

DECISION RECORD
EOG Resources, Inc., Project 785 Addition, Applications for Permit to Drill (APDs)
Crossbow 12-06H
Determination of NEPA Adequacy (DNA), Project 785, WY-070-DNA12-213
Project Bureau of Land Management, Buffalo Field Office, WY

Decision. BLM approves EOG Resources Inc.'s (EOG) one oil or gas application for permit to drill (APD) of the attached DNA worksheet, WY-070-DNA12-213, incorporated here by reference, which tiers to Project 785 and 808, (see environmental assessment (EA), WY-070-EA10-238 and WY-070-EA11-284). The proposed APD is the result of collaboration between the BLM and EOG. The proposed APD in the DNA worksheet also received analysis in the EAs as notices of staking. The EA's analysis and findings found no significant impacts on the human environment, beyond those described in the Powder River Basin Final Environmental Impact Statement (PRB FEIS), so an EIS is not required. Details of the approval are summarized below.

Compliance. This decision complies with:

- Federal Land Policy and Management Act of 1976 (FLPMA) (43 USC 1701); DOI Order 3310.
- Mineral Leasing Act of 1920 (MLA) (30 U.S.C. 181); to include Onshore Order No. 1.
- National Environmental Policy Act of 1969 (NEPA) (42 USC 4321).
- National Historic Preservation Act of 1966 (NHPA) (16 USC 470).
- Buffalo Resource Management Plan (RMP) 1985, Amendments 2001, 2003, 2011.

Consultation. This decision considered:

- BLM Washington Office Instruction Memorandum No. 2009-078, Processing Oil and Gas Application for Permit to Drill for Directional Drilling into Federal Mineral Estate from Multiple-Well Pads on Non-Federal Surface and Mineral Locations, 2009.
- Wyoming BLM State Director Review, SDR No. WY-2011-010, EOG Resources, Inc. v. Pinedale Field Office, 2011.

Well Site: BLM approves the following the following 1 APD and support structure:

List of Wells:

	APD	Township	Range	QTR Section	Lease
1	Crossbow 12-06H	41N	71W	SESE/6	surface hole location WYW106828 and bottom hole location WYW55069

Limitations. See the conditions of approval (COAs).

THE FINDING OF NO SIGNIFICANT IMPACT (FONSI). BLM's analysis concluded in a FONSI for EAs, WY-070-EA10-238, and WY-070-EA11-284. The DNA worksheet, WY-070-DNA12-213, incorporated here by reference, found no significant impact on the human environment beyond those in the PRB FEIS, thus, an EIS or EA are not required.

COMMENT OR NEW INFORMATION SUMMARY. BLM publically posted the proposed APDs for thirty days, received no comments, and then internally scoped them. BLM's experience in the PRB (outside of the Fortification Creek Planning Area) revealed little public input or new issue discovery other than those revealed after public scoping during development of the PRB FEIS. New information regarding Greater Sage-Grouse (GSG) includes the 2012 BLM-contracted population viability analysis

for the Northeast Wyoming sage-grouse. That study found that there remains a viable population of sage-grouse 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.

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

1. BLM and EOG included mitigation measures to reduce environmental impacts while meeting the project's need. See the COAs for a description of all site-specific measures. EOG incorporated several measures to alleviate resource impacts into their Master Surface Use Plan (MSUP). EOG incorporated several measures to alleviate resource impacts in their drilling plan. Refer to the MSUP and drilling plan (its addendum and protections for the Fox Hills Formation) for details of operator committed measures.
2. EOG will conduct operations to minimize adverse effects to surface and subsurface resources, prevent unnecessary surface disturbance, and conform to currently available technology and practice. The selected alternative 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 GSG population. The impact of this development, along with those in the EAs tiered to, 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.
3. The selected alternative will help meet the nation's energy needs, and help stimulate local economies by maintaining workforce stability.
4. EOG 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 measures to alleviate resource impacts in their submitted surface use and drilling plans.
5. EOG certified it has a surface access agreement or posted a 43 CFR 3814.1 bond.
6. EOG provided the BLM a true and complete copy of a document in which the owner of the surface authorizes the operator to drill a federal well from non-federal lands, and in which the surface owner or representative guarantees the Department of the Interior (Department), including BLM, access to the non-federal lands to perform all necessary surveys and inspections. (See BLM WO Instruction Memorandum No. 2009-078, p. 2, para. 6).
7. The project is clearly lacking wilderness characteristics as there is no federal surface acreage.
8. Implementation of committed mitigation measures contained in the SUP and Drilling Plan (addendum and protections for the Fox Hills Formation), in addition to the conditions of approval (COAs) associated with the EA, WY-070-EA11-238, in order to ensure there will be no significant impact.

ADMINISTRATIVE REVIEW AND APPEAL. 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: 10/31/12

FINDING OF NO SIGNIFICANT IMPACT
EOG Resources, Inc., Project 785 Addition: Application for Permit to Drill (APD)
Crossbow 12-06H
Determination of NEPA Adequacy (DNA), WY-070-DNA12-213
Bureau of Land Management, Buffalo, Wyoming

FINDING OF NO SIGNIFICANT IMPACT (FONSI). On the basis of the information in the Environmental Assessments (EAs), WY-070-EA11-284 and WY-070-EA10-238, DNA worksheet, WY-070-DNA12-213, and all other information available to me, I determined that: (1) the implementation of the project in the DNA will not have significant environmental impacts beyond those addressed in Powder River Basin Final Environmental Impact Statement (PRB FEIS) to which the EA and DNA tier; (2) The project conforms to the Buffalo Field Office Resource Management Plan (1985, 2001, 2003, 2011); and (3) the DNA project does not constitute a major federal action having a significant effect on the human environment. An environmental impact statement is not necessary and will not be prepared. I base this finding on consideration of the Council on Environmental Quality's (CEQ's) criteria for significance, both with regard to the context and to the intensity of the impacts described in the EA and the DNA worksheet.

CONTEXT. Mineral development is a common land use in the Powder River Basin (PRB), sourcing more than 42% of the nation's coal. The PRB FEIS reasonably foreseeable development analyzed the development of 54,200 gas and oil wells. The additional development described in the DNA is insignificant in the national, regional, and local context.

INTENSITY. The implementation of the project 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 included in the project to prevent significant adverse environmental effects. The project does not pose a significant risk to public health and safety. The geographic area of the project does not contain unique characteristics identified in the 1985 RMP, 2002 PRB FEIS, or other legislative or regulatory processes. BLM used relevant scientific literature and professional expertise in preparing the DNA. 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. The proposal clearly lacks wilderness characteristics as there is no federal surface. 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. This finding is subject to administrative review per 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: 10/31/12

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 785 EA, WY-070-DNA12-213

PROPOSED ACTION TITLE: EOG Project 785 Addition Crossbow 12-06H

LOCATION/LLEGAL DESCRIPTION: T41N R71W SESE Sec 6

APPLICANT: EOG Resources, Inc. (EOG)

A. Description of the Proposed Activity and Any Applicable Mitigation Measures

Proposed action is 1 application for permit to drill (APD). EOG Resources, Inc. (EOG) proposes to explore for and develop oil and natural gas reserves underlying 1 federal oil and gas lease, surface hole location WYW106828 and bottom hole location WYW55069, owned by EOG in southern Campbell County, Wyoming. EOG proposes to drill, complete, produce, and eventually reclaim bores to the Turner Formation. Associated infrastructure would include access roads, gathering lines, and possible future power lines required for access to the well pad and transport of oil and gas from the well sites. EOG anticipates the life of a productive well to be up to 40 years. Federal lands split jurisdiction rules apply for the surface is non-federal overlying federal mineral lease.

The 785 Project area and this APD are in an existing coalbed natural gas production area on lands owned by private landowners, and the State of Wyoming administered surface lands. Mineral ownership is a combination of federal, State of Wyoming, and private. The BLM has previously completed NEPA documents and issued FONSI's covering 37 wells on 10 pads in the project area for EOG. The Wyoming Oil and Gas Conservation Commission approved APDs for wells in the project area on fee and state leases. Some of the previously approved wells are drilled, completed, and are in production. Others are planned for drilling and completion in 2012 and 2013.

EOG submitted this well as notice of staking (NOS) at the time the analysis WY-070-EA10-238 and subsequently converted the NOS to an APD. The conditions and environmental effect found in the EA are substantially unchanged and remain valid. The APD was posted for the required 30 days and now can be approved.

For complete details of surface disturbance see EOG Project 785 POD MUSP (pp. 1 - 13) and section 3 and 4 of the associated EA (WY-070-EA10-238).

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, and 2011. DOI order 3310.

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 785, WY-070-EA10-238 approved October 18, 2010.
- 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

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 Crossbow 12-06H well fall within disturbed areas which were approved for use in EOG Project 785.

The Crossbow 12-06H well was analyzed in the EOG Project 785, WY-070-EA10-238, which BLM incorporates here by reference.

EOG submitted this well as an NOS at the time the analysis WY-070-EA10-238 and subsequently converted the NOS to an APD. The conditions and environmental effect found in the EA are substantially unchanged and remain valid.

A 30 day posting is required prior to approval. The APD was 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 Crossbow 12-06H well’s ranges of alternatives was analyzed in the EOG Project 785, WY-070-EA10-238, and similarly in 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 785 (WY-070-EA10-238) analyzed foreseeable activity, particularly the notices of staking that were active at the time the EA’s analysis. Any new information or circumstances did not substantially change the analysis of the new proposed action. The EA’s and APD’s master surface use plan and drilling plan are incorporated here by reference and show adequate protection of surface lands and ground water. This includes EOG’s Addendum to Drill

Plan, July 14, 2011 and the protections for the Fox Hills Formation. BLM recommends approval of EOG's requests for variances as recognized industry practices in the PRB.

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 785 EA and this DNA worksheet are adequate for the current proposed action. BLM received no public comments from posting the APD for 30 days.

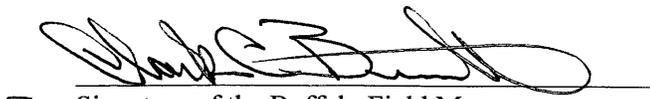
E. BLM Staff Consulted

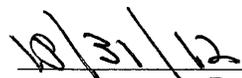
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Note: Refer to the EOG Project 785, WY-070-EA10-238, for a complete list of the team members participating in the preparation of the original environmental analysis or planning documents.

Conclusion

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.


 for 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.