CONDITIONS OF APPROVAL FOR THE APPLICATION FOR PERMIT TO DRILL

POD Name: Williams Draw Unit Gamma and Williams Draw Unit Delta PODs
Operator: Lance Oil & Gas Company, Inc.

Buffalo Field Office
1425 Fort Street
Buffalo, Wyoming 82834
Office Telephone Number: 307-684-1100

List of Wells:

	Well Name	Well #	QTR	SEC	TWP	RNG	Lease
1	WDU DELTA WILLIAMS DU	44-7	SESE	7	50N	76W	WYW042305
2	WDU DELTA WILLIAMS DU	14-8	SWSW	8	50N	76W	WYW042305
3	WDU DELTA WILLIAMS DU	44-8	SESE	8	50N	76W	WYW042305
4	WDU DELTA WILLIAMS DU	11-17	NWNW	17	50N	76W	WYW042305
5	WDU DELTA WILLIAMS DU	41-17	NENE	17	50N	76W	WYW042305
6	WDU DELTA WILLIAMS DU	43-17	NESE	17	50N	76W	WYW042305
7	WDU DELTA WILLIAMS DU	31-17	NWNE	17	50N	76W	WYW042305
8	WDU DELTA WILLIAMS DU	23-18	NESW	18	50N	76W	WYW042305
9	WDU DELTA WILLIAMS DU	24-18	SESW	18	50N	76W	WYW042305
10	WDU DELTA WILLIAMS DU	32-18	SWNE	18	50N	76W	WYW042305
11	WDU DELTA WILLIAMS DU	14-18	SWSW	18	50N	76W	WYW145600
12	WDU DELTA WILLIAMS DU	14-19	SWSW	19	50N	76W	WYW146291
13	WDU DELTA WILLIAMS DU	21-19	NENW	19	50N	76W	WYW145600
14	WDU DELTA WILLIAMS DU	22-19	SENW	19	50N	76W	WYW145600
15	WDU DELTA WILLIAMS DU	23-19	NESW	19	50N	76W	WYW145600
16	WDU DELTA WILLIAMS DU	43-19	NESE	19	50N	76W	WYW145600
17	WDU DELTA WILLIAMS DU	14-20	SWSW	20	50N	76W	WYW139683
18	WDU DELTA WILLIAMS DU	34-20	SWSE	20	50N	76W	WYW130624
19	WDU DELTA WILLIAMS DU	14-29	SWSW	29	50N	76W	WYW139683
20	WDU DELTA WILLIAMS DU	21-29	NENW	29	50N	76W	WYW139683
21	WDU DELTA WILLIAMS DU	23-29	NESW	29	50N	76W	WYW139683
22	WDU DELTA WILLIAMS DU	32-29	SWNE	29	50N	76W	WYW130624
23	WDU DELTA WILLIAMS DU	43-29	NESE	29	50N	76W	WYW154407
24	WDU DELTA WILLIAMS DU	44-29	SESE	29	50N	76W	WYW154407
25	WDU DELTA WILLIAMS DU	13-29	NWSW	29	50N	76W	WYW139683
26	WDU DELTA WILLIAMS DU	12-30	SWNW	30	50N	76W	WYW145601
27	WDU DELTA WILLIAMS DU	21-30	NENW	30	50N	76W	WYW145601
28	WDU DELTA WILLIAMS DU	33-30	NWSE	30	50N	76W	WYW145601
29	WDU DELTA WILLIAMS DU	43-30	NESE	30	50N	76W	WYW145601
30	WDU DELTA WILLIAMS DU	13-30	NWSW	30	50N	76W	WYW145602

	Well Name	Well #	QTR	SEC	TWP	RNG	Lease
31	WDU DELTA WILLIAMS DU	34-30	SWSE	30	50N	76W	WYW145601
32	WDU DELTA WILLIAMS DU	12-31	SWNW	31	50N	76W	WYW130625
33	WDU DELTA WILLIAMS DU	22-31	SENW	31	50N	76W	WYW130625
34	WDU DELTA WILLIAMS DU	23-31	NESW	31	50N	76W	WYW130625
35	WDU DELTA WILLIAMS DU	33-31	NWSE	31	50N	76W	WYW130625
36	WDU DELTA WILLIAMS DU	41-31	NENE	31	50N	76W	WYW130625
37	WDU DELTA WILLIAMS DU	43-31	NESE	31	50N	76W	WYW130625
38	WDU DELTA WILLIAMS DU	21-31	NENW	31	50N	76W	WYW130625
39	WDU DELTA WILLIAMS DU	12-32	SWNW	32	50N	76W	WYW146291
40	WDU DELTA WILLIAMS DU	14-32	SWSW	32	50N	76W	WYW138137
41	WDU DELTA WILLIAMS DU	23-32	NESW	32	50N	76W	WYW138137
42	WDU DELTA WILLIAMS DU	31-32	NWNE	32	50N	76W	WYW138137
43	WDU DELTA WILLIAMS DU	33-32	NWSE	32	50N	76W	WYW138137
44	WDU DELTA WILLIAMS DU	41-32	NENE	32	50N	76W	WYW138137
45	WDU DELTA WILLIAMS DU	43-32	NESE	32	50N	76W	WYW146291
46	WDU DELTA WILLIAMS DU	44-32	SESE	32	50N	76W	WYW146291
47	WDU DELTA WILLIAMS DU	32-12	SWNE	12	50N	77W	WYW133630
48	WDU DELTA WILLIAMS DU	43-12	NESE	12	50N	77W	WYW133630
49	WDU DELTA WILLIAMS DU	33-12	NWSE	12	50N	77W	WYW133630
50	WDU DELTA WILLIAMS DU	41-12	NENE	12	50N	77W	WYW138447
51	WDU DELTA WILLIAMS DU	11-13	NWNW	13	50N	77W	WYW135629
52	WDU DELTA WILLIAMS DU	13-13	NWSW	13	50N	77W	WYW147347
53	WDU DELTA WILLIAMS DU	14-13	SWSW	13	50N	77W	WYW147347
54	WDU DELTA WILLIAMS DU	43-13	NESE	13	50N	77W	WYW133630
55	WDU DELTA WILLIAMS DU	24-34	SESW	34	50N	77W	WYW130639
56	WDU DELTA WILLIAMS DU	32-34	SWNE	34	50N	77W	WYW136688
57	WDU DELTA WILLIAMS DU	34-34	SWSE	34	50N	77W	WYW130639
58	WDU DELTA WILLIAMS DU	43-34	NESE	34	50N	77W	WYW130639
59	WDU DELTA WILLIAMS DU	33-34	NWSE	34	50N	77W	WYW130639
60	WDU DELTA WILLIAMS DU	23-35	NESW	35	50N	77W	WYW130639
61	WDU DELTA WILLIAMS DU	33-35	NWSE	35	50N	77W	WYW130639
62	WDU DELTA WILLIAMS DU	44-35	SESE	35	50N	77W	WYW130639
63	WDU DELTA WILLIAMS DU	24-35	SESW	35	50N	77W	WYW130639
64	WDU GAMMA WILLIAMS DU	11-5	NWNW	5	49N	76W	WYW144539
65	WDU GAMMA WILLIAMS DU	32-5	SWNE	5	49N	76W	WYW144539
66	WDU GAMMA WILLIAMS DU	34-5	SWSE	5	49N	76W	WYW147332
67	WDU GAMMA WILLIAMS DU	41-5	NENE	5	49N	76W	WYW144539
68	WDU GAMMA WILLIAMS DU	11-6	NWNW	6	49N	76W	WYW147332
69	WDU GAMMA WILLIAMS DU	12-6	SWNW	6	49N	76W	WYW147332
70	WDU GAMMA WILLIAMS DU	32-6	SWNE	6	49N	76W	WYW144539

	Well Name	Well #	QTR	SEC	TWP	RNG	Lease
71	WDU GAMMA WILLIAMS DU	41-6	NENE	6	49N	76W	WYW144539
72	WDU GAMMA WILLIAMS DU	13-6	NWSW	6	49N	76W	WYW147332
73	WDU GAMMA WILLIAMS DU	22-6	SENW	6	49N	76W	WYW147332
74	WDU GAMMA WILLIAMS DU	33-6	NWSE	6	49N	76W	WYW147332
75	WDU GAMMA WILLIAMS DU	14-8	SWSW	8	49N	76W	WYW160792
76	WDU GAMMA WILLIAMS DU	23-8	NESW	8	49N	76W	WYW160792
77	WDU GAMMA WILLIAMS DU	34-8	SWSE	8	49N	76W	WYW160792
78	WDU GAMMA WILLIAMS DU	12-8	SWNW	8	49N	76W	WYW160792
79	WDU GAMMA WILLIAMS DU	12-17	SWNW	17	49N	76W	WYW134233
80	WDU GAMMA WILLIAMS DU	41-1	NENE	1	49N	77W	WYW136688
81	WDU GAMMA WILLIAMS DU	33-1	NWSE	1	49N	77W	WYW136688
82	WDU GAMMA WILLIAMS DU	43-1	NESE	1	49N	77W	WYW136688
83	WDU GAMMA WILLIAMS DU	32-1	SWNE	1	49N	77W	WYW136688
84	WDU GAMMA WILLIAMS DU	11-2	NWNW	2	49N	77W	WYW136688
85	WDU GAMMA WILLIAMS DU	14-2	SWSW	2	49N	77W	WYW136688
86	WDU GAMMA WILLIAMS DU	23-2	NESW	2	49N	77W	WYW136688
87	WDU GAMMA WILLIAMS DU	34-2	SWSE	2	49N	77W	WYW136688
88	WDU GAMMA WILLIAMS DU	12-3	SWNW	3	49N	77W	WYW136688
89	WDU GAMMA WILLIAMS DU	13-3	NWSW	3	49N	77W	WYW136688
90	WDU GAMMA WILLIAMS DU	22-3	SENW	3	49N	77W	WYW136688
91	WDU GAMMA WILLIAMS DU	31-3	NWNE	3	49N	77W	WYW136688
92	WDU GAMMA WILLIAMS DU	43-3	NESE	3	49N	77W	WYW136688
93	WDU GAMMA WILLIAMS DU	44-3	SESE	3	49N	77W	WYW136688
94	WDU GAMMA WILLIAMS DU	21-3	NENW	3	49N	77W	WYW136688
95	WDU GAMMA WILLIAMS DU	41-24	NENE	24	50N	77W	WYW133630
96	WDU GAMMA WILLIAMS DU	42-24	SENE	24	50N	77W	WYW130640
97	WDU GAMMA WILLIAMS DU	32-25	SWNE	25	50N	77W	WYW130625
98	WDU GAMMA WILLIAMS DU	41-25	NENE	25	50N	77W	WYW130625

List of approved Right-of-Ways:
The following rights-of-way would be authorized with the approval of the Williams Draw Unit Delta and Gamma Plans of Development:

- WYW-170026 for road, water pipeline and buried power;
- WYW-170027 for “up to 20 inch” gas pipeline; all in:
  - T.49N., R.76W., section 9;
  - T. 50N., R.76W., Sec. 6, 7, 21;
  - T. 50N., R.77W., Sec. 10, 12.

All utility corridors will be installed adjacent to and parallel with access routes extending approximately 20,099 feet in length. Proposed access to existing and/or proposed improved road/proposed water, buried electric cable, gas: not to exceed a total 50 foot width.

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.

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.

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. 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.
3. 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.

Threatened, Endangered, or Sensitive Species
The companies will conduct clearance surveys for threatened, endangered or other special-concern species at the optimum time. Inventory for special concern species, other than federally listed species below, is contingent upon landowner concurrence. This will require coordination with the BLM before November 1 annually to review the potential for disturbance and to agree on inventory parameters.

Mountain Plover
1. Creation of hunting perches or nest sites for avian predators within 0.5 mile of identified nesting areas will be avoided by burying power lines, using the lowest possible structures for fences and other structures and by incorporating perch-inhibiting devices into their design.

2. When above ground markers are used on capped and abandoned wells, they will be identified with markers no taller than four feet with perch inhibiting devices on the top to avoid creation of raptor hunting perches within 0.5 mile of nesting areas.

Ute Ladies'-tresses Orchid
1. Moist soils near wetlands, streams, lakes, or springs in the project area will be promptly revegetated if construction activities impact the vegetation in these areas. Revegetation will be designed to avoid the establishment of noxious weeds.

Visual Resources
1. The Companies will mount lights at compressor stations 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.

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.

<u>SITE SPECIFIC</u>

General

Rights-of-Ways

1. To minimize surface disturbance and vegetation loss the following applies for rights-of-way WYW-170026 for road, water pipeline and buried power and WYW-170027 for "up to 20 inch" gas pipeline located T.49N., R.76W., section 9;T. 50N., R.76W., Sec. 6, 7, 21; and T. 50N., R.77W., Sec. 10, 12:
   a. All utilities will corridor with access routes and will extend approximately 20,099 feet in length.
   b. Proposed access to existing and/or proposed improved road/proposed water, buried electric cable, gas: not to exceed a total 50 foot width.
   c. If conditions warrant the use of primitive roads, then the proposed primitive/proposed water pipeline, and buried electric cable, gas: not to exceed a total 30 foot width.

Travel Management

1. In order to maintain the travel management objectives in the RMP and to reduce conflicts between the public relative to new roads in the project area, the company will sign the junctions of private and public roads.
2. Travel within the William Draw Unit Gamma and Delta PODs, on all private roads that would access Federal land, is restricted to authorized company personnel serving in their official capacity. Signs reading "Private Road - No Public Access" will be installed at the intersection of private and public roads within the project area. Contact the Outdoor Recreation Planner at BLM BFO for specific direction regarding signage and related materials. Gates may be required to be installed if necessary to prevent unauthorized travel. The signs and gates will be provided and maintained by the operator.

Water Management

1. The operator will sample Elephant Springs located in NWSW Sec 30 T50N R76W, twice each year (spring and fall) to be analyzed for the parameters required for an initial WDEQ WYPDES permit for the duration of production to monitor for any changes in water quality or quantity. Copies of water quality and quantity results will be provided to the BLM BFO. If it is determined that either are changing as a result of CBNG production in the area, additional mitigation may be required.

Surface Use

1. BLM's preferred access to the 44-32 location is Williams Draw Unit Gamma Road B-2 Alternate. LOG will NOT CONSTRUCT the WDU Gamma Road B-2 to avoid steep slopes and highly erosive soils. LOG will remove all staking associated with this alignment prior to construction of Road B-2 Alternate.

2. LOG will apply a minimum of 4" of aggregate across the entire working surface (150' x 150') of the 34-5 location to protect fragile soils.

3. For all wells spudded after November 1, the reserve pit fluids must be removed immediately following completion activities to avoid potential conflicts with raptor nesting timing limitations (February 1) and the standard COA that reserve pits be closed within 90 days, unless an exception is granted by the BLM Authorized Officer.

4. All trees removed during construction will be savaged. These trees will remain whole and used for stabilization and erosion control per BLM direction unless otherwise specified by the private surface owner. No trees will be buried to avoid subsidence.

5. The operator will follow the guidance provided in the Wyoming Policy on Reclamation (IM WY-2009-022); See http://web.wy.blm.gov/Wy.im/09/wy2009-022-atch1.pdf for details.

6. To minimize surface disturbance and vegetation removal:
   a. Improved roads with utility corridor working width will not exceed 50 feet with a clearing and blading not to exceed 40 feet in width unless a specific design is included in the plan and profile section of the master surface use plan.
   b. Pipeline installation and/or corridors without road access working width will not exceed 35 feet with clearing and blading not to exceed 20 feet.
   c. Mowing at the well site where a constructed pad is not approved as designed will be minimized to a diameter of 75 feet or less from the well stake.

7. To reduce erosion, thick walled plastic SDR9 pipe (or pipe with similar characteristics that will resist crushing with a minimum cover) may be used for ditch relief culverts. 9" or larger sizes must be used and a ditch block will be constructed as shown on a typical detail. 12" of cover will not be required for these pipes. They are not to be used for established drainages crossing the road.

8. To reduce subsidence, all pit spoil must be placed back in the pit once dry. If necessary, the pit area should be mounded slightly or restored to the original contour to allow for settling and positive surface drainage.

9. To reduce visual impacts and vertical intrusion, 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." Temporary structures (i.e. generators, etc.) present for more than 90 days will be required to comply with visual resource mitigation. The color selected for the William Draw Unit Gamma and Delta PODs is Covert Green, 18-0617 TPX.

10. Final grading and surfacing shall occur immediately after utility installation is complete. All rills, gullies, and other surface defects shall be ripped to the full depth of erosion across the entire width of the roadway prior to final grading and surfacing.

11. The Williams Draw Unit Gamma and Delta Project area is dominated by steep slopes and/or fragile soils. Improved roads used in conjunction with accessing federal wells must be fully built (including all water control structures such as wingditches, culverts, relief ditches, low water crossings, surfacing, etc.) and functional to BLM standards as outlined in the BLM Manual 9113 prior to drilling of the well. This applies to the ENTIRE Williams Draw Gamma and Delta project areas.

12. The Williams Draw Unit Gamma and Delta Project area is dominated by soils that 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. This applies to the ENTIRE Williams Draw Unit Gamma and Delta Project areas.

13. BLM has developed seed mixes for each ecological site identified within the project area based on the NRCS ecological site description, the reference plant community and desired species richness with the intent of maximizing re-vegetation potential. The operator will seed on the contour to a depth of no more than 0.5 inch. To maintain quality and purity, 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: See Attachment 1 for the appropriate seed mix by Ecological Site.

Wildlife

1. BLM's preferred access road to the 41-8-4976, 33-8-4976 and 44-5-4976 locations is the WDU Gamma Road F-2 located within NW section 9 T49N/R76W. Lance Oil & Gas Company will NOT CONSTRUCT WDU Gamma Road F within 0.25 miles of the Laskie Draw lek to minimize impacts to sage-grouse and their habitats. This includes those segments of the proposed Road F located within SW section 4 T49N/R76W. All staking associated with this alignment will be removed prior to construction of Road F-2.

Burrowing Owls

The following conditions will alleviate impacts to burrowing owls:

1. No surface disturbing activity shall occur within 0.25 miles of all identified prairie dog colonies from 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

Township/Range	Section	Wells and Infrastructure
T50N/R76W	7	Well location(s): 44-7-5076 All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the SESE of this section.
T50N/R76W	8	Well location(s): 14-8-5076 All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the SWSW of this section.
T50N/R76W	17	All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the NWNW of this section.
T50N/R76W	18	All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the NENE of this section.
T49N/R76W	4	All access road within 0.25 miles of the mapped prairie dog colony within the SWSW of this section.
T49N/R76W	9	All access road within 0.25 miles of the mapped prairie dog colony within the NWNW of this section.
T49N/R76W	17	Well location(s): 12-17-497 All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the SW, NENW and SWNW of this section.
T49N/R76W	18	All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the NESE, SESE, SWSW and SESW of this section.

Township/Range	Section	Wells and Infrastructure
T49N/R77W	13	All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the SESE, SWSE and SESW of this section.

Mountain Plover

The following conditions will alleviate impacts to mountain plovers:

1. A mountain plover nesting survey is required in suitable habitat prior to commencement of surface disturbing activities in the following areas:
   Mountain plover nesting surveys shall be conducted by a biologist following the most current USFWS Mountain Plover Survey Guidelines (the survey period is May 1-June 15). All survey results must be submitted in writing to the BFO and approved prior to initiation of surface disturbing activities.
   a. No surface disturbing activities are permitted in the suitable habitat area listed above, from March 15-July 31, unless a mountain plover nesting survey has been conducted during the current breeding season. This timing limitation will be in effect unless surveys determine no plovers are present. This timing limitation will affect the following:

Township/Range	Section	Wells and Infrastructure
T50N/R76W	7	Well location(s): 44-7-5076 All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the SESE of this section.
T50N/R76W	8	Well location(s): 14-8-5076 All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the SWSW of this section.
T50N/R76W	17	All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the NWNW of this section.
T50N/R76W	18	All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the NENE of this section.
T49N/R76W	4	All access road within 0.25 miles of the mapped prairie dog colony within the SWSW of this section.
T49N/R76W	9	All access road within 0.25 miles of the mapped prairie dog colony within the NWNW of this section.
T49N/R76W	17	Well location(s): 12-17-4976 All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the SW, NENW and SWNW of this section.
T49N/R76W	18	All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the NESE, SESE, SWSW and SESW of this section.
T49N/R77W	13	All access road and associated utility corridor within 0.25 miles of the mapped prairie dog colony within the SESE, SWSE and SESW of this section.

   b. If occupied mountain plover habitat is identified, then a seasonal disturbance-free buffer of ¼ mile shall be maintained between March 15 and July 31. If no mountain plover observations are identified, then surface disturbing activities may be permitted within suitable habitat until the following breeding season (March 15).
   c. No dogs will be permitted at work sites to reduce the potential for harassment of mountain plovers.

Raptors

The following conditions will alleviate impacts to raptors:

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

Township/Range	Section	Wells and Infrastructure
T50N/R77W	11	All access road and associated utility corridor within the NESE, NWSE and NESW of this section.
T50N/R77W	12	Well location(s): 32-12-5077, 33-12-5077, 42-12-5077 and 43-12-5077 All access road and associated utility corridor within this ENTIRE section.
T50N/R77W	13	Well location(s): 11-13-5077, 12-13-5077, 13-13-5077, 14-13-5077, 23-13-5077, 34-13-5077 and 43-13-5077 All access road and associated utility corridor within this ENTIRE section.
T50N/R77W	22	All access road and associated utility corridor within this ENTIRE section.
T50N/R77W	23	All access road and associated utility corridor within this ENTIRE section.
T50N/R77W	24	Well location(s): 21-24-5077, 32-24-5077, 41-24-5077 and 42-24-5077 All access road and associated utility corridor within this ENTIRE section.
T50N/R77W	25	Well location(s): 13-25-5077, 23-25-5077, 34-25-5077, 32-25-5077 and 41-25-5077 All access road and associated utility corridor within the SENE, SWNE, SESE and SW of this section.
T50N/R77W	26	All access road and associated utility corridor within the NW of this section.
T50N/R77W	34	Well location(s): 24-34-5077, 32-34-5077, 33-34-5077, 34-34-5077 and 43-34-5077 All access road and associated utility corridor within the SE, SESW, SENE and S2SWNE of this section.
T50N/R77W	35	Well location(s): 23-35-5077, 24-35-5077 and 33-35-5077 All access road and associated utility corridor within the NESE, NWSE, SW and SWNW of this section.
T50N/R77W	36	All access road and associated utility corridor within this ENTIRE section.
T50N/R76W	7	Well location(s): 11-7-5076 and 44-7-5076 All access road and associated utility corridor within this ENTIRE section.
T50N/R76W	8	Well location(s): 14-8-5076 All access road and associated utility corridor within this ENTIRE section.
T50N/R76W	17	Well location(s): 11-17-5076, 23-17-5077, 31-17-5076, 41-17-5076 and 43-17-5076 All access road and associated utility corridor within this ENTIRE section EXCEPT the W2SWSE and SWSW.

Township/Range	Section	Wells and Infrastructure
T50N/R76W	18	Well location(s): 14-18-5076, 23-18-5076, 24-18-5076, 32-18-5076 and 43-17-5076 All access road and associated utility corridor within this ENTIRE section EXCEPT the E2SESE.
T50N/R76W	19	Well location(s): 14-19-5076, 22-19-5076, 23-19-5076 and 34-19-5076 All access road and associated utility corridor within this ENTIRE section EXCEPT the NESE and SENE.
T50N/R76W	20	Well location(s): 14-20-5076 and 34-20-5076 All access road and associated utility corridor within the SE, SENE, SWNE, SESW and NESW of this section.
T50N/R76W	29	Well location(s): 13-29-5076, 14-29-5076, 21-29-5076, 23-29-5076, 32-29-5076, 42-29-5076, 43-2-5076 and 44-29-5076 All access road and associated utility corridor within this ENTIRE section.
T50N/R76W	30	Well location(s): 12-30-5076, 13-30-5076, 14-30-5076, 21-30-5076, 41-30-5076 and 43-30-5076 All access road and associated utility corridor within this ENTIRE section EXCEPT the SESW and SWSE.
T50N/R76W	31	Well location(s): 12-31-5076, 21-31-5076, 22-31-5076, 23-31-5076, 33-31-5076, 41-31-5076 and 43-31-5076 All access road and associated utility corridor within the W2SWSE, NESE, NENE, NENW, NWNW, SWNW, SWSW and NESW of this section.
T50N/R76W	32	Well location(s): 12-32-5076, 23-32-5076, 31-32-5076 and 41-32-5076 All access road and associated utility corridor within the NW, NENE, NWNE, NWSW and NESW of this section.
T49N/R77W	1	Well location(s): 12-1-4977, 23-1-4977, 32-1-4977, 33-1-4977, 41-1-4977 and 43-1-4977 All access road and associated utility corridor within this ENTIRE section EXCEPT the NWNE and N2SWNE.
T49N/R77W	2	Well location(s): 14-2-4977, 21-2-4977, 34-2-4977 and 43-2-4977 All access road and associated utility corridor within the NW, NENE, NWNE, NWSW and NESW of this section.
T49N/R77W	3	Well location(s): 31-3-4977 All access road and associated utility corridor within the N2NWNE and N2NENW of this section.
T49N/R77W	10	All access road and associated utility corridor within the NENE of this section.
T49N/R77W	11	All access road and associated utility corridor within the NENE, NWNE and NENW of this section.
T49N/R77W	12	All access road and associated utility corridor within the NENE of this section.
T49N/R77W	13	All access road and associated utility corridor within the N2SESW, SWSE and SESE of this section.
T49N/R76W	4	All access road within this ENTIRE section EXCEPT the S2SWSW.
T49N/R77W	5	All access road and associated utility corridor within the S2SESE of this section.

Township/Range	Section	Wells and Infrastructure
T49N/R77W	6	Well location(s): 11-6-4977, 12-6-4977, 13-6-4977, 22-6-4977 and 33-6-4977 All access road and associated utility corridor within the NW and NWSW of this section.
T49N/R77W	8	Well location(s): 33-8-4977, 41-8-4977 and 43-8-4977 All access road and associated utility corridor within the NENE, SWNE, NWSE and NESE of this section.
T49N/R77W	9	All access road and associated utility corridor within the N2SWSW and NWSW of this section.
T49N/R77W	17	Well location(s): 12-17-4977, 23-17-4977, 32-17-4977, 34-17-4977 and 43-17-4977 All access road within this ENTIRE section EXCEPT the NENE and NENW.
T49N/R77W	18	All access road and associated utility corridor within the NESE, SESE, SWSE and E2SESW of this section.

a. 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.
b. 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.

2. 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.
3. 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).

Sage-Grouse

The following conditions will alleviate impacts to sage-grouse:

1. No surface disturbing activities are permitted from March 1 to June 15. This condition will be implemented on an annual basis for the life of the project. This condition affects the following locations:

Township/Range	Section	Wells and Infrastructure
T50N/R77W	11	All access road and associated utility corridor within the NESE and NWSE of this section.
T50N/R77W	12	Well location(s): 43-12-5077 All access road and associated utility corridor within the NESE, SENE and NENE of this section.

Township/Range	Section	Wells and Infrastructure
T50N/R77W	13	Well location(s): 12-13-5077 and 13-13-5077 All access road and associated utility corridor within the ENTIRE section EXCEPT the NWNW and SWNW.
T50N/R77W	22	All access road and associated utility corridor within the NESW, SESW and SWSE of this section.
T50N/R77W	23	Well location(s): 23-23-5077 All access road and associated utility corridor within the SW and SWNW of this section.
T50N/R77W	24	Well location(s): 21-24-5077, 32-24-5077, 41-24-5077, 42-24-5077 All access road and associated utility corridor within the ENTIRE section.
T50N/R77W	25	Well location(s): 13-25-5077, 23-25-5077, 32-25-5077, 34-25-5077 and 41-25-5077. All access road and associated utility corridor within the ENTIRE section EXCEPT the SESE.
T50N/R77W	26	All access road and associated utility corridor within the ENTIRE section.
T50N/R77W	27	All access road and associated utility corridor within the ENTIRE section.
T50N/R77W	34	Well location(s): 24-34-5077, 32-34-5077, 33-34-5077, 34-34-5077 and 43-34-5077. All access road and associated utility corridor within the ENTIRE section.
T50N/R77W	35	Well location(s): 23-35-5077, 24-35-5077, 33-35-5077 and 44-35-5077 All access road and associated utility corridor within the ENTIRE section.
T50N/R76W	7	Well location(s): 11-7-5076 All access road and associated utility corridor within the ENTIRE section EXCEPT the SESE and NESW.
T50N/R76W	8	Well location(s): 44-8-5076 All associated utility corridor within the SESE, NWSW, SWNW and NWNW of this section.
T50N/R76W	17	Well location(s): 43-17-5076 All access road and associated utility corridor within the ENTIRE section EXCEPT the NENE.
T50N/R76W	18	Well location(s): 14-18-5076, 23-18-5076, 24-18-5076 and 32-18-5076 All access road and associated utility corridor within the ENTIRE section EXCEPT the SWSE.
T50N/R76W	19	Well location(s): 14-19-5076, 21-19-5076, 22-19-5076, 23-19-5076, 34-19-5076 and 43-19-5076. All access road and associated utility corridor within the ENTIRE section.
T50N/R76W	20	Well location(s): 34-20-5076 All access road and associated utility corridor within the ENTIRE section EXCEPT the SWSW.

Township/Range	Section	Wells and Infrastructure
T50N/R76W	29	Well location(s): 13-29-5076, 14-29-5076, 21-29-5076, 23-29-5076, 32-29-5076, 42-29-5076, 43-29-5076, and 44-29-5076. All access road and associated utility corridor within the ENTIRE section.
T50N/R76W	30	Well location(s): 12-30-5076, 13-30-5076, 14-30-5076, 21-30-5076, 33-30-5076, 31-30-5076, 41-30-5076 and 43-30-5076. All access road and associated utility corridor within the ENTIRE section.
T50N/R76W	31	Well location(s): 12-31-5076, 21-31-5076, 22-31-5076, 23-31-5076, 33-31-5076, 41-31-5076 and 43-31-5076. All access road and associated utility corridor within the ENTIRE section.
T50N/R76W	32	Well location(s): 12-32-5076, 14-32-5076, 23-32-5076, 31-32-5076, 33-32-5076, 41-32-5076, 43-32-5076 and 44-32-5076. All access road and associated utility corridor within the ENTIRE section.
T49N/R77W	1	Well location(s): 12-1-4977, 23-1-4977, 32-1-4977, 33-1-4977, 41-1-4977, and 43-1-4977. All access road and associated utility corridor within the ENTIRE section.
T49N/R77W	2	Well location(s): 11-2-4977, 21-2-4977, 23-2-4977, 32-2-4977, 34-2-4977, 41-2-4977, and 43-2-4977. All access road and associated utility corridor within the ENTIRE section EXCEPT SWSW.
T49N/R77W	3	Well location(s): 21-3-4977, 22-3-4977, 31-3-4977, 43-3-4977 and 44-3-4977. All access road and associated utility corridor within the ENTIRE section EXCEPT SW and SWNW.
T49N/R77W	10	All access road and associated utility corridor within the NESE of this section.
T49N/R77W	11	All access road and associated utility corridor within the NE of this section.
T49N/R76W	4	All associated access road within the SWSW of this section.
T49N/R76W	5	Well location(s): 11-5-4976, 41-5-4976, 32-5-4976, 34-5-7-4976 and 44-5-4976. All access road and associated utility corridor within the ENTIRE section.
T49N/R76W	6	Well location(s): 11-6-4976, 12-6-4976, 13-6-4976, 22-6-4976, 32-6-4976, 33-6-4976, and 41-6-4976. All access road and associated utility corridor within the ENTIRE section.
T49N/R76W	8	Well location(s): 12-8-4976, 14-8-4976, 23-8-4976, 33-8-4976, 34-8-4976 and 41-8-4976. All access road and associated utility corridor within the ENTIRE section.
T49N/R76W	9	All access road and associated utility corridor within the ENTIRE section.

Township/Range	Section	Wells and Infrastructure
T49N/R76W	16	All access road and associated utility corridor within the NWNW of this section.
T49N/R76W	17	Well location(s): 12-17-4976, 21-17-4976, 32-17-4976, 41-17-4976 and 43-17-4976. All access road and associated utility corridor within the SWSE, NESE and North half of this section.

a. A 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.
b. Maximum design speed on all operator-constructed and maintained roads (except county roads) will not exceed 25 miles per hour except travel along roads within 1/2 mile of the Laskie Draw or Laskie Draw East sage grouse lek. These roads will be posted at 10 mph. This will affect the all roads located within Sections 3 and T50N/R76W.

Sharp-tailed Grouse

The following conditions will minimize impacts to sharp-tail-grouse:

1. A survey is required for sharp-tailed grouse between April 1 and May 7, annually, within the project area for the life of the project and results shall be submitted to a BLM biologist.
   a. If an active lek is identified during the survey, the 0.64 mile timing restriction (March 1-June 15) will be applied and surface disturbing activities will not be permitted until after the nesting season. The required sharp-tailed grouse survey will be conducted by a biologist following WGFD protocol. All survey results shall be submitted in writing to a Buffalo BLM biologist and approved prior to surface disturbing activities.
   b. If surveys indicate that the identified lek is inactive during the current breeding season, surface disturbing activities may be permitted within the 0.5 mile buffer until the following breeding season (April 1).
   c. Creation of raptor hunting perches will be avoided within 0.64 miles of documented sharp-tailed grouse lek sites. Perch inhibitors will be installed to deter avian predators from preying on grouse.

Bald Eagles

The following conditions will alleviate impacts to bald eagles:

1. No surface disturbing activity shall occur within one mile of bald eagle habitat (Powder River) annually from November 1 through April 1 (CM9), prior to a winter roost survey or from February 1 through August 15 (CM8) prior to a nesting survey. This timing limitation will be in effect unless surveys determine the nest/roost to be inactive. This affects the following wells and infrastructure:

Township/Range	Section	Wells and Infrastructure
T50N/R77W	22	All access road and associated utility corridor within the ENTIRE section.
T50N/R77W	27	All access road and associated utility corridor within the ENTIRE section.
T50N/R77W	33	All access road and associated utility corridor within the NENE of this section.
T50N/R77W	34	All access road and associated utility corridor within the North half of this section.

   a. Surveys to document winter roost activity shall be conducted by a biologist following BLM protocol. All survey results shall be submitted in writing to a Buffalo BLM biologist and approved prior to surface disturbing activities. If a roost is identified and construction has not been completed, a year-round disturbance-free buffer zone of 0.5 mile will be established for all bald eagle winter roost sites.

A seasonal minimum disturbance buffer zone of 1 mile will be established for all bald eagle roost sites (November 1 - April 1). Additional measures such as remote monitoring and restricting maintenance visitation to between 9:00 AM and 3:00 PM may be necessary to prevent disturbance.

b. If a nest is identified and construction has not been completed, a disturbance-free buffer zone of 0.5 mile (i.e., no surface occupancy) would be established year round for all bald eagle nests. A seasonal minimum disturbance buffer zone of 1 mile will be established for all bald eagle nest sites (February 1 - August 15).

2. Additional mitigation measures may be necessary if the site-specific project is determined by a Bureau biologist to have an adverse affect to bald eagles or their habitat.

Big Game

1. No surface disturbing activity shall occur within identified elk calving range from May 1 to June 30. This timing limitation will affect the following

Township/Range	Section	Wells and Infrastructure
T50N/R76W	5	All access road and associated utility corridor within the SWSW of this section.
T50N/R76W	6	All access road and associated utility corridor within the SESE, SESW and NESW of this section.
T50N/R76W	7	Well location(s): 11-7-5076 All access road and associated utility corridor within the NE, NENW, NWSE, NESE and N2SESE of this section.
T50N/R76W	8	Well location(s): 14-8-5076 and 44-8-5076. All access road and associated utility corridor within the ENTIRE section.
T50N/R76W	12	Well location(s): 41-12-5076 All access road and associated utility corridor within the NENE of this section.
T50N/R76W	17	Well location(s): 11-17-5076, 31-17-5076 and 41-17-5076. All access road and associated utility corridor within the NENE and NWNE of this section.

STANDARD

General

1. All contractors/operators will have a complete copy of the approved APD/POD, including COAs, at the drill site, during the construction of the roads and drill pad, the drilling of the well, completion of the well, and all other related construction activities.

2. 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 Jim Verplancke @ (307)684-1057 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.

3. Approval of this APD does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease that would entitle the applicant to conduct operations thereon. In addition, approval of this APD does not imply that the operator has legal access to the drilling location. When

crossing private surface 43 CFR 3814 regulations must be complied with and when crossing public surface off-lease the operator must have an approved right-of-way.

4. Confine all equipment and vehicles to the access road(s), pad(s), and area(s) specified in the approved APD or POD.

5. The approval of this project does not grant authority to use off lease Federal lands. No surface disturbing activity, or use of off-lease federal lands, is allowed on affected leases until right-of-way grants become effective which is the date signed by the authorized officer.

6. This POD is valid for two years from the date of approval or until the oil and gas lease expires/terminates, whichever occurs first. If this well intends to earn a lease extension, diligent operations (actual drilling) must be in progress over the lease expiration date, advance lease rentals must have been paid, and a letter stating drilling operations were in progress must be submitted to this office no later than five days past the expiration date. If the APD terminates, any surface disturbance created under the application must be reclaimed according to an approved plan.

7. The operator will be in compliance with all applicable local, state and/or federal laws, regulations, and/or statutes.

8. A progress report must be filed a minimum of once a month starting with the month the well was spudded continuing until the well is completed. The report must be filed by the 25th of each month on a Sundry Notice (Form 3160-5). The report will include the spud date, casing information such as size, grade, weight, hole size, and setting depth, amount and type of cement used, top of cement, depth of cementing tools, casing test method, intervals tested, perforated, acidized, fractured and results obtained and the dates all work done.

9. In the event abandonment of the hole is desired, an oral request may be granted by this office but must be timely followed within 5 days with a "Notice of Intention to Abandon" (Form 3160-5). The "Subsequent Report of Abandonment" (Form 3160-5) must be submitted within 30 days after the actual plugging of the well bore, reporting where the plugs were placed, and the current status of the surface restoration.

10. Whether the well is completed as a dry hole or as a producer, two copies of all logs run, core descriptions, core analysis, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, work over, and/or completion operations will be filed with Form 3160-4. A gamma ray log shall be run from T.D. to ground surface.

11. The operator is responsible for informing all persons associated with this project that they shall be subject to prosecution for damaging, altering, excavating or removing any archaeological, historical, or vertebrate fossil objects on site. If archaeological, historical, or vertebrate fossil materials are discovered, the operator is to suspend all operations that further disturb such materials and immediately contact the Authorized Officer. Operations are not to resume until written authorization to proceed is issued by the Authorized Officer.

12. Within five (5) working days, the Authorized Officer will evaluate the discovery and inform the operator of actions that will be necessary to prevent loss of significant cultural or scientific values.

13. The operator is responsible for the cost of any mitigation required by the Authorized Officer. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon

verification from the Authorized Officer that the required mitigation has been completed, the operator will be allowed to resume operations.

a. 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.

b. 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.

14. The operator shall be responsible for the prevention of fires on public lands caused by its employees, contractors or subcontractors. During conditions of extreme fire danger, surface use operations may be limited or suspended in specific areas.

15. All survey monuments found within the area of operations shall be protected. Survey monuments include, but are not limited to: General Land Office and Bureau of Land Management Cadastral Survey Corners, reference corners, witness points, U. S. Coast and Geodetic benchmarks and triangulation stations, military control monuments, and recognizable civil (both public and private) survey monuments. In the event of obliteration or disturbance of any survey monuments, the incident shall be reported in writing to the Authorized Officer.

16. If any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligation determined by the authorized officer.

17. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever first occurs, without the prior written approval of the

authorized officer. If gas is vented or flared without approval beyond the test period authorized above, you may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted. You shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

18. 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 and will include the following information: Operator Name, POD Name, Well Name and location and Date Sampled.

19. By November 1 each year, companies will submit the following information, attached to a Sundry Form 3160-5, where construction and development have taken place in the last year.

    - 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.
    - Two as-built copies of Map D.

20. 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.

21. Operators shall comply with 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).

22. 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.

DRILLING AND PRODUCTION OPERATIONS

1. The spud date will be reported electronically, (see website location above) to the Authorized Officer 24 HOURS BEFORE SPUDDING, unless otherwise required in site specific conditions of approval.

   Spud Notice Site:
   http://www.wy.blm.gov/minerals/og/og_notices/spud_notice.php

2. 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.

Well Control Equipment

1. The well control equipment approved in this project lists the minimum requirements.

2. The flow line shall be a minimum of 30 feet from the well bore and securely anchored. The 30-foot length of line is a minimum and operators must make consideration for increasing this length for topography and/or wind direction.

3. The flow line shall be a straight run.

4. The flow line must be constructed from non-flammable material.

5. All cuttings and circulating medium shall be directed to and contained in a reserve pit.

6. The nearest edge of the pits shall be a minimum of 25’ from the rig.

7. A minimum of 2’ of freeboard shall be maintained in the pits at all times.

8. The authorized officer may modify these requirements at any time if it is determined that increased pressure control is deemed necessary.

9. Verbal notification shall be given to the Authorized Officer at least 24 hours before formation tests, BOP tests, running and cementing casing, and drilling over lease expiration dates.

Casing Program

1. The minimum requirement for casing centralizers is as follows: all casing strings will have centralizers on the bottom three joints (i.e. a minimum of one centralizer per joint starting with the shoe joint).

2. In addition, the production casing string shall be centralized with API approved centralizers using the following specifications:

   2.1. One centralizer per~120’(specifically every third or fourth joint depending on joint length).

   2.2. One centralizer 25’ above surface casing shoe.

3. Surface casing length shall follow current requirements set forth by the WOGCC. Increased surface casing may be required so that the surface casing shoe may be set into a competent formation.

Cement Program

1. If there are indications of inadequate primary cementing of the surface, intermediate, or production casing strings; such as but not limited to no returns to surface, cement channeling, fallback or mechanical failure of equipment, the operator will evaluate the adequacy of the cementing operations. This evaluation will consist of running a cement bond log (CBL) or an alternate method approved by the Authorized Officer (AO) no sooner than 12 hours and no later than 24 hours from the time the cement was first pumped.

2. If the evaluation indicates inadequate cementing, the operator shall contact a BLM Buffalo Field Office Petroleum Engineer for approval of remedial cementing work. Remedial cementing will consist of, but may not be limited to:

    2.1. Perforating and squeezing cement to ground surface should the top of cement (TOC) be below the surface casing shoe. This shall be done within 36 hours of the completion of pumping the primary cement job.

    2.2. One-inching cement to ground surface should the top of cement (TOC) be above the surface casing shoe.

    2.3. Fallback that is found to be less than 30’ from ground surface may be topped off with cement slurry.

3. The adequacy of the remedial cementing operations shall be verified by a cement bond log (CBL) or an alternate method approved by the Authorized Officer (AO). All remedial work shall be completed and verified prior to drilling out the casing shoe or perforating the casing for purposes other than remedial cementing.

4. The cement mix water used must be the same water used to develop the cement program and be of adequate quality, so as not to degrade the setting properties. Waters containing high carbonates or bicarbonates (greater than 2,000 ppm) should be avoided.

Production Equipment

1. All gas measurement equipment that deviates from Onshore Order #5 (or WY NTL 2004-1 in the case of electronic flow computers) shall be approved via a Notice of Intent sundry (Form No. 3160-5) prior to installation and use. This includes any type of primary device other than a standard orifice plate meter. Requests for a variance from the minimum standards of Onshore Order #5 must list:

    1.1. The specific type of equipment.

    1.2. How this equipment will meet or exceed the requirements of Onshore Order #5.

    1.3. The location, specific well and lease number where the equipment will be used.

2. An appropriate pressure gauge is required to be installed on each casing annulus to monitor this pressure.

3. Other actions such as off-lease measurement, commingling, allocation, etc. shall be approved via a Notice of Intent sundry (Form No. 3160-5). Submission of additional information in the POD shall not be

construed as permission for these items. If the operator wishes to utilize off-lease gas measurement for wells approved in this POD, they are required to obtain approval via a Notice of Intent sundry (Form No. 3160-5) prior to any gas production. A map shall be attached to the sundry that delineates where the individual wells will be measured for federal royalty. Unless this POD is committed to a Federal Oil & Gas Unit or Agreement, the production from all Federal wells shall be measured for Federal royalty prior to being combined with production from any other Federal, Indian, or non-Federal leases.

Well and POD Building Identification

1. From the time a well pad is constructed or a well is spudded (if no well pad needed), until abandonment, all well locations must be properly identified with a legible sign. The sign will include the well name and number, operator name, lease number, and the surveyed location.
2. At each POD building site where federal wells are metered, the operator is required to maintain a legible sign displayed in a conspicuous place. This sign is required to be in place at the time metering goes online. The sign shall include: POD name, Operator, Federal well names and numbers, Federal lease numbers being metered at the POD building, and surveyed location of the building.

Protection of Fresh Water Resources

1. All oil and gas operations shall be conducted in a manner to prevent the pollution of all freshwater resources. All fresh waters and waters of present or probable future value for domestic, municipal, commercial, stock or agricultural purposes will be confined to their respective strata and shall be adequately protected. Special precautions will be taken to guard against any loss of artesian water from the strata in which it occurs and the contamination of fresh water by objectionable water, oil, condensate, gas or other deleterious substance to such fresh water.

Miscellaneous Conditions

1. Any changes to the approved drilling plan and/or these conditions of approval shall be approved by the BLM-Buffalo Field Office Petroleum Engineer prior to being implemented.

   After hour's numbers:

Petroleum Engineer: Mike Worden	Cell Telephone: 307-217-2995
Petroleum Engineer: Matthew Warren	Cell Telephone: 307-620-0103
Petroleum Engineer: James Evans	Cell Telephone: 307-331-5421

2. If any cores are collected, a copy of all analysis performed shall be submitted to the BLM-Buffalo Field Office Petroleum Engineer.

SURFACE USE STANDARD

A. Construction

1. Prior to construction, the operator will remove all staking (engineered road, pads, well stakes, etc.) for those areas which were not approved with the POD/APD.

2. All roads, well pads, rig slots, culverts, spot upgrades and locations where engineered construction will occur will be completely slope staked for review prior to construction.

3. Topsoil 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 and redistributed for interim reclamation activities. This requirement will not be applied for pipelines installed with wheel trenchers.

4. 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.

5. Maintain a minimum 20-foot undisturbed vegetative border between disturbance areas and the edge of adjacent drainages, unless otherwise directed by the BLM Authorized Officer.

6. 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.

7. 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.

8. The reserve pit will be lined with an impermeable liner if permeable subsurface material is encountered. An impermeable liner is any liner having 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.

9. The reserve pit will be constructed so that at least half of its total volume is in solid cut material (below natural ground level).

10. 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:

Soil Type	**Road Grade 2-4%**	**Road Grade 5-8%**	**Road Grade 9-12%**	**Road Grade 13-16%**
Highly erosive Granitic or sandy	240	180	140	100
Intermediate Erosive clay or load	310	260	200	150
Low erosive shale or gravel	400	325	250	175

11. Provide 4" of aggregate where grades exceed 8%. Surface material must meet requirements set forth in Wyoming Supplement to BLM Road Manual 9113.

12. The minimum diameter for culverts will be 18 inches. However, all culverts will be appropriately sized in accordance with standards in BLM Manual 9113 or at the discretion of the Authorized Officer.

13. Maximum speed on all operator-constructed and maintained roads will not exceed 25 miles per hour.

14. Pipeline construction shall not block nor change the natural course of any drainage. Pipelines shall cross perpendicular to drainages. Suspended pipelines shall provide adequate clearance for maximum runoff.

15. 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.

16. All overhead power lines will be constructed to Avian Power Line Interaction Committee (2006 edition or most recent edition) by the standards and additional standards identified in the PRB FEIS Biological Opinion (Volume 3, Appendix K, page 43).

B. Operations/Maintenance

1. 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. Operators and their contractors will comply with all state and local laws and regulations pertaining to disposal of human and solid waste will be complied with.

2. Sewage shall be placed in a self-contained, chemically treated porta-potty on location.

3. 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.

4. 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.

5. 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.

6. 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. 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.

7. 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.

8. 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.

9. Prior to the use of pesticides on public land, the holder shall obtain from the BLM authorized officer a pesticide use permit (PUP). The PUP must include a 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.

C. 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. 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.

3. Distribute stockpiled topsoil evenly over those areas not required for production (ie.,cut/fill slopes, road ditches, pipelines, etc.) and reseed with approved seed mix.

4. 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.

D. Reclamation/Dry Hole

1. 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.

2. A Notice of Intent to Abandon and a Subsequent Report of Abandonment must be submitted for abandonment approval.

3. 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.

4. 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:

   - 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 CBNG water, including discharge points, reservoirs, off-channel pits, land application areas, livestock/wildlife watering facilities, surface discharge stream channels, etc.

- Refer to BLM Impoundment Reclamation Guidance for further information on reclaiming impoundments.
- Refer to the Wyoming Reclamation Policy for further guidance on reclamation.

5. All disturbed lands associated with this project, including the pipelines, access roads, water management facilities, etc will be reclaimed and reseeded within 180 days of well plugging. The reclamation work must be in accordance with the surface use plan and any pertinent site-specific COAs.

6. Disturbed lands will be re-contoured back to conform with existing undisturbed topography. No depressions will be left that trap water or form ponds.

7. 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.

8. Before the location has been reshaped and prior to redistributing the topsoil, the operator will rip or scarify the drilling area and access road on the contour to 4" below the compacted layer. The rippers are to be no farther than 24 inches apart.

9. Distribute the topsoil evenly over all disturbed areas. Prepare the seedbed and seed with approved seed mix.

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	200
2 - 4	100
4 - 5	75
> 5	50

Attachment 1
Seed Mixes by Ecological Site

Shallow Sandy Ecological Site Seed Mix	
Species	**Lbs PLS***
Thickspike Wheatgrass (*Elymus lanceolatus* ssp. *lanceolatus*)	3.5
Bluebunch Wheatgrass (*Pseudoroegneria spicata* ssp. *spicata*)	3.5
Blue grama (*Bouteloua gracilis*) Or **Needleandthread** (*Hesperostipa comata*)	1.0
Prairie sandreed (*Calamovilfa longifolia*)	4.6
Prairie coneflower (*Ratibida columnifera*)	0.8
White or Purple Prairie Clover (*Dalea candidum, purpurea*)	0.8
Blue flax (*Linum perenne*)	0.8
Fourwing saltbush (*Atriplex canescens*) Or **Wyoming big sagebrush** (*Artemisia tridentata*) Or **Winterfat** (*Krascheninnikovia lanata*)	0.5
Rubber rabbitbrush (*Ericameria nauseousus*) Or **Green rabbitbrush** (*Ericameria teretifolia*)	0.5
Totals	**16 lbs/acre**

Shallow Clayey Ecological Site Seed Mix	
Species	**Lbs PLS***
Western wheatgrass (*Pascopyrum smithii*)	2.4
Green needlegrass (*Nassella viridula*)	2.4
Blue grama (*Bouteloua gracilis*) Or **Needleandthread** (*Hesperostipa comata*)	1.0
American vetch (*Vicia Americana*)	1.0
Blue flax (*Linum perenne*)	0.2
Fourwing saltbush (*Atriplex canescens*) Or **Wyoming big sagebrush** (*Artemisia tridentata*) Or **Winterfat** (*Krascheninnikovia lanata*)	0.5
Rubber rabbitbrush (*Ericameria nauseousus*) Or **Green rabbitbrush** (*Ericameria teretifolia*)	0.5
Totals	**8.0 lbs/acre**

Clayey Ecological Site Seed Mix	
Species	**Lbs PLS***
Western wheatgrass (*Pascopyrum smithii*)	4.6
Green needlegrass (*Nassella viridula*)	5.2
Slender wheatgrass (*Elymus trachycaulus* ssp. *trachycaulus*)	1.8
Blue grama (*Bouteloua gracilis*) Or **Needleandthread** (*Hesperostipa comata*)	1.0
Prairie coneflower (*Ratibida columnifera*)	0.8
White or purple prairie clover (*Dalea candidum, purpurea*)	0.8
Rocky Mountain beeplant (*Cleome serrulata)*	0.8
Fourwing saltbush (*Atriplex canescens*) Or **Wyoming big sagebrush** (*Artemisia tridentata*) Or **Winterfat** (*Krascheninnikovia lanata*)	0.5
Rubber rabbitbrush (*Ericameria nauseousus*) Or **Green rabbitbrush** (*Ericameria teretifolia*)	0.5
Totals	**16 lbs/acre**

Loamy Ecological Site Seed Mix	
Species	**Lbs PLS***
Western wheatgrass (*Pascopyrum smithii*) Or **Thickspike wheatgrass** (*Elymus lanceolatus* ssp. *lanceolatus*)	3.9
Bluebunch wheatgrass (*Pseudoroegneria spicata* ssp. *spicata*)	1.5
Green needlegrass (*Nassella viridula*)	3.4
Slender wheatgrass (*Elymus trachycaulus* ssp. *trachycaulus*)	2.8
Blue grama (*Bouteloua gracilis*) Or **Needleandthread** (*Hesperostipa comata*)	1.0
Prairie coneflower (*Ratibida columnifera*)	0.8
White or purple prairie clover (*Dalea candidum, purpurea*)	0.8
Rocky Mountain beeplant (*Cleome serrulata*)	0.8
Fourwing saltbush (*Atriplex canescens*) Or **Wyoming big sagebrush** (*Artemisia tridentata*) Or **Winterfat** (*Krascheninnikovia lanata*)	0.5
Rubber rabbitbrush (*Ericameria nauseousus*) Or **Green rabbitbrush** (*Ericameria teretifolia*)	0.5
Totals	**16 lbs/acre**

Sandy Ecological Site Seed Mix	
Species	**Lbs PLS***
Thickspike wheatgrass (*Elymus lanceolatus* ssp. *lanceolatus*)	3.5
Prairie sandreed (*Calamovilfa longifolia*)	4.6
Indian ricegrass (*Achnatherum hymenoides*)	3.5
Blue grama (*Bouteloua gracilis*) Or **Needleandthread** (*Hesperostipa comata*)	1.0
Prairie coneflower (*Ratibida columnifera*)	0.8
White or purple prairie clover (*Dalea candidum, purpurea*)	0.8
Blue flax (*Linum perenne*)	0.8
Fourwing saltbush (*Atriplex canescens*) Or **Wyoming big sagebrush** (*Artemisia tridentata*) Or **Winterfat** (*Krascheninnikovia lanata*)	0.5
Rubber rabbitbrush (*Ericameria nauseousus*) Or **Green rabbitbrush** (*Ericameria teretifolia*)	0.5
Totals	**16 lbs/acre**

Lowland Ecological Site Seed Mix	
Species	**Lbs PLS***
Thickspike wheatgrass (*Elymus lanceolatus* ssp. *lanceolatus*) Or **Western wheatgrass** (*Pascopyrum smithii*)	4.8
Green needlegrass (*Nassella viridula*)	4.1
Basin Wildrye (*Leymus cinereus*)	3.5
Blue grama (*Bouteloua gracilis*) Or **Needleandthread** (*Hesperostipa comata*)	1.0
Prairie coneflower (*Ratibida columnifera*)	0.8
White or purple prairie clover (*Dalea candidum, purpurea*)	0.8
Fourwing saltbush (*Atriplex canescens*) Or **Wyoming big sagebrush** (*Artemisia tridentata*) Or **Winterfat** (*Krascheninnikovia lanata*)	0.5
Rubber rabbitbrush (*Ericameria nauseousus*) Or **Green rabbitbrush** (*Ericameria teretifolia*)	0.5
Totals	**16 lbs/acre**