

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

(Sundry Notice dated 1/8/10 moving the Hepp Fed 43-32-5079S well)  
(Lance Oil & Gas Company Inc.)  
(WY-070-390CX3-10-105)  
Bureau of Land Management  
Buffalo Field Office

**Description of the Proposed Action**

The proponent is requesting to skid the Hepp Federal 43-32-5079 well 157 feet east of the original wellbore because when the original location was spudded the location began to subside resulting in an unsafe drilling location. On 12/17/09 an onsite was conducted and to avoid the same geological hazard that occurred with the first wellbore, the skidded well was moved quite a distance away.

The total surface disturbance for this action consists of: 150' x 150' working area which equals 0.5 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.*

The Lance Oil and Gas Co., Inc., West Bear Draw POD (WY-070-EA06-292) 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 (West Bear Draw) was approved on (9/27/2006) and identifies the (drilling of a CBNG well) as reasonably foreseeable.

### **Persons and Agencies Consulted**

#### **Previous inventory:**

A previously reviewed and accepted Class III cultural resource inventory (BFO # 070060176) adequately covered the proposed project area. No cultural resources are in the area of potential effect.

The wildlife biologist has reviewed the sundry proposal and determined that the proposal, combined with the Conditions of Approval from the West Bear Draw POD are (1) consistent with the Final Environmental Impact Statement (WY-070-02-065) and programmatic biological opinion (ES-6-WY-07-F012) for the Powder River Basin Oil and Gas Project, and (2) consistent with the effects and impacts documented in the site specific analysis (WY-070-EA06-292) and does not change the determinations in that document.

#### **Decision and Rationale on Action**

I have decided to implement [Sundry Notice dated 1/8/10 moving the Hepp Fed 43-32-5079S well] with the following Conditions of Approval (COAs):

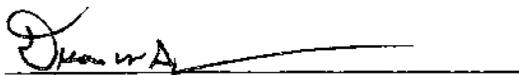
1. If the well has not been spudded by 9/27/2011, this APD will expire, and the operator is to cease all operations related to preparing to drill this well.
2. The operator is committed to all pertinent plans, mitigation and Conditions of Approval contained in the West Bear Draw POD approved 9/27/06.

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 (9/27/2011)

#### **Implementation Date**

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



Duane W. Spencer  
Field Manager

1/20/10  
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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