

**Decision on Action and Application for Categorical Exclusion
For Activities Associated with Oil and Gas Development
Section 390, Energy Policy Act of 2005**

Project 785 Arbalest 11-24H
EOG Resources, INC.
WY-070-CX10-3-297
Bureau of Land Management
Buffalo Field Office

Description of the Proposed Action

The Proposed Action is to explore for and possibly develop oil and natural gas reserves within geologic formations currently leased by EOG in Wyoming. EOG proposes to drill, complete, produce, and eventually reclaim the Arbalest 11-24H location. The Arbalest 11-24 H well will produce from the Mowry, Niobrara, and Turner formations. EOG's plan of development is to drill one horizontal well bore from the pad and determine whether the wells are economically viable for production. If the wells are economically viable, then a second well would be drilled. The life of a productive well is anticipated to be up to 40 years. Associated infrastructure would only include access roads. No gathering pipelines, power lines, or transmission lines are proposed at this time since the proposed wells are exploratory well and product recovery and production viability is unknown. Any future gathering pipelines, power lines, transmission lines, or other infrastructure would be analyzed in a separate NEPA document.

Table 1 Proposed Well

	Well Name	Well #	Qtr/Qtr	Section	TWP	RNG	Lease #
1.	Arbalest	11-24H	NWNW	24	41N	72W	WYW140777

For a detailed description of design features, construction practices and water management strategies associated with the proposed action, refer to the Master Surface Use Plan (MSUP), Drilling Plan and WMP in the POD and individual APDs. Also see the subject POD for maps showing the proposed well locations and associated facilities described above. More information on CBNG well drilling, production and standard practices also is available in the PRB FEIS, Volume 1, pages 2-9 through 2-40 (January 2003).

The total surface disturbance for this action consists of: 3.07 acres.

Plan Conformance

The proposed action is in conformance with the terms and the conditions of the Approved Resource Management Plan for the Public Lands Administered by the Bureau of Land Management, Buffalo Field Office (BFO), April 2001 and the PRB FEIS, as required by 43 CFR 1610.5.

Plan of Operations

The proposal is designed in conformance with all bureau standards and incorporates appropriate best management practices, required and designed mitigation measures determined to reduce the effects on the environment.

A surface use plan of operations describing all proposed surface-disturbing activities has been reviewed and is approved pursuant to Section 17 of the Mineral Leasing Act, as amended.

Compliance with the Energy Policy Act of 2005

The proposed activity has been determined to be statutorily categorically excluded from NEPA documentation in accordance with Section 390 of the National Energy Policy Act of 2005.

The applicable Categorical Exclusion reference in Section 390 of the Energy Policy Act of 2005 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.*

This document has been reviewed and has been determined to consider potential environmental effects associated with the proposed activity at a site specific level.]

The environmental assessment for EOG Project 758 EA # WY-070-EA10-238 was approved on 7/06/2010 and identifies future development of oil and natural gas reserves reasonably foreseeable.

Persons and Agencies Consulted

Cultural

A Class III cultural resource inventory was conducted for the project prior to on-the-ground work (BFO # 70100059). Current Archaeological Research conducted a Class III cultural resource inventory following the Archeology and Historic Preservation, Secretary of the Interior's Standards and Guidelines (48CFR190) for the project. Clint Crago, BLM Archaeologist, reviewed the report for technical adequacy and compliance with Bureau of Land Management (BLM) standards, and determined it to be adequate. No cultural resources are located in or near the area of potential effect.

There are no eligible sites within the APE of the proposed project. Following the Wyoming State Protocol Section VI (A)(1) the Bureau of Land Management electronically notified the Wyoming State Historic Preservation Officer (SHPO) on 8/16/2010 that no historic properties exist within the APE.

Wildlife

The wildlife biologist has reviewed the proposal and determined that the project is consistent with the Final Environmental Impact Statement (WY-070-02-065) and programmatic biological opinion (ES-6-WY-07-F012) from the Powder River Basin Oil and Gas Project.

Decision and Rationale on Action

I have decided to implement EOG to develop the Arbalest 11-24H APD with the following Conditions of Approval (COAs):

1. Adhere to all conditions of approval attached to the EOG Project 758 EA # WY-070-EA10-238 approved 7/06/2010.

Wildlife

Raptors:

The following conditions will alleviate impacts to raptors:

1. No surface disturbing activity shall occur within 0.5 mile of all identified raptor nests from February 1 through July 31, annually, prior to a raptor nest occupancy survey for the current breeding season. This timing limitation will affect the following: Arbalest 11-24H well.

2. Surveys for new raptor nests shall be conducted, annually, within 0.5 miles of the Arbalest 11-24H well on or after 15 April, and prior to or during the first nest occupancy check. A seasonal timing restriction (February 1 through July 31) will be added to surface disturbing activities within 0.5 miles of any new nests discovered.
3. Nests occupancy checks shall be completed for all raptor nests identified within a 0.5 mile of any infrastructure associated with the Arbalest 11-24H well for as long as the well is under construction. Once construction of the POD has ceased, nest occupancy checks shall continue for the first five years on all identified nests within a 0.5 mile of the Arbalest 11-24H well boundary. Survey results will be submitted to a Buffalo BLM biologist in writing no later than 31 July of each survey year.
4. If an undocumented raptor nest is located during project construction or operation, the Buffalo Field Office (307-684-1100) shall be notified within 24 hours.

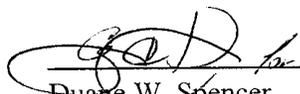
The above COAs and/or terms and conditions provide justification for this decision and may not be segregated from project implementation without further NEPA review. In addition, I have reviewed the plan conformance statement and have determined that the proposed activity is in conformance with the applicable land use plan(s). Further, I have reviewed the proposal to ensure the appropriate exclusion category as described in Section 390 of the Energy Policy Act of 2005 has been correctly applied. It is my determination that no further environmental analysis is required.

The above described action must be completed by 7/06/2015 or before the expiration date of the APD whichever occurs first.

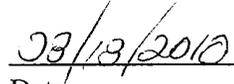
The APD is valid for 2 years. An extension can be requested for up to and addition a two years.

Implementation Date

This project will be implemented on or after the below date.



 Duane W. Spencer
 Field Manager



 Date

Administrative Review or Appeal Opportunities

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.

Contact Person

For additional information concerning this decision, contact

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Natural Resource Specialist

Buffalo Field Office

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