and production of these wells including water rights appropriations, and relevant air quality permits.
 - Implementation of committed mitigation measures contained in the SUP and Drilling Program, in addition to the Conditions of Approval (COAs) associated with the EA, WY-070-EA11-284, in order to ensure there will be no significant impact.
2. The Operator has certified that a Surface Use Agreement has been reached with the Landowners.
3. The selected alternative will not result in any undue or unnecessary environmental degradation.
4. It is in the public interest to approve these wells, as this development will help meet the nation's energy needs, and will help to stimulate local economies by maintaining workforce stability.
5. The selected alternative incorporates appropriate local greater sage-grouse research and the best available science from across the species range in development of the attached conditions of approval.
6. Mitigation measures were selected to alleviate environmental impacts and meet the project's purposes and needs. Mitigation is discussed in the environmental consequences section of the EA referenced above. For a complete description of all site-specific COA's associated with this approval, see Section 4 in the EA and Alternative B to the EA.

ADMINISTRATIVE REVIEW AND APPEAL: Under BLM regulations, this decision is subject to administrative review in accordance with 43 CFR 3165. Any 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.

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: _____

Date: _____

**FINDING OF NO SIGNIFICANT IMPACT
FOR
EOG Resources, Inc.
Determination of NEPA Adequacy (DNA)
Project 808: Arbalest 235-01H & Crossbow 221-18H,
WY-070-DNA12-9**

FINDING OF NO SIGNIFICANT IMPACT:

On the basis of the information contained in the Environmental Assessment (WY-070-EA11-284), and all other information available to me, it is my determination that: (1) the implementation of the DNA alternative will not have significant environmental impacts beyond those already addressed in Powder River Basin Final Environmental Impact Statement (PRB FEIS) to which the EA is tiered; (2) The DNA Alternative is in conformance with the Buffalo Field Office Resource Management Plan (1985, 2001, 2003, 2011); and (3) the DNA alternative does not constitute a major federal action having a significant effect on the human environment. Therefore, an environmental impact statement or a supplement to the existing environmental impact statement is not necessary and will not be prepared. This finding is based on my consideration of the Council on Environmental Quality's (CEQ's) criteria for significance (40 CFR 1508.27), both with regard to the context and to the intensity of the impacts described in the EA (WY-070-EA11-284) and the DNA Worksheet (WY-070-DNA12-9).

CONTEXT:

Mineral development is a long-standing land use within the Powder River Basin (PRB). More than one fourth of the nation's coal production comes from the PRB. The PRB FEIS reasonably foreseeable development predicted and analyzed the development of 51,000 CBNG wells and 3,200 oil wells. The additional oil well development described in the DNA alternative is insignificant within the national, regional, and local context.

INTENSITY:

The implementation of the DNA alternative will result in beneficial effects in the forms of energy and revenue production. However, there will also be adverse effects to the environment. Design features and mitigation measures have been included within the DNA alternative to prevent significant adverse environmental effects.

The DNA alternative does not pose a significant risk to public health and safety. The geographic area of the project does not contain unique characteristics identified within the 1985 RMP, 2011 PRB FEIS, or other legislative or regulatory processes.

Relevant scientific literature and professional expertise were used in preparing the EA (WY-070-EA11-284). The scientific community is reasonably consistent with their conclusions on environmental effects relative to oil and gas development. Research findings on the nature of the environmental effects are not highly controversial, highly uncertain, or involve unique or unknown risks.

Oil well development of the nature proposed with this project and similar projects was predicted and analyzed in the PRB FEIS; the selected alternative does not establish a precedent for future actions with significant effects.

There are no cultural or historical resources present that will be adversely affected by the selected alternative. No species listed under the Endangered Species Act or their designated critical habitat will be adversely affected. The selected alternative will not have any anticipated effects that would threaten a violation of Federal, State, or local law or requirements imposed for the protection of the environment.

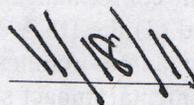
ADMINISTRATIVE REVIEW AND APPEAL: Under BLM regulations, this finding is subject to administrative review in accordance with 43 CFR 3165. Any request for administrative review of this finding must include information required under 43 CFR 3165.3(b) (State Director Review), including all supporting documentation. 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 Finding is received or considered to have been received.

Any party who is adversely affected by the State Director's finding may appeal that finding to the Interior Board of Land Appeals, as provided in 43 CFR 3165.4.

Field Manager: _____



Date: _____



Determination of NEPA Adequacy (DNA) Worksheet
U.S. Department of the Interior
Bureau of Land Management, Buffalo Field Office, WY

OFFICE: BLM, Buffalo Field Office (BFO), 1425 Fort Street, Buffalo, WY 82834

CASE FILE/PROJECT NUMBERS: EOG Project 808 EA # WY-070-DNA12-9

PROPOSED ACTION TITLE: EOG Project 808 Arbalest 235-01H, Crossbow 221-18H

LOCATION/LEGAL DESCRIPTION: T41N R71WSWSE Sec 1 and T41N R71W SESE Sec 18

APPLICANT: EOG Resources, Inc.

A. Description of the Proposed Activity and any applicable mitigation measures

The Proposed Action proposes to explore for and develop oil and natural gas reserves underlying oil and gas leases owned by EOG Resources, Inc. (EOG) in southern Campbell County, Wyoming. EOG proposes to drill, complete, produce, and eventually reclaim up to 2 well bores to the Turner and Mowry Formations from 2 separate well pad locations (Table 3). Up to four wells would be horizontally drilled from each well pad to minimize surface disturbance and habitat fragmentation. The number of wells proposed on each well pad is dependent on spacing rules, mineral estate, and geological factors. Associated infrastructure would include access roads, gathering lines, and possible future power lines required for access to the well pads and transport of oil and gas from the well sites. The life of each productive well is anticipated to be up to 40 years.

The project area is in an existing coal bed methane production area located on lands owned by private landowners, the State of Wyoming, and U.S. Forest Service (USFWS)-administered surface lands. Mineral ownership is a combination of federal, State of Wyoming, and private. The BLM has previously completed NEPA documents and issued FONISs covering 37 wells on 10 pads within the project area for EOG. APDs have also been approved by the Wyoming Oil and Gas Conservation Commission for wells in the project area on fee and State leases (identified in Table 1). Some of the previously approved wells have been drilled, completed, and are in production. Others are planned for drilling and completion in 2011 and 2012.

Well Pads:

Well pads would be constructed from the native soils and rock material present on site at each well pad location. Well pad locations would be constructed and leveled by balancing cut and fill areas to the maximum extent possible to create a flat and level workable surface for drilling equipment while alleviating the need for imported materials. Cut-and-fill slopes would be designed to allow for the detention of topsoil and subsoil fill material. Prior to well pad cut and fills and to help facilitate proper reclamation, topsoil and native vegetation would be stripped and removed from the pad footprint for future use during the reclamation process. The stockpiling of topsoil and stripped vegetation will allow for a native seed bank that should assist the re-establishment of vegetation.

On average, a typical two-well pad would have a level surface of approximately 305 feet by 439 feet, or 3.07 acres working surface. A four-well pad would typically be approximately 335 feet by 487 feet, resulting in a 3.75-acre level working pad. Total surface disturbance for each well pad, including spoil and topsoil piles, would range from 3.87 acres to 5.43 acres, depending on cut and fill slopes necessary to balance the pad. The variations in well pad size and total surface disturbances are the result of specific well pad location and localized topography which results in differing cuts and fills for each well pad. In addition, these sizes are necessary to accommodate drilling and completing multiple wells on each pad, and to allow for safe distances from wellheads to production equipment on the pad, per State of Wyoming requirements.

Surface disturbances for each well pad vary slightly depending on the amount of cuts, fills, associated side slopes, and soil stockpiling. See Tables 1 and 2 for estimated surface disturbances associated with each proposed well pad. EOG would perform interim reclamation on portions of the well pads not needed for production after all wells are drilled, unless no drilling takes place for more than six months, at which point interim reclamation would take place.

For specifics, refer to the Master Surface Use Plan (MSUP) in the Plan of Development (POD) associated with the APDs. For a detailed description of design features, construction practices associated with the proposed action refer to the Surface Use Plan (SUP) and Drilling Plans associated with the APDs.

Table 1. Summary of Proposed Wells

Well Pad Name	Well Name	Pad ID No.	Maximum # of wells	Acres of Pad Disturbance	Approx. Acres of Interim Reclamation	Access Road Miles	Access Road Acres
Arbalest 14-01H	Arbalest 235-01H	3	4	4.35	3.20	0.02	0.11
Crossbow 53-18H	Crossbow 221-18H	2	2	4.26	3.18	0.23	1.12

Table 2. Surface Disturbances

Activity	Length (feet)	Width (feet)	Acres of Disturbance
Arbalest 235-01H			
Well Pad	448	305	3.14
Cut/fills & Topsoil/spoil stockpile	Varies	Varies	1.21
Access Road	117	40	0.11
Total Initial Disturbance			4.43
Crossbow 221-18H			
Well Pad	487	305	3.40
Cut/fills & Topsoil/spoil stockpile	Varies	Varies	0.86
Access Road	1221	40	1.12
Total Initial Disturbance			5.38

Table 3. Well Pad Name/Location/Lease

Well Pad Name	Well Name	Pad ID Number	Township	Range	QTR Section	Wells On Pad
Arbalest 14-01H	Arbalest 235-01H	3	41N	72W	SWSE Sec 1	Arbalest 14-01H, 15-01H, 235-01H, 236-01H
Crossbow 53-18H	Crossbow 221-18H	2	41N	71W	SESE Sec 18	Crossbow 53-18, 221-18H

B. Conformance with the Land Use Plan (LUP) and Consistency with Related Subordinate Implementation Plans

The proposed action is in conformance with the applicable LUPs because it is specifically

provided for in the following LUP decisions:

LUP: Buffalo Resource Management Plan (RMP), 1985; amended in 2001, 2003, & 2011.
DOI order 3310, 2010.

The Buffalo RMP, 1985, and as amended in 2001 provides to “Continue to lease and allow development of federal oil and gas in the Buffalo Resource Area” (MM-7: 1985 Buffalo RMP Record Of Decision (ROD) at p.16, 2001 RMP update at p. 9).

The 2003 supplement to the Buffalo RMP provided goals and objectives for “future management of oil and gas operations....within the Buffalo...RMP areas” 2003. (PRB Final Environmental Impact Statement (FEIS) ROD p. 6).

C. Identify applicable National Environmental Policy Act (NEPA) documents and other related documents that cover the proposed action.

List by name and date all applicable NEPA documents that cover the proposed action.

- EOG Project 808, WY-070-EA11-284 approved September 21, 2011
- Final Environmental Impact Statement (FEIS) . . . for the Powder River Basin Oil and Gas Project, BFO 2003

List by name and date other documentation relevant to the proposed action (e.g., biological assessment, biological opinion, watershed assessment, allotment evaluation, and monitoring report).

- Powder River Basin Oil and Gas Project Final Biological Opinion (December 12, 2002, March 23, 2007)

D. NEPA Adequacy Criteria

- 1. Is the new proposed activity a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document(s)? Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document(s)? If there are differences, can you explain why they are not substantial?**

Yes, the action is similar to the actions proposed in the approved project and the Arbalest 14-01H and Crossbow 53-18H wells fall within disturbed areas which were approved for use in EOG Project 808.

The Arbalest 14-01H and Crossbow 53-18H wells were analyzed in the EOG Project 808, WY-070-EA11-284.

EOG submitted these 3 wells project as Notice of Staking (NOS) at the time the analysis WY-070-EA11-284 and subsequently converted the NOS to an Application Permit to Drill (APD).

A 30 day posting is required prior to approval. As of October 8, 2011 the APDs have been posted for the required 30 days and now can be approved.

- 2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the new proposed action, given current environmental concerns, interests, and resource values?**

Yes, the Arbalest 14-01H and Crossbow 53-18H wells ranges of alternatives was analyzed in the EOG Project 808, WY-070-EA11-284.

3. **Is the existing analysis valid in light of any new information or circumstances (such as, rangeland health standard assessment, recent endangered species listings, updated lists of BLM-sensitive species)? Can you reasonably conclude that new information and new circumstances would not substantially change the analysis of the new proposed action?**

Yes, the EA for EOG Project 808 (WY-070-EA11-284) analyzed foreseeable activity. Any new information or circumstances did not substantially change the analysis of the new proposed action.

4. **Are the direct, indirect, and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in the existing NEPA document?**

Yes, direct, indirect and cumulative impacts are unchanged from those identified/analyzed in the existing NEPA documentation.

5. **Is the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action?**

Yes, the public involvement and interagency review associated with the EOG Project 808 EA are adequate for the current proposed action.

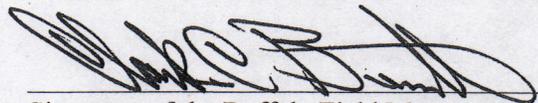
E. Persons/Agencies/BLM Staff Consulted

Name	Title	Organization
Jennifer Yu	Senior Regulatory Assistant	EOG Resources, Inc.
Heather Smith	NEPA Coordinator	EOG Resources, Inc.
Lee Isenberger	Surface Owner	Isenberger Land, LLC.
Meleah Corey	Natural Resource Specialist	BLM
Scott Jawors	Wildlife Biologist	BLM
Jennifer Morton	Wildlife Biologist	BLM
Clint Crago	Archeologist	BLM
Buck Damone	Archeologist	BLM
Casey Freise	Natural Resource Specialist	BLM
John Kelley	Environmental and Planning Coordinator	BLM

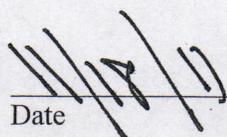
Note: Refer to the EOG Project 808, WY-070-EA11-284, for a complete list of the team members participating in the preparation of the original environmental analysis or planning documents.

Conclusion (If you found that one or more of these criteria is not met, you will not be able to check this box.)

Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitutes BLM's compliance with the requirements of the NEPA.



Signature of the Buffalo Field Manager:



Date

Note: The signed Conclusion on this Worksheet is part of an interim step in the BLM's internal decision process and does not constitute an appealable decision. However, the lease, permit, or other authorization based on this DNA is subject to protest or appeal under 43 CFR Part 4 and the program-specific regulations.