

**DECISION RECORD**  
**Peak Powder River Resources, LLC,**  
**Iberlin Fed 1 Plan of Development (POD)**  
**Categorical Exclusion 3 (CX3), WY-070-390CX3-15-101 to -116**  
**Bureau of Land Management, Buffalo Field Office, Wyoming**

**DECISION.** The BLM approves the applications for permit to drill (APDs) from Peak Powder River Resources, LLC (Peak) to drill 16 wells and construct their associated infrastructure as described in the CX3 analysis, WY-070-390CX3-15-101 to -116 (exclusive of -101 to -112 which are deferred), all of which the BLM incorporates here by reference.

**Compliance.** This decision complies with or supports:

- Federal Land Policy and Management Act of 1976 (FLPMA) (43 USC 1701); DOI Order 3310.
- Mineral Leasing Act of 1920 (MLA) (30 U.S.C. 181); including the Onshore Oil and Gas Orders.
- National Environmental Policy Act of 1969 (NEPA) (42 USC 4321).
- National Historic Preservation Act of 1966 (NHPA) (16 USC 470).
- Powder River Basin Oil and Gas Project Final Environmental Impact Statement (PRB FEIS) (2003).
- Buffalo Resource Management Plan (RMP) (1985) and Amendments 2003, 2011).
- Greater Sage-Grouse (GSG) Habitat Management Policy on Wyoming BLM Administered Public Lands (WY-IM-2012-019) and Greater Sage-Grouse Interim Management Policies and Procedures (WO-IM-2012-043).

**A summary of the details of the approval follows.** The CX3 analysis, WY-070-390CX3-15-101 to -116, includes the project description, including site-specific mitigation measures which are incorporated by reference into this CX3 from earlier analysis. The proposed wells are approximately 15 miles southwest of Wright in Campbell County, Wyoming. The Iberlin Fed 1 POD proposal included 16 APDs to develop and produce oil and natural gas from several formations of the PRB. All wells are horizontal bores drilled from 3 pad locations.

**Approvals.** BLM approves the following 4 APD's and support facilities:

Pad Name	Well Name & #	Qtr	Sec	Twp	Rng	Surface Hole Lease	CX #
<b>2-9 PAD</b>	Iberlin Fed #2-9H	SESE s9 42N-74W				FEDERAL	WY-070-390CX3-15-113
	Iberlin Fed #2-9MH						WY-070-390CX3-15-114
	Iberlin Fed #2-9NH						WY-070-390CX3-15-115
	Iberlin Fed #2-9TH						WY-070-390CX3-15-116

**Deferrals.** BLM defers the following 12 APD's and associated infrastructure:

Pad Name	Well Name & #	Qtr	Sec	Twp	Rng	Surface Hole Lease	CX #
<b>1-6 PAD</b>	Iberlin Fed #1-6H	NWNW s7 42N-74W				FEDERAL	WY-070-390CX3-15-101
	Iberlin Fed #1-6MH						WY-070-390CX3-15-102
	Iberlin Fed #1-6TH						WY-070-390CX3-15-103
	Iberlin Fed #2-7H					FEDERAL	WY-070-390CX3-15-110
	Iberlin Fed #2-7MH						WY-070-390CX3-15-111
	Iberlin Fed #2-7TH						WY-070-390CX3-15-112

Pad Name	Well Name & #	Qtr	Sec	Twp	Rng	Surface Hole Lease	CX #
2-6 PAD	Iberlin Fed #2-6H	NENE	s7	42N	74W	FEDERAL	WY-070-390CX3-15-107
	Iberlin Fed #2-6MH						WY-070-390CX3-15-108
	Iberlin Fed #2-6TH						WY-070-390CX3-15-109
	Iberlin Fed #1-7H					FEDERAL	WY-070-390CX3-15-104
	Iberlin Fed #1-7MH						WY-070-390CX3-15-105
	Iberlin Fed #1-7TH						WY-070-390CX3-15-106

**Limitations.** BLM defers its decision on twelve (12) APDs since the compliance with Section 106 of the National Historic Preservation Act (NHPA) and the NEPA analysis is not complete and BLM cannot issue a final decision on the application. The proposed wells, in the table above, have the potential to adversely impact eligible site 48CA1559, the Seivers Ranch. BLM must continue the consultation with the Wyoming State Historic Preservation Officer (WYSHPO) to determine what steps may be necessary to resolve the adverse effects to the site. Additional preparation for the analysis and consultation to determine how the project can proceed is necessary before BLM can issue a final decision. If Peak Powder River Resources LLC can assist BLM in organizing meetings with the interested parties, it may help expedite the section 106 consultation process. Also see the conditions of approval (COAs).

**THE FINDING OF NO SIGNIFICANT IMPACT (FONSI).** Congress, the Department of Interior and BLM affirmed there was no significant impact of a like-structured project when they created this CX3 and its limiting parameters. Thus a FONSI and an EIS is not required.

**COMMENT OR NEW INFORMATION SUMMARY.** There has been no new information or policies received since BLM's receipt of these APDs.

**DECISION RATIONALE.** The approval of this project is because:

1. Mitigation measures and COA's analyzed in the CX3, in environmental impact statements or environmental analysis to which the CX3 tiers or incorporates by reference will reduce environmental impacts while meeting the BLM's need.
2. The deferral of Pad 1-6 and Pad 2-6, CX 390's and its infrastructure allow Peak and BLM additional time to develop acceptable mitigation to reduce impacts to the Seivers Ranch setting. In addition to the deferral language, justification, and remedy provided above, the deferrals are proper under the standard lease terms, the rationale in the Buffalo RMP, and Wyoming BLM policy.
3. The approved project conditioned by its design features and COAs, will not result in any undue or unnecessary environmental degradation. The impact of this development cumulatively contributes to the potential for local GSG extirpation yet its effect is acceptable because it is outside priority habitats and is within the parameters of the PRB FEIS/ROD and current BLM and Wyoming GSG conservation strategies. There are no conflicts anticipated or demonstrated with current uses in the area. This decision approving the Iberlin Fed 1 POD complies with the Energy Policy Act of 2005, Section 390, 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215.
4. Approval of this project conforms to the terms and the conditions of the 1985 Buffalo RMP (BLM 1985), subsequent update (BLM 2001), and amendments (BLM 2003, 2011). This project complies with the breadth and constraints of CX3, Energy Policy Act of 2005, and subsequent policy.
5. The selected alternative will help meet the nation's energy need, revenues, and stimulate local economies by maintaining workforces.
6. The operator, in their POD, shall:
  - Comply with all applicable federal, state, and local laws and regulations.

- They have offered water well agreements to the owners of record for permitted water wells within 0.5 mile of a federal producing well in the POD (PRB FEIS ROD, p. 7).
7. The project is clearly lacking in wilderness characteristics because it is amidst mineral development within a designated gas producing unit and there is no federal surface within the POD boundary. A wilderness characteristics inventory was completed in 2013; no lands with wilderness characteristics were identified outside the Big Horn Mountains. The inventory is available at: <http://www.blm.gov/wy/st/en/programs/Planning/rmps/buffalo/docs.html>.
  8. This decision does not foreclose the lessee or operator to propose a new or supplementary plan for developing the federal oil and gas lease(s) in this project area, including submission of additional APDs to drain minerals in accord with lease rights and law.
  9. Peak certified there is a surface use access agreement with the landowners.
  10. This approval is subject to adherence with all of the operating plans, design features, and mitigation measures contained in the master surface use plan of operations, drilling plan, water management plan, and information in individual APD's.

**ADMINISTRATIVE REVIEW AND APPEAL.** This decision is subject to administrative review according to 43 CFR 3165. 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. Parties adversely affected by the State Director's decision may appeal that decision to the Interior Board of Land Appeals, as provided in 43 CFR 3165.4.

Field Manager: \_\_\_\_\_/s/ Duane W. Spencer\_\_\_\_\_

Date: \_\_\_\_\_4/1/2015\_\_\_\_\_

**Categorical Exclusion 3 (CX3),  
WY-070-390CX3-15-101 to WY-070-390CX3-15-116  
Peak Powder River Resources, LLC,  
Iberlin Fed 1 Plan of Development (POD)  
Bureau of Land Management, Buffalo Field Office, Wyoming**

**Description of the Proposed Action.**

Peak Powder River Resources, LLC, (Peak) proposes to drill 16 oil wells, from three (3) separate pad locations, and construct associated infrastructure. Peak has named the well pads, referenced herein, as follows:

**Table 1.1. Proposed Wells**

Pad Name	Well Name & #	Qtr	Sec	Twp	Rng	Surface Hole Lease	CX #
<b>1-6 PAD</b>	Iberlin Fed #1-6H	NWNW s7	42N	74W		FEDERAL	WY-070-390CX3-15-101
	Iberlin Fed #1-6MH						WY-070-390CX3-15-102
	Iberlin Fed #1-6TH						WY-070-390CX3-15-103
	Iberlin Fed #2-7H					FEDERAL	WY-070-390CX3-15-110
	Iberlin Fed #2-7MH						WY-070-390CX3-15-111
	Iberlin Fed #2-7TH						WY-070-390CX3-15-112
<b>2-6 PAD</b>	Iberlin Fed #2-6H	NENE s7	42N	74W		FEDERAL	WY-070-390CX3-15-107
	Iberlin Fed #2-6MH						WY-070-390CX3-15-108
	Iberlin Fed #2-6TH						WY-070-390CX3-15-109
	Iberlin Fed #1-7H					FEDERAL	WY-070-390CX3-15-104
	Iberlin Fed #1-7MH						WY-070-390CX3-15-105
	Iberlin Fed #1-7TH						WY-070-390CX3-15-106
<b>2-9 PAD</b>	Iberlin Fed #2-9H	SESE s9	42N	74W		FEDERAL	WY-070-390CX3-15-113
	Iberlin Fed #2-9MH						WY-070-390CX3-15-114
	Iberlin Fed #2-9NH						WY-070-390CX3-15-115
	Iberlin Fed #2-9TH						WY-070-390CX3-15-116

The proposed horizontal oil and gas wells are in the Iberlin Fed 1 POD boundaries, which includes an area of 1,920 acres. The project area is approximately 15 miles southwest of Wright, Campbell County, Wyoming. The topography at the location is characterized by gently rolling hills. Average temperatures range from 12.7 to 34.2 degrees Fahrenheit in January and from 54.2 to 85.5 degrees Fahrenheit in July. Mean annual precipitation is 13.67 inches. The elevation of the proposed location ranges from 5,100 to 5,500 feet above sea level. The majority of the total acreage is comprised of low rolling hills of cultivated grasslands consisting of crested wheatgrass, western wheatgrass, cheat grass, smooth brome and jointed goat grass. Livestock grazing and mineral development are the predominant land uses in the area.

The jurisdiction for the wells is fee surface overlying federal minerals with the targeted formation being a federal lease. The surface owner is Mark Iberlin, Iberlin Ranch, LP. The Administrative Record (AR) is available for public review at the Buffalo Field Office (BFO).

The BLM's need for this project is to determine whether, and if so, under what conditions to support the Buffalo Resource Management Plan's (RMP) goals, objectives, and management actions with permitting the operator's exercising of conditional lease rights to develop federal fluid minerals. APD information,

which BLM incorporates here by reference, is an integral part of this CX. Conditional fluid mineral development supports the RMP, the Mineral Leasing Act of 1920, the Federal Land Policy Management Act (FLPMA), and other laws and regulations.

Peak submitted twenty (20) notices of staking (NOSs) on June 13, 2014, to the BFO. Peak and BFO conducted several onsite inspections which concluded on December 4, 2014. Peak filed sixteen (16) applications for permit to drill (APDs) which BLM received on December 16, 2014, incorporated here by reference. The onsites evaluated the proposal and modified it to mitigate environmental impacts. The BLM sent a post-onsite deficiency letter to Peak on February 18, 2015.

Full effects of the proposal and mitigation measures are included in Peak's Iberlin Fed 1 POD Master Surface Use Plan (MSUP) and additional NEPA analyses which BLM incorporates by reference and BLM's Conditions of Approval (COAs) for Conventional Applications for Permit to Drill, Appendix A.

### **Drilling, Construction & Production design features include:**

#### **Access**

- Access is primarily via Highway 50 and Highway 387.
- Peak proposes 0.65 miles of improved access road. The running surface will be 24 feet with a disturbance width of about 70 feet. The access road will be a template crown and ditch road.
- All roads will be maintained to meet BLM standards during the entire life of the project area.
- During interim reclamation the ditches will be seeded with a BLM approved seed mix to prevent erosion and maintain topsoil viability.
- Multiple culverts and cattle guards will be installed on the newly constructed access roads.

#### **Well Locations**

- Peak provided a detailed reclamation plan outlined in the MSUP, section 10, page 15.
- There will be no reserve pit; Peak proposes a semi-closed loop system.
- Production facilities for each proposed well and the associated formations vary and are identified in the MSUP, Table 7, page 6.
- No staging areas, man camps/housing facilities are anticipated to be used off-site. Working trailers and sleeping trailers will be placed on the well pads during the drilling and completion of the wells.
- Dikes will be constructed completely around production facilities, i.e. production tanks, water tanks, and heater treaters. The dikes will be constructed of corrugated steel, approximately 3 feet high, and hold the capacity of the largest tank plus 10%. The load-out line will be outside of the dike areas. A drip barrel or "Getty-Box" will be installed under the end of all load-out lines.

#### **Drilling and Completion Operations**

- Hydraulic fracturing (HF) operations are planned as a 'plug and perf' operation done in stages. All fresh water will be contained in one 40,000 bbl HF tank on the 2-9 Pad and two 40,000 bbl HF tanks for the 1-6 Pad and 2-6 Pad. No additional well pad disturbance is anticipated for HF operations. Completion flowback water will be held in tanks on location and trucked to a disposal facility permitted by Wyoming Department of Environmental Quality (WDEQ). See the AR for water sources.
- Drilling time is estimated to be 30 days per well. During drilling the average daily truck traffic is estimated to be 25 trucks per day.
- During production the average daily truck traffic is estimated to be 1-2 trucks per day.
- Well completion will be conducted within approximately 21 days including mobilization of well completion fleet trucks carrying water and sand with peak truck traffic estimated to be 12 trucks per day.
- Drilling activities will require approximately 15,000 bbls water per well.

- Drilling fluids will be stored in 500 bbl frac tanks on location prior to being hauled and disposed of in an approved manner.
- Completion activities will require approximately 60,000 bbls of water per well. Wells drilled to the Mowry formation will require double that amount.
- A detailed completion operations plan is outlined in the master surface use plan (SUP).

All locations require earthwork for creating sufficient area to complete the well. Peak will then reduce the initial well site with interim reclamation. Individual well designs are in the individual APDs. The proposed size is necessary to safely accommodate the equipment necessary for an effective well completion.

Iberlin Fed 1 POD wells will use existing infrastructure for developed wells in the area. For a detailed description of design features and construction practices associated with the proposed project, refer to the master surface use plan (MSUP) and drilling plan included with the APDs. Also see the subject APDs for maps showing the proposed well location and associated facilities described above. Total surface disturbance during interim reclamation for the proposal is 19.50 acres.

**Table 1.2. Disturbance Summary Iberlin Fed 1 POD:**

Facility	Number or Miles	Factor	Drilling Disturbance	Interim Disturbance
Engineered Pad	3 @ varies	Varies	43.56 acres	17.60 acres
1-6 PAD	1	-	17.37	6.85
2-6 PAD	1	-	18.48	7.23
2-9 PAD	1	-	7.71	3.52
Proposed Improved Access (New Construction)	3,440 ft.	varies	5.53 acres	1.90 acres
Proposed Overhead Power-3rd Party	2,270 ft.	30 ft.	-	1.56 acres
<b>Total Surface Disturbance</b>			<b>49.09 acres</b>	<b>19.50 acres</b>

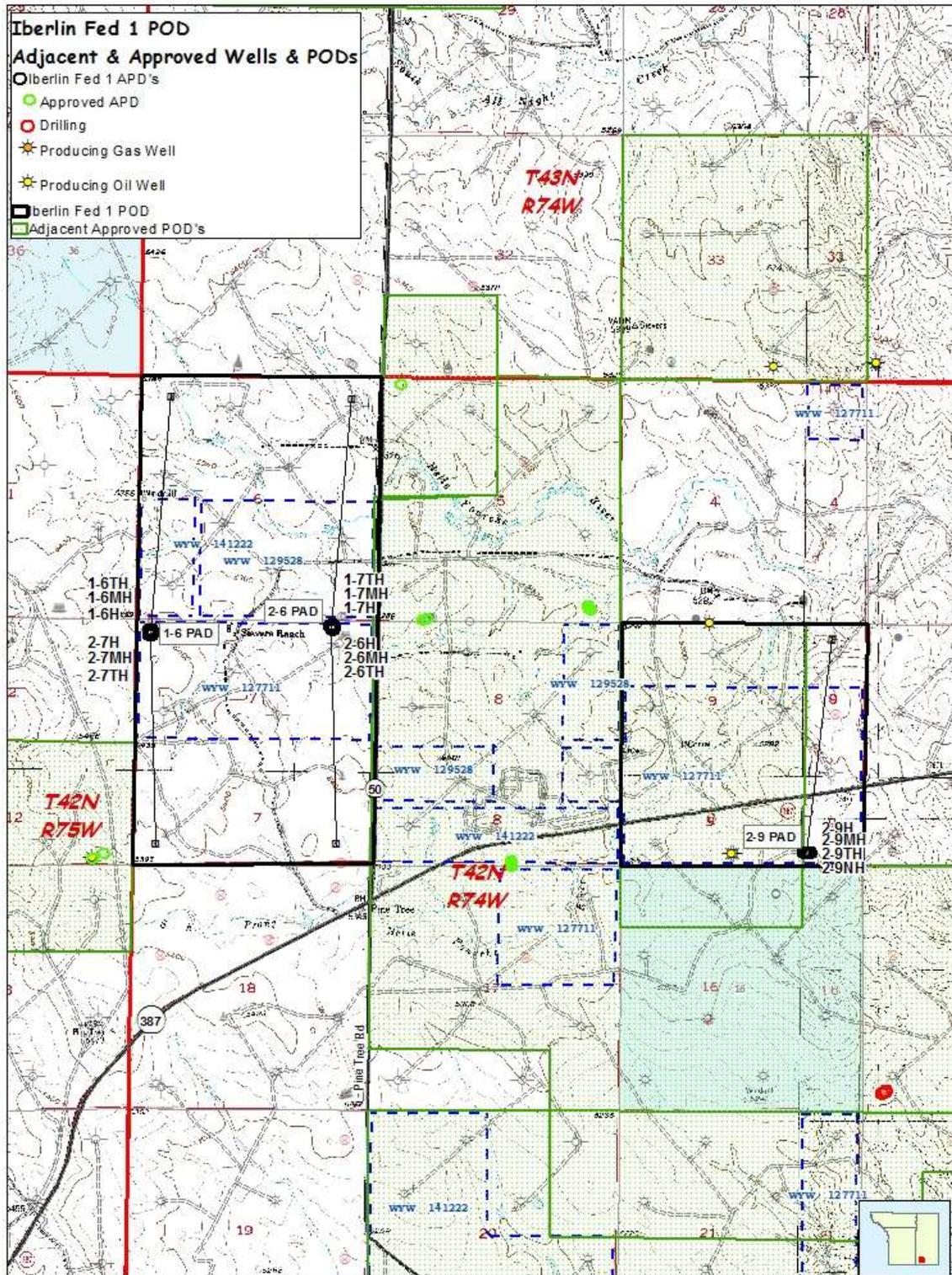
### Off Well Pad

Peak may install buried pipelines to transport produced fluids from the well(s) to a gathering trunkline and on to a centralized separation facility. Peak requires minimal overhead power installation from existing utility lines for the proposed POD. The electric provider will run overhead lines to the edge of the pad and underground power run to the pumping unit electric motor and other electrically powered devices on site to power the well. Peak will propose any alternative to the approved plan via sundry application or right-of-way application and BLM will analyze such proposal in a separate NEPA document. Generators will be used during the drilling process of the wells.

Water for drilling and cement may be obtained from four options outlined in the MSUP;

1. A municipal source from the town of Wright, WY.
2. A permitted, private stock reservoir located in NWNW of Section 17, T43N-R74W.
3. A permitted, private stock reservoir located in NENE of Section 18, T43N-R74W.
4. A permitted, private stock water well located in SESE of Section 5, T43N-R74W.

Figure 1: Iberlin Fed 1 POD, Adjacent and Approved Wells and POD's



**Plan Conformance, Compliance, and Justification with the Energy Policy Act of 2005.**

The Energy Policy Act of 2005, Section 390(a) subjects oil or gas exploration or development to a rebuttable presumption that the use of a categorical exclusion under the National Environmental Policy Act (NEPA) applies. Thus BLM must use an Energy Policy Act, Section 390(b), CX unless BLM rebuts the presumption. This CX analysis is NEPA compliance categorically excluded from an EA or EIS or their analysis; it is not an exclusion from all analysis. (40 CFR 1508.4 and BLM H-1790, p. 17.) The proposal conforms with the terms and conditions of the approved Resource Management Plan (RMP) for the public lands administered by the BLM, BFO, 1985; it’s amendments (2001, 2003, 2011) and the PRB FEIS Record of Decision (ROD) (2003) as required by 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215. BLM finds that the conditions and environmental effects found in the senior EA and PRB FEIS remain valid. The applicable categorical exclusion from the Energy Policy Act of 2005, Section 390, 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.*

BLM has 3 requirements to use a Section 390 CX3, (BLM H-1790, Appendix 2, #3, p. 143):

- 1) The proposed APD is in a developed oil or gas field (any field with a completed confirmation well).

Table 1.3 is a list of NEPA analysis that is within or adjacent to the Iberlin Fed 1 POD project area. This information shows that BLM conducted analysis and BLM incorporates these here by reference.

**Table 1.3. Overlapping NEPA Analyses by Decision Date**

OPERATOR	POD / Well Name	NEPA Analysis #	# / Type Wells / Drilled	Mo/Yr
Yates Petroleum Corporation	Justice Federal Com #1H	WY-070-EA15-7	2 / Oil / 0	12/23/2014
W.A. Moncrief Jr.	Reno Federal 1 POD	WY-070-EA14-295	2 / Oil / 0	12/9/2014
Peak Powder River Resources, LLC	Atwood-Laur Fed 1 POD	WY-070-EA14-278	6 / Oil / 0	11/18/2014
Ballard Petroleum Holdings, LLC	Roush Fed 44-24TH	WY-070-EA14-415	1 / Oil / 0	11/14/2014
Peak Powder River Resources, LLC	Iberlin 1-9H & 1-9TH	WY-070-EA13-224	2 / Oil / 2	8/6/2013

See also: SDR WY-2013-005, particularly noting pp. 2-3, incorporating the entirety here by reference.

\*Approved within 5 years and in the 4 miles analysis area of the Iberlin Fed 1 POD (as of 3/16/2015).

\*Well Status within these POD Boundaries: 3 Drilling, 6 Producing Oil, 20 Approved APDs (as of 3/16/2015).

- 2) Reasonably foreseeable activity (RFA) is found in the Reno Federal 1 POD, WY-070-EA14-295, approved December 9, 2014. The RFA for this and adjacent areas includes oil/gas exploration on 640 acre spacing and possibly 320 acre spacing for horizontal wells and 40 to 80 acre spacing for vertical wells. (This does not preclude the RFA spacing analysis in the PRB FEIS or applying to drill multiple wells from this pad further reducing the surface disturbance per well.) The RFA in the project analysis area is well within the RFA of the PRB FEIS total of 54,200 fluid mineral wells. Potential APD submittals or reasonably foreseeable activity included in this analysis could consist of more, multiple wells on existing or proposed pads and would, as much as possible, tie into existing supporting infrastructure; tank batteries, pipelines, power lines, and transportation networks.
- 3) The tiered NEPA document was finalized or supplemented within 5 years of spudding (drilling) the proposed well. This Iberlin Fed 1 CX3 tiers to the NEPA analyses in the Iberlin 1-9H & 1-9TH, WY-070-EA13-224.

In summary, the analysis in Table 1.3, analyzed in detail the anticipated direct, indirect, residual, and cumulative effects that would result from the approval of these APDs and associated support structure in the Iberlin Fed 1 POD is similar to both the qualitative and quantitative analysis in the Table 1.3 tiered-to and incorporated NEPA analyses. The BLM reviewed the analyses and found that the analyses considered potential environmental effects associated with the proposal at a site specific level. The Iberlin Fed 1 APDs' surface use and drilling plans are incorporated here by reference and show adequate protection of surface lands and ground water, including the Fox Hills Formation. The proposal's acres of surface disturbances are within the analysis parameters of the PRB FEIS.

### **Plan of Operations.**

The proposal conforms to all Bureau standards and incorporates appropriate best management practices, required and designed mitigation measures determined to reduce the effects on the environment. BLM reviewed and approved a surface use plan of operations describing all proposed surface-disturbing activities pursuant to Section 17 of the Mineral Leasing Act, as amended. This CX3 analysis also incorporates and analyzes the implementation of committed mitigation measures contained in the MSUP, drilling plan, in addition to the Standard COAs found in the PRB FEIS ROD, Appendix A.

### **Soils/ Vegetation.**

Impacts anticipated occurring and mitigation considered with the implementation of the proposals will be similar to those analyzed in the following EAs which are adjacent or overlapping to these proposals, are substantially similar, and are incorporated here by reference:

1. Reno Federal 1 POD, WY-070-EA14-295, Section 3.2 and 4.2.
2. Iberlin 1-9H & 1-9TH, WY-070-EA13-224, Section 3.2 and 3.3 to 4.4 and 4.5.

### **Water Resources.**

The historical use for groundwater in this area was for stock or domestic water. A search of the WSEO Ground Water Rights Database showed 7 registered stock water wells and 0 domestic wells within 1 mile of the proposed wells in the project area with depths ranging from 275 to 300 feet. For additional information on groundwater, refer to the PRB FEIS, pp. 3-1 to 3-36. Adherence to the drilling COAs, the setting of surface casing (2,500 – 3,200 ft.), following safe remedial procedures in the event of casing failure, and using proper cementing procedures should protect any fresh water aquifers above the targeted mineral zone. The Fox Hills (7,120 – 7,325 ft.), the deepest penetrated fresh water zone in the PRB lies well above the target formations at depths ranging from 9,944 to 12,707 ft. Specific to protection of the Fox Hills Formation; as described in the Casing & Cementing Program of the Drilling Plan; about 200 feet of cement will be placed above the Fox Hills Formation. The top of the Fox Hills Formation will be identified by mudlogger and confirmed with OH (open hole) logs. A gamma ray log will be run from the total vertical distance (TVD) to surface on the first well drilled on each pad. The gamma ray log will indicate the top and bottom of Fox Hills Formation. Also as described in Drilling Plans the top of the Fox Hills Formation will be identified by mud logs, by GR (gamma ray) and screening of the offset log data. This will ensure that ground water of the Fox Hills Formation will not be adversely impacted by well drilling and completion. Peak plans to use Oil-Based Muds (OBM) to drill the Mowry formation. The OBM will be isolated onsite, then hauled to and disposed of at an appropriate facility per WOGCC rules and regulations see MSUP, Table 9a, page 12.

At the time of permitting, the volume of water that will be produced in association with these federal minerals is unknown. The operator will have to produce a well for a time to be able to estimate the water production. In order to comply with the requirements of Onshore Oil and Gas Order #7, Disposal of Produced Water, the operator will submit a Sundry to the BLM within 90 days of first production which includes a representative water analysis as well as the proposal for water management.

Historically, the quality of water produced in association with conventional oil and gas has been such that surface discharge would not be possible without treatment. Initial water production is quite low in most cases. There are three common alternatives for water management: Re-injection, deep disposal or disposal into pits. All alternatives would be protective of groundwater resources when performed in compliance with state and federal regulations. Impacts anticipated occurring and mitigation considered will be similar to those analyzed in the following analyses which are adjacent or overlapping to the Iberlin Fed 1 POD and are incorporated here by reference:

1. Reno Federal 1 POD, WY-070-EA14-295, Section 3.3 and 4.3.
2. Iberlin 1-9H&TH, WY-070-EA13-224, pp. 24-25.

### **Wetlands/ Riparian.**

No wetlands/ riparian areas are in the project area.

### **Other Leasable and Locatable Minerals.**

The project area is over and amidst uranium mineral leases. The Fort Union and the Wasatch Formations are the most important uranium-bearing formations in the PRB and are less than 800 feet deep. Uranium recovery has surface disturbance for the construction of surface facilities, roads, well fields, utilities, and pipelines, and include top soil removal, land grading, and interim reclamation. Presently there is no active uranium development in this immediate area. Direct and indirect effects, cumulative effects, mitigation measures, and residual effects are found in the Iberlin 1-9H and Iberlin 1-9TH EA, WY-070-EA13-224, pp. 28-29, incorporated here by reference – and BLM anticipates similar effects for this proposal.

### **Invasive Species.**

Impacts anticipated occurring and mitigation considered with the implementation of the proposals will be similar to those analyzed in these EAs which are adjacent or overlapping to these proposals, have substantially similar characteristics, and are incorporated here by reference:

1. Reno Federal 1 POD, WY-070-EA14-295, Section 3.6 and 4.6.
2. Iberlin 1-9H & 1-9TH, WY-070-EA13-224, Section 3.6 to 4.8.

### **Wildlife**

BLM reviewed the proposals and determined that the proposed APDs, combined with the COAs (and design features), are: (1) consistent with the FEIS and its supplements, the RMP and the above tiered EAs; and (2) consistent with the programmatic biological opinion (ES-6-WY-02-F006), from the PRB FEIS, Appendix K. The biologist performed onsite inspections to the project area through December 4, 2014. The affected environment and environmental consequences for wildlife are discussed in, and anticipated to be similar to, the documents listed in Table 1.3 above. Rationale for species not discussed here is found in the administrative record (AR).

### **Raptors**

Impacts to raptors from surface disturbing and disruptive activities associated with development of conventional oil wells were analyzed in the Congaree EA, WY-070-EA10-19, and is incorporated here by reference. Activities associated with development of the proposed wells listed in Table 1.1 are anticipated to be similar in nature, with the following additional site-specific information. Most raptor species nest in a variety of habitats including (but not limited to): native and non-native grasslands, agricultural lands, live and dead trees, cliff faces, rock outcrops, and tree cavities. Suitable nesting habitat is present in the project area. Raptor species known or suspected to occur in the area include golden eagle, northern harrier, Swainson's hawk, American kestrel, short-eared owl, great horned owl, red-tailed hawk, western burrowing owl (Special Status Species or SSS), ferruginous hawk (SSS), and rough-legged hawk (winter resident). According to the BLM raptor database, there are 2 documented raptor nests of importance within 0.5 miles of the POD boundary, 1 of which have been active in the last 3 years.

The proposal area is currently experiencing elevated levels of anthropogenic activity due to the presence of existing oil and gas developments. In addition to this, the implementation of the proposal would have additive impacts to raptors, especially where no biological buffering is present and/or where multiple proposed wells and their associated infrastructure would be within 0.5 miles of documented nesting habitats. The presence of existing activities and future developments in the area may act synergistically and compound the negative impacts to raptors. This is interdependent on the species, nest histories, timing of activities and location of existing and future oil and gas infrastructures.

**Table 1.4. Raptor Nests within 0.5 miles of the Proposed Wells.**

BLM Nest ID #	Species	Active last 3 Years Yes/No	2014 Nest Status
2407	Great-Horned Owl	Yes	Inactive
11470	Unknown Raptor	No	Inactive

Site-specific analyses for wells and infrastructure that will impact Nesting raptors are discussed below.

**Site Specific Analysis for the Proposed Wells:**

1-6 Well Pad- The proposed well pad is approximately 0.26 and 0.28 miles from nests number 11470 and 2407 respectively. The proposed location is out of line of sight and just outside the United States Fish and Wildlife Service’s species specific buffer of 0.25 miles for Great-horned Owls. Although a COA for nesting raptors will be applied upon approval due to the proximity (< 0.5 miles) to suitable nesting habitat (live cottonwoods) for the identified unknown raptor nest (nest number 11470). With the implementation of timing limiting stipulations (TLS) for nesting raptors the impacts will be minimal.

2-6 Well Pad- The proposed well pad is approximately 0.49 and 0.45 miles from nests number 11470 and 2407 respectively. The proposed location is in of line of sight and just outside the United States Fish and Wildlife Service’s species specific buffer of 0.25 miles for Great-horned Owls. Although a COA for nesting raptors will be applied upon approval due to the proximity (< 0.5 miles) to suitable nesting habitat (live cottonwoods) for the identified unknown raptor nest (nest number 11470). With the implementation of timing limiting stipulations (TLS) for nesting raptors the impacts will be minimal.

**Cultural.**

In accordance with section 106 of the National Historic Preservation Act, BLM must consider impacts to historic properties (sites that are eligible for or listed on the National Register of Historic Places (NRHP)). For an overview of cultural resources that are generally found within BFO the reader is referred to the *Draft Cultural Class I Regional Overview, Buffalo Field Office* (BLM, 2010). A class III (intensive) cultural resource inventory (BFO project no. 70140121) was performed in order to locate specific historic properties which may be impacted by the proposed 2-9 well pad. No cultural resources are located in the area of potential effect (APE) of the 2-9 well pad.

BLM policy states that a decision maker’s first choice should be avoidance of historic properties (BLM Manual 8140.06(C)). If historic properties cannot be avoided, mitigation measures must be applied to resolve the adverse effect. No historic properties will be impacted by the proposed 2-9 well pad. Following the *State Protocol Between the Wyoming Bureau of Land Management State Director and The Wyoming State Historic Preservation Officer*, Section V(E)(iv), the Bureau of Land Management electronically notified the Wyoming State Historic Preservation Officer (SHPO) on March 31, 2015, that no historic properties exist within the APE. If any cultural values (sites, features or artifacts) are observed during operation, they will be left intact and the Buffalo Field Manager notified. If human remains are noted, the procedures described in Appendix L of the PRB FEIS must be followed. Further discovery procedures are explained in Standard COA (General)(A)(1) and in Appendix K of the Wyoming Protocol.

**List of Preparers: Persons and Agencies Consulted (BFO unless otherwise noted)**

Position/Organization	Name	Position/Organization	Name
NRS/Team Lead	Raymond Stott	Archaeologist	Ardeth Hahn
Supr NRS	Casey Freise	Wildlife Biologist	Chris Sheets
Petroleum Engineer	Mathew Warren	Geologist	Kerry Aggen
NEPA Coordinator	Tom Bills	Field Manager	Duane Spencer
Wyoming State Historic Preservation Officer	Mary Hopkins		

**Decision and Rationale on the Proposal.**

**BLM will approve the following 4 APD's:**

Pad Name	Well Name & #	Qtr	Sec	Twp	Rng	Surface Hole Lease	CX #
<b>2-9 PAD</b>	Iberlin Fed #2-9H					FEDERAL	WY-070-390CX3-15-113
	Iberlin Fed #2-9MH						WY-070-390CX3-15-114
	Iberlin Fed #2-9NH						WY-070-390CX3-15-115
	Iberlin Fed #2-9TH						WY-070-390CX3-15-116

BLM defers its decision on twelve (12) APDs since the compliance with Section 106 of the NHPA and the NEPA analysis is not complete and BLM cannot issue a final decision on the application. The proposed wells, in the table below, have the potential to adversely impact a historic property, eligible site 48CA1559 (Seivers Ranch). BLM must continue the consultation with the Wyoming State Historic Preservation Officer (WYSHPO) to determine what steps may be necessary to resolve the adverse effects to the site. Additional preparation for the analysis and consultation to determine how the project can proceed is necessary before BLM can issue a final decision.

**BLM will defer the following 12 APD's and associated infrastructure on the above rationale:**

Pad Name	Well Name & #	Qtr	Sec	Twp	Rng	Surface Hole Lease	CX #
<b>1-6 PAD</b>	Iberlin Fed #1-6H					FEDERAL	WY-070-390CX3-15-101
	Iberlin Fed #1-6MH						WY-070-390CX3-15-102
	Iberlin Fed #1-6TH						WY-070-390CX3-15-103
	Iberlin Fed #2-7H					FEDERAL	WY-070-390CX3-15-110
	Iberlin Fed #2-7MH						WY-070-390CX3-15-111
	Iberlin Fed #2-7TH						WY-070-390CX3-15-112
<b>2-6 PAD</b>	Iberlin Fed #2-6H					FEDERAL	WY-070-390CX3-15-107
	Iberlin Fed #2-6MH						WY-070-390CX3-15-108
	Iberlin Fed #2-6TH						WY-070-390CX3-15-109
	Iberlin Fed #1-7H					FEDERAL	WY-070-390CX3-15-104
	Iberlin Fed #1-7MH						WY-070-390CX3-15-105
	Iberlin Fed #1-7TH						WY-070-390CX3-15-106

The COAs provide mitigation and further the justification for this decision and may not be segregated from project implementation without further NEPA review. I reviewed the plan conformance statement and determined that the proposed Iberlin Fed 1 CX3 APD's and infrastructure conform to the applicable land use plan, 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215. I reviewed the proposal to ensure the appropriate exclusion category as described in Section 390 of the Energy Policy Act of 2005 is correct. I determined that there is no requirement for further environmental analysis.

Field Manager:           /s/ Duane W. Spencer                                Date:           4/1/2015          

Contact Person, Casey Freise, Natural Resource Specialist, Buffalo Field Office, 1425 Fort Street, Buffalo WY 82834, 307-684-1100.