

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Buffalo Field Office
Buffalo, Wyoming**

**SURFACE USE
CONDITIONS OF APPROVAL**

POD Name: Hanging Woman I

Operator: Kennedy Oil

I. Programmatic mitigation measures identified in the PRB FEIS ROD

Programmatic mitigation measures are those, determined through analysis, which may be appropriate to apply at the time of APD approval if site specific conditions warrant. These mitigation measures can be applied by BLM, as determined necessary at the site-specific NEPA APD stage, as COAs and will be in addition to stipulations applied at the time of lease issuance and any standard COA.

Groundwater

1. In order to address the potential impacts from infiltration on shallow ground water, the Wyoming DEQ has developed and revised a guidance document, "Compliance Monitoring and siting Requirements for Unlined Impoundments Containing Coalbed Methane Produced Water" (September, 2006) which can be accessed on their website. For all WYPDES permits the BLM will require that operators comply with the latest DEQ standards and monitoring guidance.

Surface Water

1. The operator will supply two copies of the complete approved SW-4, SW-3, or SW-CBNG permits to BLM as they are issued by WSEO for impoundments.
2. The operator will supply two copies of the complete approved WYPDES permits to BLM as they are issued by WDEQ for surface discharge of the produced water.

Soils

1. The Companies, on a case by case basis depending upon water and soil characteristics, will test sediments deposited in impoundments before reclaiming the impoundments. Tests will include the standard suite of cations, ions, and nutrients that will be monitored in surface water testing and any trace metals found in the CBNG discharges at concentrations exceeding detectable limits.

Wildlife

1. For any surface-disturbing activities proposed in sagebrush shrublands, the Companies will conduct clearance surveys for sage grouse breeding activity during the sage grouse's breeding season before initiating the activities. The surveys must encompass all sagebrush shrublands within 0.5 mile of the proposed activities.
2. Containment impoundments will be fenced to exclude wildlife and livestock. If they are not fenced, they will be designed and constructed to prevent entrapment and drowning.

Air Quality

1. During construction, emissions of particulate matter from well pad and resource road construction will be minimized by application of water, or other dust suppressants, with at least 50 percent control

efficiency. Roads and well locations constructed on soils susceptible to wind erosion could be appropriately surfaced or otherwise stabilized to reduce the amount of fugitive dust generated by traffic or other activities, and dust inhibitors (surfacing materials, non-saline dust suppressants, and water) could be used as necessary on unpaved collector, local and resource roads that present a fugitive dust problem. The use of chemical dust suppressants on BLM surface will require prior approval from the BLM authorized officer.

II. Site specific mitigation measures

General

Please contact Eric Holborn – Natural Resource Specialist, @ (307) 684-1044, Bureau of Land Management, Buffalo, if there are any questions concerning surface use COAs.

All changes made at the onsite will be followed. They have all been incorporated into the operator's POD.

1. All Kennedy Oil representatives and contractors will have a copy of the approved POD map and conditions of approval with them at all times while conducting activities within the Hanging Woman POD project area.
2. The operator will follow the guidance provided in the Wyoming Policy on Reclamation (IM WY-90-231) specifically the following:
Reclamation Standards:
 1. The reclaimed area shall be stable and exhibit none of the following characteristics:
 - a. Large rills or gullies.
 - b. Perceptible soil movement or head cutting in drainages.
 - c. Slope instability on, or adjacent to, the reclaimed area in question.
 2. The soil surface must be stable and have adequate surface roughness to reduce runoff and capture rainfall and snow melt. Additional short-term measures, such as the application of mulch, shall be used to reduce surface soil movement.
 3. Vegetation canopy cover (on unforested sites), production and species diversity (including shrubs) shall approximate the surrounding undisturbed area. The vegetation shall stabilize the site and support the planned post disturbance land use, provide for natural plant community succession and development, and be capable of renewing itself. This shall be demonstrated by:
 - a. Successful onsite establishment of species included in the planting mixture or other desirable species.
 - b. Evidence of vegetation reproduction, either spreading by rhizomatous species or seed production.
 4. The reclaimed landscape shall have characteristics that approximate the visual quality of the adjacent area with regard to location, scale, shape, color and orientation of major landscape features and meet the needs of the planned post disturbance land use.
3. Provide 4" of aggregate where grades exceed 8%. Surfacing material must meet requirements set forth in Wyoming Supplement to BLM Road Manual 9113.
4. The culvert locations will be staked prior to construction. The culvert invert grade and finished road grade will be clearly indicated on the stakes. Culverts will be installed on natural ground, or on a designed flow line of a ditch. The minimum cover over culverts will be 12" or one-half the diameter whichever is greater. Drainage laterals in the form of culverts or waterbars shall be placed according to the following spacing:

Grade	Drainage Spacing
2-4%	310 ft
5-8%	260 ft
9-12%	200 ft
12-16%	150 ft

5. Top soil will be segregated for all excavation including the entire disturbance area for constructed pads and excavated areas for rig leveling, reserve pits, constructed roads, spot upgrades, reservoir upgrades, outfalls and utility trenches. This requirement will be waved for trenches installed with wheel trenchers.
6. All permanent above-ground structures (e.g., production equipment, tanks, etc.) not subject to safety requirements will be painted to blend with the natural color of the landscape. The paint used will be a color which simulates “Standard Environmental Colors.” The color selected for the Hanging Woman I POD is Covert Green (18-0617TPX).
7. If produced water is to be applied to road surfaces as dust abatement, the operator needs an approved Wyoming Oil & Gas Commission Facility Information for Road Application of Waste and Waste Water (Form 20) along with the proposed action describing locations, application rates, etc. Form 20 is available at <http://wogcc.state.wy.us>.
8. “Roughed-in” or “Pioneer” roads shall be constructed according to the line and grade shown in the approved engineering design. Non-engineered roads shall be constructed to a line and grade established to meet the BLM Gold Book and 9113 guidelines as approved in the MSUP, and shaped according to an approved design template for that road.
 - a. Improved roads with utility corridor will not exceed a disturbance working width of 45 feet and blading not to exceed 25 feet unless a specific design is included in the plan and profile section of the master surface use plan.
 - b. Primitive roads (2-tracks) with utility corridor will not exceed a disturbance width of 30 feet. Construction of primitive roads access/utility corridor within the POD will minimize impact to sagebrush by minimizing road width, mowing and wheel trenching
9. Horizontal curves with radius less than 220 feet require curve widening as follows:

Turning Radius (ft)	Min. Curve Widening (ft)	Widened Lane Width (ft)
220 +	0	12
120 to 219	2	14
90 to 119	4	16
50 to 89	8	20
10. All roads, well pads, rig slot, culverts, spot upgrades and locations where engineered construction will occur will be completely slope staked for the pre-construction meeting.
11. Disturbance for pipelines and utility corridors adjacent to access roads will be contained within the disturbance allowed for road construction.
12. Pipeline installation and/or corridors without road access will not exceed a disturbance width of 30 feet with clearing and blading not to exceed 20 feet.
13. Mowing at the well site where a constructed pad is not approved as designed will be minimized to a 35 foot radius of the well stake.
14. The operator will maintain well drilling, completion and associated construction operations within a

200 foot by 200 foot work area for those locations where a constructed pad is not approved as designed.

15. An impoundment will be non-compliant if the proposed mitigation, or approved action, is not successful, i.e. leaking if permitted under full-containment. Disposal of federally produced water will cease into the non-compliant impoundment until successful mitigation is achieved. If produced water resurfaces below the mitigation site, or in adjacent drainages, the mitigation will be deemed unsuccessful and the impoundment will be lined or reclaimed.
16. Segregated top soil will be redistributed once the instillation of gas, water and electrical utilities is complete at the well head.
17. Reserve pits containing frozen fluids will not be closed. See “Operations/Maintenance”, COA #10 of the Conditions of Approval document for further clarification.
18. Top soil will be segregated for all excavation including the entire disturbance area for constructed pads and excavated areas for rig slots, reserve pits, constructed roads, spot upgrades, reservoir upgrades, outfalls and utility trenches. Segregation will not be required for trenches installed with wheel trenchers.
19. The operator will drill seed on the contour to a depth of 0.5 inch, followed by cultipaction to compact the seedbed, preventing soil and seed losses. To maintain quality and purity, the current years tested, certified seed with a minimum germination rate of 80% and a minimum purity of 90% will be used. On BLM surface or in lieu of a different specific mix desired by the surface owner, use the following:

Seed Mix

Shallow Loamy Ecological Site Seed Mix, 15-19" Precipitation Zone		
Species	% in Mix	Lbs PLS*
Western Wheatgrass - <i>Rosana</i>	20	2.4
Idaho fescue – <i>Joseph</i>	30	3.6
Bluebunch wheatgrass – <i>Secar or P-7</i>	30	3.6
Rocky Mountain beeplant (Cleome serrulata)	10	1.2
Lewis - <i>Appar</i> , Blue, or Scarlet flax	5	0.6
White – <i>Antelope</i> or Purple Prairie Clover - <i>Bismarck</i>	5	0.6
Total	100%	12 lbs/acre

*PLS = pure live seed

*Northern Plains adapted species

*Double this rate if broadcast seeding

This is a recommended seed mix based on the native plant species listed in the NRCS Ecological Site descriptions, U.W. College of Ag. and seed market availability.

Wildlife

All conservation measures and terms and conditions identified in the Powder River Basin Oil and Gas Project Biological Opinion (ES-6-WY-07-F012) shall be complied with.

Raptors

1. The following conditions will alleviate impacts to raptors:

- a. 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

Township/Range	Section	Wells and Infrastructure
T57 R79	19,29,30,31,32	44-29, 12-30, 14-30, 23-30, 34-30 wells and associated road and corridor construction. 12-32, 14-32, 23-32, 32-32 wells and associated road and corridor construction
T57 R80	25,36	Road and corridor construction

- b. Surveys to document nest occupancy shall be conducted by a biologist following BLM protocol, between April 15 and June 30. All survey results shall be submitted in writing to a Buffalo BLM biologist and approved prior to surface disturbing activities. Surveys outside this window may not depict nesting activity. If a survey identifies active raptor nests, a 0.5 mile timing buffer will be implemented. The timing buffer restricts surface disturbing activities within 0.5 mile of occupied raptor nests from February 1 to July 31.
- c. Nest productivity checks shall be completed annually and continue for the first five years following project completion. The productivity checks shall be conducted no earlier than June 1 or later than June 30 and any evidence of nesting success or production shall be recorded. Survey results will be submitted to a Buffalo BLM biologist in writing no later than July 31 of each survey year.
- d. 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.
- e. Well metering, maintenance and other site visits within 0.5 miles of raptor nests should be minimized as much as possible during the breeding season (February 1 – July 31).
- f. The road passing by nest 5611 (SW section 30) shall not be used for POD related activities from February 1 to July 31 annually. If the occupancy check required above indicates the nest is inactive in a given year, travel will not be restricted for the remainder of that year.
- g. Maintenance (e.g. work-over, enhancements) on the relocated 44-29 will require an exception from February 1st to July 31st in order to minimize impacts to the nests in section 29 and 32. Routine pumper traffic will be allowed.

Sage Grouse

- 1. The following conditions will alleviate impacts to sage-grouse:
 - a. No surface disturbing activities are permitted within 2 miles of the Hanging Woman South Prong and Hanging Woman Early Prong sage grouse leks between March 1 and June 15, prior to completion of a greater sage grouse lek survey. **This condition will be implemented on an annual basis for the duration of surface disturbing activities.** This timing limitation will affect the following:

Township/Range	Section	Wells and Infrastructure
T57 R79	29,30	Well, road and corridor construction to 44-29, 12-30, 21-30, 23-30, 32-30, 41-30, 43-30

- b. If an active lek is identified during the survey, the 2 mile timing restriction (March 1-June 15) will be applied and surface disturbing activities will not be permitted until after the nesting season. If surveys indicate that the identified lek is inactive during the current breeding season, surface disturbing activities may be permitted within the 2 mile buffer until the following breeding season (March 1). The required sage grouse survey will be conducted by a biologist

following the most current WGFD protocol. All survey results shall be submitted in writing to a Buffalo BLM biologist and approved prior to surface disturbing activities.

- c. Well metering, maintenance and other site visits within 2.0 miles of documented sage grouse lek sites should be minimized as much as possible during the breeding season (March 1– June 15).

Water Management

1. The outfall chute into the HW-1 Pit from the HW Pit is eroding and the liner is no longer operating as designed. This outfall will be repaired before these two pits can be used as part of this federal action.
2. As part of the approval of this POD, the operator will be responsible for drilling, completing, and equipping a set of monitoring wells prior to production of the wells associated with this POD, as described below. The specific location will be in the NWNE Section 31 T57N R79W as determined in consultation with the BLM.

USBLM CBNG groundwater monitoring sites in the Powder River Basin generally consist of two types of wells and a common data collection platform. The two types of wells are: 1) coal or production zone completion(s) and 2) under- or over-burden sand zone completions. Descriptions of these three components are as follows:

1. Coal Zone Monitor Wells

There could be one or more of these wells at each monitor site, depending on the number of CBNG producing zones. Because of the presence of methane, and potential for significant well head pressure, these wells must be shut in (not open to the atmosphere). These wells are completed the same as actual production wells and are subject to the same Conditions of Approval (COA) associated with CBNG production wells. The finished well will include the following:

The well(s) will be drilled to the top of the production zone(s) and 5 1/2" OD (minimum) API steel casing will be set and cemented from the top of coal to the surface. The coal will then be drilled out, leaving an open-hole completion. The well will then be circulated with fresh water to remove any remaining drilling fluids and solids, and air lifted to get a yield estimate. If the coal doesn't appear to be making water during the clean up of the well bore, water enhancement (and possibly under reaming) may be required. The well must be completed on top with a standard well head, i.e. KVF 'Gillette Special' well head (2x2 or 2x4 with a 2", centered tubing port and threaded auxiliary access port in the mandrel).

Standard equipment includes:

- a. KVF wellhead as described above
- b. downhole transducer to measure total head (gas + water) - we are currently using Druck PTX1835, 250 psig pressure transmitters
- c. wellhead pressure transducer to measure well head pressure (this allows separation of gas and water pressures) - we are currently using Druck PTX621 transmitters (10, 100, up to 900 psig, depending on anticipated well head pressure)
- d. an airline consisting of 1/8" ID by 3/8" OD poly tubing, running from the surface to near the bottom of the hole, suspending a weight to keep the line taught. This arrangement allows verification measurements without opening the wellbore.
- e. access ports to allow for pressure testing, sampling (gas and water), and detection of methane.

2. Sand Zone Monitor Wells

There could be one or more of these wells at each monitor site, depending on parameters of interest, local concerns, etc. Typically there is a well completed in an overburden sand to monitor leakage of the shallower, generally more accessible sands. Wells are completed in under-burden

sands when the under-burden sands are of more local interest or are of more significant thickness and quality, and some sites are established with wells in each of the sands from the surface down to the production zone to study recharge/discharge relationships, inter-aquifer communication, and changes in water quality. In addition, some sites will require shallow alluvial wells along ephemeral drainages receiving CBM discharge water - again to look at recharge. These wells are completed as follows:

The depth of the sand well(s) will be determined in the field utilizing the geophysical logs from the adjacent coal well(s). On wells where coal is penetrated (as determined from the logs from the adjacent coal well(s)) and on wells greater than 500 feet in depth, drilling and casing will be done as described above for the coal zone well(s). One of two completion methods may be used. The decision on which method to use will be determined by the authorized officer depending on the objectives and use of the well.

Method 1: Steel casing will be set through the sand zone, cemented to surface, and perforated, 4 shots per foot, through the sand zone.

Method 2: On wells where water quality sampling is a primary concern, steel casing will be set above the sand zone and cemented to the surface. The sand zone will then be drilled out and a screened or slotted casing string set through the sand zone. This screened casing string can either be placed using packers (i.e. K-packer) or hung on a string of casing from the surface.

On wells not penetrating coals and less than 500 feet (and optionally on wells from 500 to approximately 700 feet), the hole must be drilled with a minimum of a 9" bit to accommodate SDR17, 5 inch ID (minimum) PVC casing and 1" (minimum) flush joint tremie pipe allowing for proper placement of gravel pack and bentonite grout. If larger casing is used, a larger hole will have to be drilled. Upon completion of drilling, geophysical logs will be run to determine the exact placement of the well screen. The well casing will include 10 to 20 feet of blank pipe on the bottom (capped), .020 slot well screen open to the selected sand zone, and blank pipe to the surface. The well will then be gravel packed with 10-20 silica sand to cover the well screen (and associated sand zone).

On very shallow wells (less than 200 feet) the annulus above the gravel pack will be backfilled with bentonite gravel (or pellets) to the surface. On wells from 200 to approximately 700 feet total depth, the annulus above the gravel pack must be grouted from the bottom to the surface using a tremie. The top of the well casing must have threads (slip to thread adapter) and a vented cap.

The well(s) will then be cleaned up by air lifting until all drilling fluids and solids are removed, clear water is produced, and a yield is estimated.

Standard equipment includes:

Either a submersible transducer as in the coal wells (we generally use these if depth to water is greater than 400 feet or so) or a shaft encoder (Handar, Sutron, Stevens) and float-tape-weight arrangement.

3. Data collection platform and miscellaneous support equipment.
All wells are linked to a central data logger (Campbell CR10 or CR510) located in a central shelter and powered via 12 volt batteries and solar modules.

All wells are enclosed in secure, weather proof shelters and fenced in to protect from livestock and wildlife damage. Please contact the BFO BLM for additional information.

Other Requirements:

1. Equipment Funding: The methane operator will be required to provide the BLM with \$5000 for each monitoring well bore (i.e. \$10,000 for a typical two well setup, \$15,000 for a three well setup, etc.).
2. Schedule: Wells must be completed and funding provided 30 days prior to initiating pumping of production wells in proximity of the monitoring wells.
3. Access: If no public access exists to the monitor well site, the CBM operator must provide access in the form of a right of way or access agreement with the private landowners involved.
4. The operator shall submit APDs to BLM for the monitor wells. The APDs should include the completed APD cover sheet (Form 3160-3), survey plats, a drilling plan and a surface use plan (including a map). The monitor wells will require a cultural clearance report. In addition, they are subject to the same spud notification requirements and completion report requirements as regular federal wells (see General Conditions of Approval). If you have any questions concerning this stipulation and for information on locating and equipping of the wells, please contact Mike Brogan, BLM Hydrologist, at (307) 261-7600.
5. Monitor wells are subject to the same standard COA applied to CBNG production wells.
6. Prior to installation of monitoring equipment by the BLM, the operator will submit to the BLM copies of the following:
 - State Engineers Well Permit (U.W. 5) and Well Completion (U.W. 6) forms
 - Signed landowner access agreement (if applicable)
 - Final copies of all well logs

Cultural

1. An archaeological "Slow Monitor" of construction shall be performed for this project within designated areas. Only one (1) piece of equipment shall be used for initial soil stripping. Soils will be scrapped at shallow depths (generally less than 5 cm) during initial soil removal; soils will not be "ripped" during this phase. A qualified archaeologist, with a valid BLM Cultural Resource Use Permit, shall follow equipment during initial phase of construction, including vegetation removal and initial soil stripping. Slow monitoring strategy shall continue to a minimum depth of 10 cm and until the archaeologist is satisfied that it is unlikely any cultural materials will be encountered. Any monitoring effort should not only examine excavated areas, but should also examine any spoil piles for cultural material. If any cultural resources are found during monitoring, construction shall halt until a determination of "no historic properties affected" can be made or other mitigation is agreed upon (and completed as required), as per Standard COA (General)(A)(1). A report on monitoring activities will be submitted to BLM within 30 days of fieldwork. Project areas that are subject to this stipulation include: southern portion of access road and utilities to well 12-30, access/utilities and pad for well 23-30, and proposed pits within T57N R79W Section 31 NE.

In the event that ground cover conditions improve to the point where adequate Class III Inventory can be carried out prior to ground disturbing activities, BLM review and acceptance of a Class III inventory may replace monitoring requirements within Class II inventory areas.

III. Standard Conditions of Approval

A. General

1. If any cultural values [sites, artifacts, human remains (Appendix L FEIS)] are observed during operation of this lease/permit/right-of-way, they will be left intact and the Buffalo Field Manager notified. The authorized officer will conduct an evaluation of the cultural values to establish appropriate mitigation, salvage or treatment. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized BLM officer (AO). Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
 - a time-frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction measures.
2. If paleontological resources, either large or conspicuous, and/or a significant scientific value are discovered during construction, the find will be reported to the Authorized Officer immediately. Construction will be suspended within 250 feet of said find. An evaluation of the paleontological discovery will be made by a BLM approved professional paleontologist within five (5) working days, weather permitting, to determine the appropriate action(s) to prevent the potential loss of any significant paleontological values. Operations within 250 feet of such a discovery will not be resumed until written authorization to proceed is issued by the Authorized Officer. The applicant will bear the cost of any required paleontological appraisals, surface collection of fossils, or salvage of any large conspicuous fossils of significant scientific interest discovered during the operation.
3. The operator shall restrict travel on unimproved two-track roads during periods of inclement weather or spring thaw when the possibility exists for excessive surface resource damage (e.g., rutting in excess of 4-inches, travel outside two-track roadway, etc.).
4. The first producing well drilled to each targeted coal zone will be designated as the POD "Reference Well". Reference wells will not be required for PODs within a 6 mile radius of the first reference well designated by the operator, nor for co-mingled coal zones. The designated reference well must be equipped to be sampled at the well head. A reference well sample will be collected from the wellhead and submitted for analysis; using the list of analytes identified in WDEQ WYPDES Application for Permit to Surface Discharge Produced Water from CBM New Discharges, Renewals, or Major Modifications, within 30 to 60 days of initial water production. Results of the analysis will be submitted to the BFO-

BLM authorized Officer as they become available.

5. By November 1 each year, companies will provide georeferenced spatial data depicting as-built locations of all facilities, wells, roads, pipelines, power lines, reservoirs, discharge points, and other related facilities to the BLM for all PODs where construction and development have been completed.
6. If any dead or injured threatened, endangered, proposed, or candidate species is located during construction or operation, the U.S. Fish and Wildlife Service's Wyoming Field Office (307-772-2374), their law enforcement office (307-261-6365), and the BLM Buffalo Field Office (307-684-1100) shall be notified within 24 hours. If any dead or injured sensitive species is located during construction or operation, the BLM Buffalo Field Office (307-684-1100) shall be notified within 24 hours.
7. Wildlife species are dynamic and new individuals may have moved into the Hanging Woman I POD area after the initial wildlife surveys were completed. The Record of Decision for the PRB FEIS includes a programmatic mitigation measure that states, "The companies will conduct clearance surveys for threatened and endangered or other special-concern species at the optimum time". The measure requires companies to coordinate with the BLM before November 1 annually to review the potential for disturbance and to agree on inventory parameters. Should this project not be completed by January 15, and surface disturbance is planned for that year, a Devon Energy Production Company representative will coordinate with the BLM to discuss required surveys.
8. All other conservation measures and terms and conditions identified in the Powder River Basin Oil and Gas Project Biological Opinion (ES-6-WY-07-F012) shall be complied with.
9. 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.
10. All contractors will have a copy of the pod map and conditions of approval with them at all times.

B. Construction

1. A pre-construction field meeting shall be conducted prior to beginning any dirt work approved under this POD. The operator shall contact the BLM Authorized Officer Eric Holborn (307-684-1044) at least 4-days prior to beginning operations so that the meeting can be scheduled. The operator is responsible for having all contractors present (dirt contractors, drilling contractor, pipeline contractor, project oversight personnel, etc.) including the overall field operations superintendent, and for providing all contractors copies of the approved POD, project map and BLM Conditions of Approval pertinent to the work that each will be doing.
2. The operator will limit vegetation removal and the degree of surface disturbance wherever possible. Where surface disturbance cannot be avoided, all practicable measures will be utilized to minimize erosion and stabilize disturbed soils.
3. Construction and drilling activity will not be conducted using frozen or saturated soil material during periods when watershed damage or excessive rutting is likely to occur.
4. Remove all available topsoil (depths vary from 4 inches on ridges to 12+ inches in bottoms) from constructed well locations including areas of cut and fill, and stockpile at the site. Topsoil will also be salvaged for use in reclamation on all other areas of surface disturbance

- (roads, pipelines, etc.). Clearly segregate topsoil from excess spoil material. Any topsoil stockpiled for one year or longer will be signed and stabilized with annual ryegrass or other suitable cover crop.
5. The operator will not push soil material and overburden over side slopes or into drainages. All soil material disturbed will be placed in an area where it can be retrieved without creating additional undue surface disturbance and where it does not impede watershed and drainage flows.
 6. Construct the backslope no steeper than 1½:1, and construct the foreslope no steeper than 2:1, unless otherwise directed by the BLM Authorized Officer.
 7. Maintain a minimum 20-foot undisturbed vegetative border between toe-of-fill of pad and/or pit areas and the edge of adjacent drainages, unless otherwise directed by the BLM Authorized Officer.
 8. With the overall objective of minimizing surface disturbance and retaining land stability and productivity, the operator shall utilize equipment that is appropriate to the scope and scale of work being done for roads and well pads (utilize equipment no larger than needed for the job).
 9. To minimize electrocution potential to raptors, all overhead electrical power lines will be constructed to Avian Power Line Interaction Committee (1996) standards and additional standards identified in the PRB FEIS Biological Opinion (Volume 3, Appendix K, page 43).
 10. The operator shall utilize wheel trenchers or ditchers to construct all pipeline trenches, except where extreme topography or other environmental factors preclude their use.
 11. Reserve pits will be adequately fenced during and after drilling operations until pit is reclaimed so as to effectively keep out wildlife and livestock. Adequate fencing, in lieu of more stringent requirements by the surface owner, is defined as follows:
 - Construction materials will consist of steel or wood posts. Three or four strand wire (smooth or barbed) fence or hog panel (16-foot length by 50-inch height) or plastic snow fence must be used with connectors such as fence staples, quick-connect clips, hog rings, hose clamps, twisted wire, etc. Electric fences will not be allowed.
 - Construction standards: Posts shall be firmly set in ground. If wire is used, it must be taut and evenly spaced, from ground level to top wire, to effectively keep out animals. Hog panels must be tied securely into posts and one another using fence staples, clamps, etc. Plastic snow fencing must be taut and sturdy. Fence must be at least 2-feet from edge of pit. 3 sides fenced before beginning drilling, the fourth side fenced immediately upon completion of drilling and prior to rig release. Fence must be left up and maintained in adequate condition until pit is closed.
 12. The reserve pit will be oriented to prevent collection of surface runoff. After the drilling rig is removed, the operator may need to construct a trench on the uphill side of the reserve pit to divert surface drainage around it. If constructed, the trench will be left intact until the pit is closed.
 13. The reserve pit will be lined with an impermeable liner if permeable subsurface material is encountered. An impermeable liner is any liner having a permeability less than 10^{-7} cm/sec. The liner will be installed so that it will not leak and will be chemically compatible with all substances that may be put in the pit. Liners made of any man-made synthetic material will be of sufficient strength and thickness to withstand normal installation and pit use. In gravelly or rocky soils, a suitable bedding material such as sand will be used prior to installing the liner.

14. The reserve pit will be constructed so that at least half of its total volume is in solid cut material (below natural ground level).
15. Culverts will be placed on channel bottoms on firm, uniform beds, which have been shaped to accept them, and aligned parallel to the channel to minimize erosion. Backfill will be thoroughly compacted.
16. The minimum diameter for culverts will be 18 inches. However, all culverts will be appropriately sized in accordance with standards in BLM Manual 9113.
17. Construction and other project-related traffic will be restricted to approved routes. Cross-country vehicle travel will not be allowed.
18. Maximum design speed on all operator-constructed and maintained roads will not exceed 25 miles per hour.
19. Pipeline construction shall not block nor change the natural course of any drainage. Pipelines shall cross perpendicular to drainages. Pipelines shall not be run parallel in drainage bottoms. Suspended pipelines shall provide adequate clearance for maximum runoff.
20. Pipeline trenches shall be compacted during backfilling. Pipeline trenches shall be routinely inspected and maintained to ensure proper settling, stabilization and reclamation.
21. During construction, emissions of particulate matter from well pad and road construction would be minimized by application of water or other non-saline dust suppressants with at least 50 percent control efficiency. Dust inhibitors (surfacing materials, non-saline dust suppressants, and water) will be used as necessary on unpaved roads that present a fugitive dust problem. The use of chemical dust suppressants on public surface will require prior approval from the BLM Authorized Officer.
22. Operators are required to obtain a Wyoming Pollution Discharge Elimination System (WYPDES) Storm Water Permit from the Wyoming DEQ for any projects that disturb one or more acres. This general construction storm water permit must be obtained from WDEQ prior to any surface disturbing activities and can be obtained by following directions on the WDEQ website at <http://deq.state.wy.us>. Further information can be obtained by contacting Barb Sahl at (307) 777-7570.
23. The operator shall submit a Sundry Notice (Form 3160-5) to BLM for approval prior to construction of any new surface disturbing activities that are not specifically addressed in the approved APD or POD Surface Use Plan.
24. Weed educational material will be reviewed with operators during pre-construction on-site meetings with operators, subcontractors, and landowners and will also be attached to approved APDs and PODs.
25. Companies will contact the counties to pursue development of maintenance agreements to ensure county roads are adequately maintained for the projected increase in use.

C. Operations/Maintenance

1. The operator shall complete coal bed natural gas wells (case, cement and under ream) as soon as possible, but no later than 30 days after drilling operations, unless an extension is given by the BLM Authorized Officer.
2. If in the process of air drilling the wells there is a need to utilize mud, all circulating fluids will be contained either in an approved pit or in an aboveground containment tank. The pit or containment tank will be large enough to safely contain the capacity of all expected fluids without danger of overflow. Fluid and cuttings will not be squeezed out of the pit, and the pit will be reclaimed in an expedient manner.

3. Confine all equipment and vehicles to the access road(s), pad(s), and area(s) specified in the approved APD or POD.
4. All waste, other than human waste and drilling fluids, will be contained in a portable trash cage. This waste will be transported to a State approved waste disposal site immediately upon completion of drilling operations. No trash or empty barrels will be placed in the reserve pit or buried on location. All state and local laws and regulations pertaining to disposal of human and solid waste will be complied with.
5. Rat and mouse holes shall be filled and compacted from the bottom to the top immediately upon release of the drilling rig from the location.
6. The operator will be responsible for prevention and control of noxious weeds and weeds of concern on all areas of surface disturbance associated with this project (well locations, roads, water management facilities, etc.) Use of pesticides shall comply with the applicable Federal and State laws. Pesticides shall be used only in accordance with their registered uses and within limitations imposed by the Secretary of Interior. Prior to the use of pesticides on public land, the holder shall obtain from the BLM authorized officer written approval of a plan showing the type and quantity of material to be used, pest(s) to be controlled, method of application, location of storage and disposal of containers, and any other information deemed necessary by the authorized officer to such use.
7. Sewage shall be placed in a self-contained, chemically treated porta-potty on location.
8. The operator and their contractors shall ensure that all use, production, storage, transport and disposal of hazardous and extremely hazardous materials associated with the drilling, completion and production of these wells will be in accordance with all applicable existing or hereafter promulgated federal, state and local government rules, regulations and guidelines. All project-related activities involving hazardous materials will be conducted in a manner to minimize potential environmental impacts. In accordance with OSHA requirements, a file will be maintained onsite containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds and/or substances which are used in the course of construction, drilling, completion and production operations.
9. Produced fluids shall be put in test tanks on location during completion work. Produced water will be put in the reserve pit during completion work per Onshore Order #7.
10. The only fluids/waste materials which are authorized to go into the reserve pit are RCRA exempt exploration and production wastes. These include:
 - drilling muds & cuttings
 - rigwash
 - excess cement and certain completion & stimulation fluids defined by EPA as exempt

It does not include drilling rig waste, such as:

- spent hydraulic fluids
- used engine oil
- used oil filter
- empty cement, drilling mud, or other product sacks
- empty paint, pipe dope, chemical or other product containers
- excess chemicals or chemical rinsate

Any evidence of non-exempt wastes being put into the reserve pit may result in the BLM Authorized Officer requiring specific testing and closure requirements.

11. Reserve pits will be closed as soon as possible, but no later than 90 days from time of drilling/well completion, unless the BLM Authorized Officer gives an extension. Squeezing of pit fluids and cuttings is prohibited. Pits must be dry of fluids or they must be removed via vac-truck or other environmentally acceptable method prior to backfilling, re-contouring and replacement of topsoil. Mud and cuttings left in pit must be buried at least 3-feet below re-contoured grade. The operator will be responsible for re-contouring any subsidence areas that develop from closing a pit before it is sufficiently dry.
12. Operators are advised that prior to installation of any oil and gas well production equipment which has the potential to emit air contaminants, the owner or operator of the equipment must notify the Wyoming Department of Environmental Quality, Air Quality Division (phone 307-777-7391) to determine permit requirements. Examples of pertinent well production equipment include fuel-fired equipment (e.g., diesel generators), separators, storage tanks, engines and dehydrators.
13. If this well is drilled during the fire season (June-October), the operator shall institute all necessary precautions to ensure that fire hazard is minimized, including but not limited to mowing vegetation on the access route(s) and well location(s), keeping fire fighting equipment readily available when drilling, etc.

D. Dry Hole/Reclamation

1. All disturbed lands associated with this project, including the pipelines, access roads, water management facilities; etc will be expediently reclaimed and reseeded in accordance with the surface use plan and any pertinent site-specific COAs.
2. Disturbed lands will be re-contoured back to conform with existing undisturbed topography. No depressions will be left that trap water or form ponds.
3. The fluids and mud must be dry in the reserve pit before re-contouring pit area. The operator will be responsible for re-contouring of any subsidence areas that develop from closing a pit before it is completely dry. The plastic pit liner (if any) will be cut off below grade and properly disposed of at a state authorized landfill before beginning to re-contour the site.
4. Before the location has been reshaped and prior to redistributing the topsoil, the operator will rip or scarify the drilling platform and access road on the contour, to a depth of at least 12 inches. The rippers are to be no farther than 24 inches apart.
5. Distribute the topsoil evenly over the entire location and other disturbed areas. Prepare the seedbed by disking to a depth of 4-to-6 inches following the contour.
6. Phased reclamation plans will be submitted to BLM for approval prior to individual POD facility abandonment via a Notice of Intent (NOI) Sundry Notice. Individual facilities, such as well locations, pipelines, discharge points, impoundments, etc. need to be addressed in these plans as they are no longer needed. Individual items that will need to be addressed in reclamation plans include:
 - Pit closure (Close ASAP after suitably dry, but no later than 90 days from time of drilling unless an extension is given by BLM Authorized Officer.) BLM may require closure prior to 90 days in some cases due to land use or environmental concerns.
 - Configuration of reshaped topography, drainage systems, and other surface manipulations
 - Waste disposal
 - Revegetation methods, including specific seed mix (pounds pure live seed/acre) and soil treatments (seedbed preparation, fertilization, mulching, etc.). On private surface, the landowner should be consulted for the specific seed mix.

- Other practices that will be used to reclaim and stabilize all disturbed areas, such as water bars, erosion fabric, hydro-mulching, etc.
 - An estimate of the timetables for beginning and completing various reclamation operations relative to weather and local land uses.
 - Methods and measures that will be used to control noxious weeds, addressing both ingress and egress to the individual well or POD.
 - Decommissioning/removal of all surface facilities
 - Closure and reclamation of areas utilized or impacted by produced CBM water, including discharge points, reservoirs, off-channel pits, land application areas, livestock/wildlife watering facilities, surface discharge stream channels, etc
7. BLM will not release the performance bond until all disturbed areas associated with the APD/POD have been successfully revegetated (evaluation will be made after the second complete growing season) and has met all other reclamation goals of the surface owner and surface management agency.
 8. A Notice of Intent to Abandon and a Subsequent Report of Abandonment must be submitted for abandonment approval.
 9. For performance bond release approval, a Final Abandonment Notice (with a surface owner release letter on split-estate) must be submitted prior to a final abandonment evaluation by BLM.
 10. Soil fertility testing and the addition of soil amendments may be required to stabilize some disturbed lands.
 11. Any mulch utilized for reclamation needs to be certified weed free.
 12. Waterbars are to be constructed at least one (1) foot deep, on the contour with approximately two (2) feet of drop per 100 feet of waterbar to ensure drainage, and extended into established vegetation. All waterbars are to be constructed with the berm on the downhill side to prevent the soft material from silting in the trench. The initial waterbar should be constructed at the top of the backslope. Subsequent waterbars should follow the following general spacing guidelines:

Slope (percent)	Spacing Interval (feet)
≤ 2 - 4	310
5 - 8	260
9 - 12	200

E. Producing Well

1. Landscape those areas not required for production to the surrounding topography as soon as possible. The fluids and mud must be dry in the reserve pit before re-contouring pit area. The operator will be responsible for re-contouring and reseeding of any subsidence areas that develop from closing a pit before it is completely dry.
2. Reduce the backslope to 2:1 and the foreslope to 3:1, unless otherwise directed by the BLM Authorized Officer. Reduce slopes by pulling fill material up from foreslope into the toe of cut slopes.
3. Production facilities (including dikes) must be placed on the cut portion of the location and a minimum of 15 feet from the toe of the back cut unless otherwise approved by the BLM Authorized Officer.
4. Any spilled or leaked oil, produced water or treatment chemicals must be reported in

accordance with NTL-3A and immediately cleaned up in accordance with BLM requirements. This includes clean-up and proper disposition of soils contaminated as a result of such spills/leaks.

5. Distribute stockpiled topsoil evenly over those areas not required for production and reseed as recommended.
6. Upgrade and maintain access roads and drainage control (e.g., culverts, drainage dips, ditching, crowning, surfacing, etc.) as necessary and as directed by the BLM Authorized Officer to prevent soil erosion and accommodate safe, environmentally-sound access.
7. Prior to construction of production facilities not specifically addressed in the APD/POD, the operator shall submit a Sundry Notice to the BLM Authorized Officer for approval.
8. If not already required prior to constructing and drilling the well location, the operator shall immediately upgrade the entire access road to BLM standards (including topsoiling, crowning, ditching, drainage culverts, surfacing, etc.) to ensure safe, environmentally-sound, year-round access. This requirement does not supercede or apply where specific road requirements are addressed in the APD/POD surface use plan (e.g., two track road, spot upgrade, etc.)
9. Waterbars shall be installed on all reclaimed pipeline corridors per the guidelines in D #12.