

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

**SURFACE USE
CONDITIONS OF APPROVAL**

POD Name: Stewart Draw Beta

Operator: Lance Oil & Gas Company

List of Wells:

	Well Name	Well #	Qtr/Qtr	Section	TWP	RNG	Lease #
1	Stewart Draw Fed	12-1-5179	SWNW	01	51N	79W	142088
2	Stewart Draw Fed	14-1-5179	SWSW	01	51N	79W	154849
3	Stewart Draw Fed	34-2-5179	SWSE	02	51N	79W	160072
4	Stewart Draw Fed	12-3-5179	SWNW	03	51N	79W	142088
5	Stewart Draw Fed	21-3-5179	NENW	03	51N	79W	142088
6	Stewart Draw Fed	32-3-5179	SWNE	03	51N	79W	142088
7	Stewart Draw Fed	41-3-5179	NENE	03	51N	79W	142088
8	Stewart Draw Fed	12-11-5179	SWNW	11	51N	79W	142088
9	Stewart Draw Fed	14-11-5179	SWSW	11	51N	79W	142088
10	Stewart Draw Fed	21-11-5179	NENW	11	51N	79W	142088
11	Stewart Draw Fed	23-11-5179	NESW	11	51N	79W	142088
12	Stewart Draw Fed	32-11-5179	SWNE	11	51N	79W	142088
13	Stewart Draw Fed	41-11-5179	NENE	11	51N	79W	142088

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.

A. 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.

B. Surface Water

1. Channel Crossings:
 - a) Channel crossings by road and pipelines will be constructed perpendicular to flow. Culverts will be installed at appropriate locations for streams and channels crossed by roads as

specified in the BLM Manual 9112-Bridges and Major Culverts and Manual 9113-Roads. Streams will be crossed perpendicular to flow, where possible, and all stream crossing structures will be designed to carry the 25-year discharge event or other capacities as directed by the BLM.

- b) Channel crossings by pipelines will be constructed so that the pipe is buried at least four feet below the channel bottom.
2. Low water crossings will be constructed at original streambed elevation in a manner that will prevent any blockage or restriction of the existing channel. Material removed will be stockpiled for use in reclamation of the crossings.
3. Concerns regarding the quality of the discharged CBNG water on downstream irrigation use may require operators to increase the amount of storage of CBNG water during the irrigation months and allow more surface discharge during the non-irrigation months.
4. The operator will supply a copy of the complete approved SW-4, SW-3, or SW-CBNG permits to BLM as they are issued by WSEO for impoundments.
5. The operator will supply to the BLM copies of the WYPDES permits for this POD as soon as they are available from WDEQ.

C. 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.

D. Wetland/Riparian

1. Wetland areas will be disturbed only during dry conditions (that is, during late summer or fall), or when the ground is frozen during the winter.
2. No waste material will be deposited below high water lines in riparian areas, flood plains, or in natural drainage ways.
3. The lower edge of soil or other material stockpiles will be located outside the active floodplain.
4. Disturbed channels will be re-shaped to their approximate original configuration or stable geomorphological configuration and properly stabilized.
5. Reclamation of disturbed wetland/riparian areas will begin immediately after project activities are complete.

E. 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. The Companies will locate facilities so that noise from the facilities at any nearby sage grouse or sharp-tailed grouse display grounds does not exceed 49 decibels (10 dBA above background noise) at the display ground.
3. 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.
4. All stock tanks shall include a ramp to enable trapped small birds and mammals to escape. See Idaho BLM Technical Bulletin 89-4 entitled Wildlife Watering and Escape Ramps on Livestock Water Developments: Suggestions and Recommendations.

F. Threatened, Endangered, or Sensitive Species

f. Bald Eagle

1. Surveys for active bald eagle nests and winter roost sites will be conducted within suitable habitat by a biologist. Surface disturbing activities will not be permitted within one mile of suitable habitat prior to survey completion.
2. A disturbance-free buffer zone of 0.5 mile (i.e., no surface occupancy) will be established year-round for all bald eagle nest sites. A seasonal minimal disturbance buffer zone of one mile will be established for all bald eagle nest sites (February 15 – August 15).
3. A disturbance-free buffer zone of 0.5 mile (i.e., no surface occupancy) will be established year-round for all bald eagle winter roost sites. A seasonal minimal disturbance buffer zone of 1 mile will be established for all bald eagle winter roost sites (November 1 – April 1). These buffer zones and timing may be adjusted based on site-specific information through coordination with, and written approval from, the USFWS.

G. Visual Resources

1. The Companies will mount lights at compressor stations and other facilities on a pole or building and direct them downward to illuminate key areas within the facility while minimizing the amount of light projected outside the facility.

H. 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

A. General

1. All changes made at the onsite will be followed. They have all been incorporated into the operator's POD.
2. Please contact Debby Green, Natural Resource Specialist, at (307) 684-1058, Bureau of Land Management, Buffalo, if there are any questions concerning these surface use COAs.

B. Surface Use

1. All template and engineered road segments used in conjunction with accessing federal wells must be fully built and functional to BLM standards as outlined in the 9113 manual prior to drilling of the well and before the drilling rig or other drilling equipment moves onto the pad. This includes all water control structures such as culverts, relief ditches, low water crossings, and required surfacing.
2. Turnouts will be provided on single lane roads for opposing traffic. They will be placed every 1000' or intervisible, whichever is less, per BLM Manual 9113 .45 E 7.
3. All existing and proposed roads will maintain a minimum 20' vegetated buffer from active or inactive head cuts. If 20' cannot be maintained, then the head cuts will be mitigated to ensure no further erosion will occur.
4. Per BLM Manual 9113 .28-Signs and Markers- Signs and markers placed on or adjacent to the roadway to regulate, inform, or guide vehicle occupants must conform to the requirements of BLM Manual 9131 and the Federal Highway Administrations Manual of Uniform Traffic Control Devices. 15 mile per hour speed limit signs will be installed to inform travelers of the speed limit enforced. The following road will have a 10 mph design speed posted at STA: 12+00 to 18+00 to inform travelers of the reduced stopping distance:
 - a. 41-3-5179
5. 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 Stewart Draw Beta POD is Covert Green.
6. The following well locations and access road/corridor in the project area have been identified to have limited reclamation potential that will require disturbed areas to be stabilized (stabilization efforts may include mulching, matting, soil amendments, etc.) in a manner which eliminates accelerated erosion until a self-perpetuating native plant community has stabilized the site in accordance with the Wyoming Reclamation Policy. Stabilization efforts shall be finished within 30 days of the initiation of construction activities. A 30 day site-stabilization and interim reclamation requirement apply to the following wells and their access roads: 12-1- 5179; 14-1-5179; 12-3-5179; 21-3-5179; 32-3-5179; 41-3-5179; 12-11-5179; 14-11-51-79; 41-11-5179.
7. The following well sites will have an engineered pad: 12-1-5179; 12-3-5179; 21-3-5179; 32-3-5179; 41-3-5179; 12-11-5179; 14-11-5179; 23-11-5179; 41-11-5179.
8. The following well sites will have a slotted pad: 14-1-5179; 21-11-5179; 34-2-5179; 32-11-5179.
9. Silt fencing will be installed at the following well locations: at the 41-3-5179 between well pad and head cut to east; at the 21-3-5179 along south section of pad; at the 41-11-5179 along west side of pad.
10. Only gravel will be used as a surfacing material per landowner request along the access road to well 12-3-5179.
11. The access road to well 14-11-5179 will depart from the existing road, continue through the 14-11-5179 well pad, and then reconnect to the existing road. Reclaim the existing road in this area once the new access is constructed.

12. 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.
13. Disturbance for pipelines and utility corridors adjacent to access roads will be contained within the disturbance allowed for road construction. Allowances will be granted for culverts, low water crossings, gas/electric metering points and valve sets.
14. Pipeline installation and/or corridors without road access will not exceed a disturbance width of 45 feet.
15. If any disturbance crosses the corner boundary into the NESE of Section 11, the operator shall apply for a right-of-way grant with the Buffalo BLM Field Office, Realty Department. Failure to do so will constitute a trespass on public lands and the encumbering party shall be required to pay all appropriate resolution fees related to this disturbance.
16. 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:

**10-14" Precipitation Zone
Loamy Ecological Site
Seed Mix**

Species	% in Mix	Lbs PLS*
<i>Western Wheatgrass</i> (Pascopyrum smithii)	30	4.8
<i>Bluebunch Wheatgrass</i> (Pseudoroegneria spicata ssp. Spicata)	10	1.2
<i>Green needlegrass</i> (Nassella viridula)	25	3.0
<i>Slender Wheatgrass</i> (Elymus trachycaulus ssp. trachycaulus)	20	1.2
<i>Prairie coneflower</i> (Ratibida columnifera)	5	0.6
<i>White or purple prairie clover</i> (Dalea candidum, purpureum)	5	0.6
<i>Rocky Mountain beeplant</i> (Cleome serrulata) /or <i>American vetch</i> (Vicia americana)	5	0.6
Totals	100%	12 lbs/acre

*PLS = pure live seed

*Northern Plains adapted species

*Double this rate if broadcast seeding

The well location for **12-1-5179**, the access road south and utility corridor north of well **41-11-5179**, and the utility corridor to well **32-11-5179** will use the following seed mix on BLM surface or in lieu of a different specific mix desired by the surface owner:

**10-14”
Shallow Clayey Eco Site
Seed Mix**

Species - Cultivar	Full Seeding (lbs/ac PLS*)	% in Mix	Lbs PLS*
Western Wheatgrass - <i>Rosana</i>	6	40	2.4
Green needlegrass - <i>Lodorm</i>	6	40	2.4
American vetch OR Cicer Milkvetch - <i>Lutana</i>	7	15	1.05
Lewis – <i>Appar</i> , Blue, or Scarlet flax	4	5	.20
Totals		100%	6.05 lbs/acre

*PLS = pure live seed
(this seeding rate has not been doubled)

These are recommended seed mixes based on the native plant species listed in the NRCS Ecological Site descriptions, U.W. College of Ag., and seed market availability. A site-specific inventory will allow the resource specialist to suggest the most appropriate species, percent composition, and seeding rate for reclamation purposes.

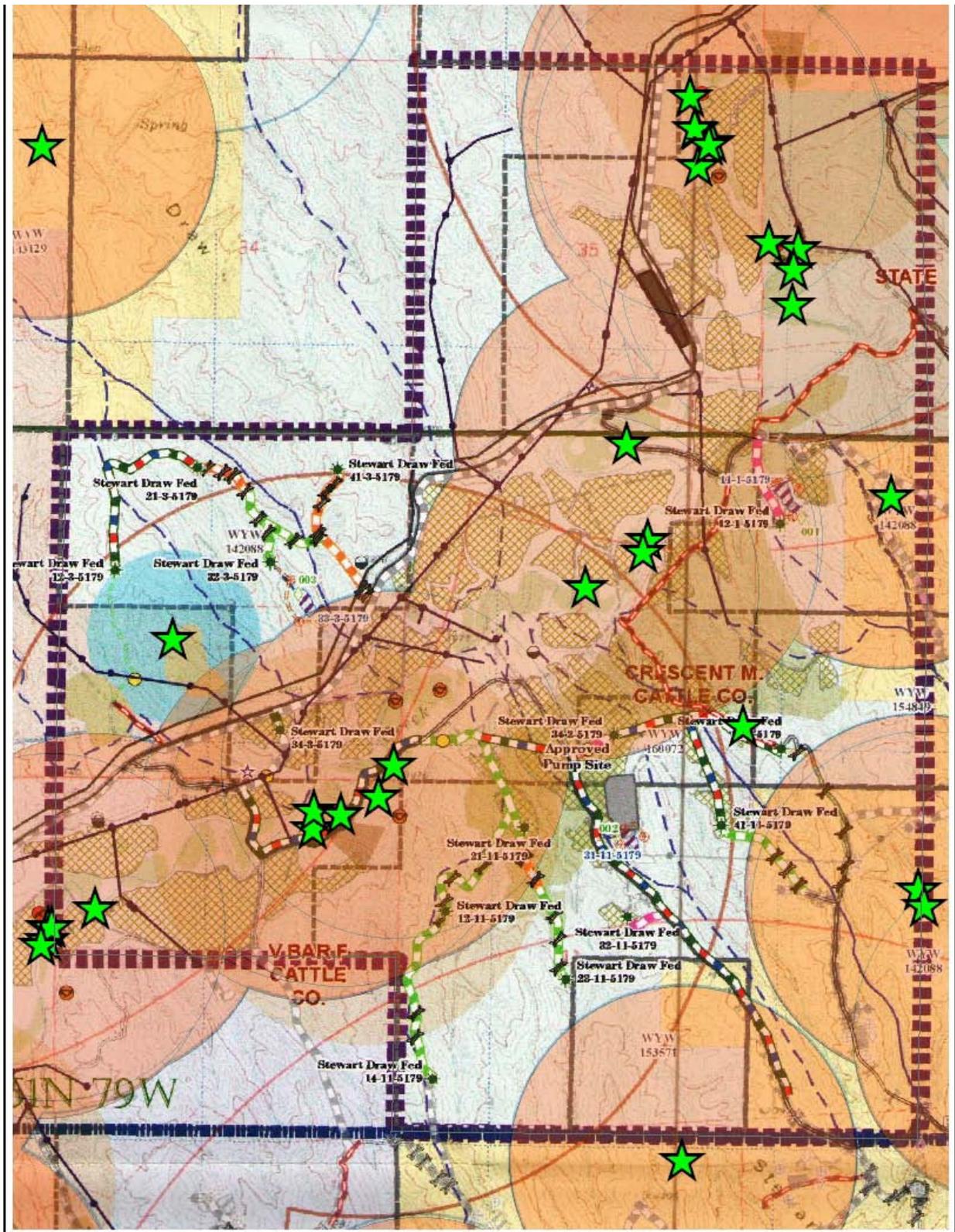
Wildlife

The following conditions will minimize impacts to raptors:

- No surface disturbing activity will be allowed within ½ mile of the documented nest sites from February 1 through July 31, annually, prior to a raptor nest occupancy survey for the current breeding season. The timing restriction may be removed from inactive nests upon consultation with BLM. This timing restriction affects the following wells as well as nearby reservoirs and infrastructure: See table and map below.
- 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.
- Nest occupancy and productivity checks shall be completed for nests within a 0.5 mile of any surface disturbing activities across the entire POD for as long as the POD is under construction. Once construction of the POD has ceased, nest occupancy and productivity checks shall continue for the first five years on all nests that are within a 0.5 mile of locations where any surface-disturbing activities took place. Productivity checks shall be completed only on those nests that were verified to be occupied during the initial occupancy check of that year. 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. The nests that are checked each year is subject to change, pending surveys.

BLM ID#	INFRASTRUCTURE
448	SDI
3445	SDI, UTILITY CORRIDOR
3452	SDI, UTILITY CORRIDOR
3453	SDI, UTILITY CORRIDOR
3454	SDI ,UTILITY CORRIDOR
4050	SDI
4051	WELL# 12-11-5179, AND 21-11-5179
4053	ACCESS ROAD
4116	WELL# 12-1-5179, SDI, RESERVOIR #1
4119	ACCESS ROAD
4120	ACCESS ROAD
4762	SDI
5154	WELL# 12-1-5179, SDI, WATER LINE, RESERVOIR #1
5805	SDI, UTILITY CORRIDOR
5806	SDI, UTILITY CORRIDOR
5810	SDI, UTILITY CORRIDOR
5811	SDI, UTILITY CORRIDOR
5812	SDI, WATER LINE, AND WELL# 34-2-5179
5813	ACCESS ROAD, WELL #12-11-5179, AND 21-11-5179
5814	SDI, UTILITY CORRIDOR
5815	ACCESS ROAD, WELL # 12-11-5179
5816	ACCESS ROAD, WELL # 12-11-5179,
5817	ACCESS ROAD, WELL # 12-11-5179, 21-11-5179,
5818	SDI
6638	UTILITY CORRIDOR
6639	SDI, UTILITY CORRIDOR, Well # 14-1-5179 AND ACCESS ROAD



NOTE: Stars are raptor nest locations and the shaded circles around the stars, is the 0.5 mile buffer. All wells, utility corridors, SDI, and access roads within the buffer will have a TLS applied.

- 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.
- Well metering, maintenance and other site visits within 0.5 miles of raptor nests shall be minimized as much as possible during the breeding season (February 1 – July 31), and restricted to between 0900 and 1500 hours.

The following conditions will minimize impacts to sage-grouse:

1. No surface disturbing activities are permitted for the locations, access roads, and impoundments between March 1-June 15. This condition will be implemented on an annual basis for the duration of surface disturbing activities. This timing limitation will affect the following wells and associated infrastructure: 12-3-5179, 21-3-5179, 14-11-5179, 23-11-5179, 12-1-5179, 14-1-5179, and 41-11-5179 as well as impoundment 11-1-5179#1.
 - a) If a previously unknown lek is identified during surveys, additional areas may be included in the above referenced timing restriction (March 1-June 15). If surveys indicate a lek is inactive during the current breeding season, surface disturbing activities may be permitted with BLM approval. 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.
2. A sage-grouse survey will be conducted for all known leks within 2 miles of the POD by a biologist following the most current WGFD protocol. All survey results shall be submitted in writing to a Buffalo BLM biologist no later than July 31 of the current year. Currently, this applies to the Double Cross Road lek, Fleetwood Draw lek, Frank lek, and Thompson Creek II lek.
3. If an active lek is identified and construction has not been completed, surface disturbance and occupancy within 0.25 miles of the center of the lek will be prohibited.
4. Roads within 1/2 mile of sage grouse leks will be posted (with signs shorter than four feet) by the operator at 10 mph during daylight hours between March 1-June 15.

The following conditions will alleviate impacts to burrowing owls:

1. No surface disturbing activity shall occur within 0.25 miles of the identified prairie dog colonies. April 15 to August 31, annually, prior to a burrowing owl nest occupancy survey for the current breeding season. A 0.25 mile buffer will be applied if a burrowing owl nest is identified. This condition will be implemented on an annual basis for the duration of surface disturbing activities within the prairie dog town(s). This timing limitation will be in effect unless surveys determine the nest(s) to be inactive. This timing limitation will affect the following sections:

QQ	Section(s)	Twp N	Rng W	Size (in acres)
NWSW	3	51	79	19
NESW	3	51	79	15.6
SENW	11	51	79	335
NWNE sec 36 to SWSE sec 25		52	79	10
NWSW	19	52	78	58
NWSW	20	52	78	2
NESW	20	52	78	11.5
NENW	20	52	78	50
SWSW	16	52	78	21
NWNE	20	52	78	4
SWSW	17	52	78	2.7

Cultural

No federally produced water from the Stewart Draw Beta POD will be placed into the SDI system associated with the Quarter Circle Nine POD until Lance Oil and Gas has complied with the site specific Cultural COA's (31 and 32) associated with the Quarter Circle Nine POD.