

**FINDING OF NO SIGNIFICANT IMPACT & DECISION RECORD
FOR**

**Williams Production RMT Company
West Cripple Creek Plan of Development**

DECISION: Is to approve Alternative 2 as described in the attached Environmental Assessment (EA) and authorize Williams Production RMT Company's West Cripple Creek Coal Bed Natural Gas (CBNG) POD comprised of the following 14 Applications for Permit to Drill (APDs), as follows:

Well Name	Well #	QTR	Sec	TWP	RNG	Lease
WEST CRIPPLE CREEK FED	12-14*	SWNW	14	42N	72W	WYW112138
WEST CRIPPLE CREEK FED	14-14	SWSW	14	42N	72W	WYW112138
WEST CRIPPLE CREEK FED	14-15	SWSW	15	42N	72W	WYW9584
WEST CRIPPLE CREEK FED	22-15	SENW	15	42N	72W	WYW136679
WEST CRIPPLE CREEK FED	34-15	SWSE	15	42N	72W	WYW140942
WEST CRIPPLE CREEK FED	41-15	NENE	15	42N	72W	WYW140779
WEST CRIPPLE CREEK FED	23-22	NESW	22	42N	72W	WYW136679
WEST CRIPPLE CREEK FED	43-22	NESE	22	42N	72W	WYW136679
WEST CRIPPLE CREEK FED	12-23	SWNW	23	42N	72W	WYW136679
WEST CRIPPLE CREEK FED	14-23	SWSW	23	42N	72W	WYW136679
WEST CRIPPLE CREEK FED	11-27	NWNW	27	42N	72W	WYW136679
WEST CRIPPLE CREEK FED	23-27	NESW	27	42N	72W	WYW136679
WEST CRIPPLE CREEK FED	33-27	NWSE	27	42N	72W	WYW136679
WEST CRIPPLE CREEK FED	41-27	NENE	27	42N	72W	WYW136679

This decision, to approve the above listed APDs, is pursuant to 40 CFR 1502.9(c)(2) and BLM Handbook H-1790-1, Chapter III, D1. This Decision Record and Findings of No Significant Impact approves adoption of the US Forest Service's West Cripple Creek CBNG Project EA in accordance with 40 CFR 1506.3 and BLM Handbook H1790-1 Chapter III E1, 2 and 5.

This approval is subject to adherence with all of the operating plans and mitigation measures contained in the Master Surface Use Plan of Operations, Drilling Plan, Water Management Plan, and information in individual APDs. This approval is also subject to operator compliance with all mitigation and monitoring requirements contained within the Powder River Oil and Gas Project Environmental Impact Statement and Resource Management Plan Amendment (PRB FEIS) approved April 30, 2003.

RATIONALE: The decision to authorize Alternative 2, as described in the attached Environmental Assessment (EA), is based on the following:

1. The Operator, in their POD, has committed to:
 - Comply with all applicable Federal, State and Local laws and regulations.
 - Obtain the necessary permits from other agencies for the drilling, completion and production of these wells including water rights appropriations, the installation of water management facilities, water discharge permits, and relevant air quality permits.
 - Provide water well agreements to the owners of record for permitted water wells within the area of influence of the action.
 - Provide water analysis from a designated reference well in each coal zone.

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2. The Operator has certified that a Surface Use Agreement has been reached with the Landowner(s).
 3. Alternative 2 will not result in any undue or unnecessary environmental degradation.
 4. It is in the public interest to approve these wells, as the leases are being drained of federal gas, resulting in a loss of revenue for the government.
 5. Mitigation measures applied by the BLM will alleviate or minimize environmental impacts.
 6. Alternative 2 is the environmentally-preferred Alternative.
 7. The proposed action is in conformance with the PRB FEIS and the Approved Resource Management Plan for the Public Lands Administered by the Bureau of Land Management (BLM), Buffalo Field Office, April 2001.
 8. This decision is supported by and in conformance with the Interagency Agreement signed November 11, 1991 between the USFS and the BLM for oil and gas operations.
 9. Based upon an independent review by the BLM, the scope and content of the USFS EA and DN-FONSI is procedurally and technically adequate and meets CEQ, DOI and BLM standards.

FINDING OF NO SIGNIFICANT IMPACT: Based on the analysis of the potential environmental impacts, I have determined that NO significant impacts are expected from the implementation of Alternative 2 and, therefore, an environmental impact statement is not required.

ADMINISTRATIVE REVIEW AND APPEAL: Under BLM regulations, this decision is subject to administrative review in accordance with 43 CFR 3165. Any request for administrative review of this decision must include information required under 43 CFR 3165.3(b) (State Director Review), including all supporting documentation. Such a request must be filed in writing with the State Director, Bureau of Land Management, P.O. Box 1828, Cheyenne, Wyoming 82003, no later than 20 business days after this Decision Record is received or considered to have been received.

Any party who is adversely affected by the State Director's decision may appeal that decision to the Interior Board of Land Appeals, as provided in 43 CFR 3165.4.

Field Manager: Deane W. Sp Date: 2/12/10

DECISION NOTICE

AND

FINDING OF NO SIGNIFICANT IMPACT

Williams Production - West Cripple Creek Plan of Development

Coal Bed Natural Gas Project

Legal Description: Township 42 North, Range 72 West, Sections 14, 15, 22, 23 and 27

Douglas Ranger District
Medicine Bow-Routt National Forests and
Thunder Basin National Grassland
United States Forest Service
Campbell County, Wyoming

Decision Notice and Finding of No Significant Impact
West Cripple Creek Plan of Development

Introduction

This Decision Notice (DN) documents my decision on the Williams Production West Cripple Creek Plan of Development, Coal Bed Natural Gas (CBNG) project. A scoping document incorporating the requirements of the 215 appeal regulations was made available to the public for comment. An Environmental Assessment (EA) was then prepared incorporating the public comments and issues. The EA disclosed the environmental effects of the proposal that will occur on the National Forest System lands located in the alternative to that proposal.

An interdisciplinary team of resource specialists conducted the environmental analysis and documented its results in the EA. In accordance with the National Forest Management Act (NFMA) and the National Environmental Policy Act (NEPA), the team considered the affected area, solicited externally and internally for issues and concerns, formulated alternatives that responded to the issues raised by the public, determined the likely environmental consequences based on the Thunder Basin National Grassland Land and Resource Management Plan Revision (Grassland Plan) management goals and objectives, management area direction and standards and guidelines, proposed design criteria and project monitoring activities in response to these potential effects.

The Decision

I have reviewed the West Cripple Creek EA and the project file. Based on the EA and associated record compiled for this project, the comments received from interested parties, existing Grassland Plan direction, applicable laws, regulations, and policies, it is my decision to select Alternative 2, the Proposed Action.

The project is located in Sections 14, 15, 22, 23, & 27, T42N, R72W on the Douglas Ranger District, Medicine Bow-Routt National Forests and Thunder Basin National Grassland, Campbell County, Wyoming.

My conclusion is based on a review of the record that shows a thorough review of relevant scientific information, a conversation of responsible opposing views, and the acknowledgement of incomplete or unavailable information, scientific uncertainty, and risk.

The Forest Service is proposing to authorize Williams Production (Williams) authorize Williams to conduct surface operations associated with accessing, drilling, testing, and completing 14 CBNG wells located on NFS lands (in the TBNG) in Campbell County, Wyoming. Those activities have been submitted under the West Cripple Creek POD. Williams holds five oil and gas leases in the West Cripple Creek POD, which encompass approximately 2,880 acres of the federal mineral estate.

Disturbance and operation on NFS lands would consist of construction of 14 CBNG wells, and two header buildings that serve as collection facilities for the natural gas and the groundwater byproduct. The existing all weather and two-track roads in the project area would be used, although minimal, new improved and two-track roads would be upgraded to provide access to

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wells and header buildings. Utility corridors would be constructed adjacent to existing and proposed roads, except where necessary, to avoid the additional disturbance within the project area. There are approximately 724 acres of private land included in the project area, but no wells, roads, or utility corridors are proposed for construction in those areas. However, all groundwater extracted from this project would be transported via underground pipeline to be discharged on adjacent private lands to the south and east of the project area. Electrical overhead utilities needed to service the Proposed Action would also cross adjacent private lands to a drop point just outside the project area. All electrical utilities within the project area would then be redirected to existing (where possible) or new underground corridors.

The project area is located approximately 10 miles south of Wright, Campbell County, Wyoming and is within the Douglas Ranger District, Medicine Bow-Routt National Forest and Thunder Basin National Grassland. This project will help implement the federal government's policy to foster and encourage mineral development as expressed in the Mining and Minerals Policy Act of 1970. This project would also fulfill the goals of the Mineral Leasing Act of 1920 as amended, which promotes the development of oil and gas resources. This project will be consistent with Executive Order Number 13212 Actions to Expedite Energy-Related Projects. This project meets the goals in the 2001 TBNG Land and Resource Management Plan (Grassland Plan) to improve the capability of the nation's forests and grasslands to provide a desired sustainable level of uses, values, products, and services. Objectives for mineral and energy resources under that goal are to honor all valid existing legal mineral rights and to ensure that reclamation provisions of operating plans are completed to standard.

Under the terms of its federal oil and gas lease on which the West Cripple Creek POD wells are proposed, Williams has a legal right to explore, develop, and produce oil and/or natural gas from the area defined in the lease. For operations on a lease on the NFS lands, the Forest Service has the authority and responsibility to regulate all surface-disturbing activities conducted pursuant to the lease. The BLM has the authority and responsibility to regulate drilling, down-hole operations, production activities, and certain surface activities directly associated with drilling, down-hole operations, and production of oil and/or natural gas.

Design Criteria and Monitoring

Design Criteria and associated monitoring are integral components of this decision. All design criteria in Appendix B and in the Environmental Assessment will be implemented as part of this decision.

Approval of the Proposed Action is subject to adherence to all of the operating plans, monitoring and mitigation measures in the MSUP, MDP, WMP, and APDs, Forest Service design criteria, COAs, and any other conditions required by the BLM.

Engineering, Access, Road System Plan

- Well sites and other facility locations have been intentionally placed as close to existing roads as possible to minimize habitat disturbance in the project area and to avoid the creation of additional roads that will not be warranted within the NFS roadway system.

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- Construction and other project-related traffic will be restricted to approved routes and areas specified in the approved APD or SUPO. Off-road vehicle travel will be minimized to the degree possible during the construction phase and not permitted after construction is completed. Roads accessing the header buildings will be crowned and ditched allowing year-round access. Surfacing (gravel or scoria no less than 6 inches deep) is required on Forest Service-administered crown and ditch roads. Two constructed low-water crossings will be included in the construction of the West Cripple Creek POD (Figure 2-2). The low-water crossings will consist of additional rock substrate applied at low-level locations (i.e., near playas) along existing two-track roads to prevent excessive rutting, sedimentation loading in adjacent water resources (when present), and soil damage. The surfacing of aggregate scoria or gravel measuring 3 to 8 inches in diameter and no less than 6 inches deep will be required by the Forest Service.
- Well access roads will be reclaimed once they are no longer necessary and revegetated within 6 months.
- Maximum allowable speed on all constructed and maintained roads will not exceed 25 miles per hour.
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- When excessive rutting is likely, travel will be restricted to minimize surface resource damage effects.
- During road construction, common dust control practices (application of water) will be used to minimize impacts on air quality and visibility.

Heritage Resources

- In the event that any new cultural resources are discovered during the construction or operation of the Proposed Action, the resource(s) will be left intact and the Douglas District Ranger will be notified immediately. The proponent will cease operations at the time of discovery until authorized to proceed by the District Ranger.
- Williams will be responsible for informing all persons in the area who are associated with the Proposed Action that they will be subject to prosecution for knowingly disturbing historic or archaeological sites or for collecting artifacts.
- Twelve isolated finds and 15 archaeological sites were recorded during the heritage resource inventory for the West Cripple Creek POD. Although none of the sites were recommended for eligibility of inclusion on the National Register of Historic Places (NRHP), any sites located within the area of potential effect from disturbance associated with the Proposed Action should be avoided, where possible, during construction.

Paleontology

- The discovery of any and all fossils as the result of operations under this plan shall immediately be brought to the attention of the District Ranger. The permittee shall cease operations at the site of discovery until authorized to proceed by the District Ranger

Hydrology (Watershed)

- Standard water well agreements will be consummated between Williams and the Forest Service, and may be negotiated between Williams and adjacent project area private

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landowners to reduce water well impacts that may be caused by the proposed CBNG operations.

- Williams MDP will adequately address the protection of any potential fresh water aquifers above the target coal zone by adhering to the BLM and Forest Service standards regarding casing settings at appropriate depths, safe remedial procedures in the event of casing failure, and the use of proper cementing procedures. This will ensure that groundwater will not be adversely impacted by well drilling and completion operations. The mitigation measures included in the drilling plan will ensure that no significant impacts will occur on down-hole resources from the Proposed Action.
- Williams will consult with appropriate state and county agencies regarding West Nile Virus (WNV) control and/or prevention.
- Standard best management practices (BMPs) outlined in the Watershed Conservation Practices (WCP) Handbook (FSH 2509.25) (USDA Forest Service, 2005) are recommended for inclusion in the selected alternative to ensure compliance with State of Wyoming Water Quality Standards and Wyoming Nonpoint Source Management Plan (WYDEQ, 2000). The following design criteria are site specific measures designed to meet the intent of the Clean Water Act. These design criteria are recommended for inclusion in the decision to ensure the project meets the applicable legal requirements.

Range

- Fencing around each of the wellheads (the electric panels and production equipment) will be provided to minimize injury to livestock and damage to the well facilities. Temporary fencing exclosures will also be placed around drilling operations to protect livestock from entering reserve pits.

Soils

- Construction and other project-related traffic will be restricted to approved routes. Off-road vehicle travel will be minimized to the degree possible during the construction phase and will not be permitted once construction is complete. Existing roads will be used to the maximum extent possible during the life of the project. Surfacing (gravel or scoria no less than 6 inches deep) is required on Forest Service-administered crown and ditch roads to minimize erosion and soil damage.
- All available topsoil and suitable subsoil from construction locations will be stockpiled at the site. Excess topsoil will be salvaged for reclamation use on all other areas of surface disturbance. Topsoil and suitable subsoil will be clearly segregated from excess spoil material. Any topsoil stored for an extended period of time (greater than 6 months) will be stabilized with annual grasses or other suitable cover crop.
- No well pads (i.e., dirt work) will be constructed at any of the CBNG well sites, as only vegetation mowing will be required to provide a clear work area at each drilling site.
- Construction and drilling activity will not be conducted during periods when watershed damage or excessive rutting is likely to occur and will not use frozen or saturated soil material.
- The Forest Service and BLM will be notified prior to commencing reclamation operations. A plan for reclaiming sites will be submitted for Forest Service approval which is required before reclamation may begin. All concentrated disturbance areas (i.e. well sites, header building sites, pipelines) will be restored to native vegetation. Timely

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initiation of reclamation and revegetation efforts will be required to effectively and immediately control accelerated soil loss resulting from either wind or water erosion. Upon receipt of a "Subsequent Report to Abandon" via the BLM, the reclamation area will be inspected by the Forest Service (usually after the second growing season).

- Topsoil and/or suitable subsoil will be salvaged from disturbance areas to be stored in stockpiles and stabilized by seeding for later use. Topsoil and/or suitable subsoil will then be reapplied in the reverse order of construction once well, pipeline, and facility installation work is complete. Topsoil and/or suitable subsoil will not be salvaged from short two-track access roads and temporary structure or storage locations, unless it is likely the soil will be adversely affected by compaction or contamination from construction activities.
- At each drill site, water encountered or used during drilling or production testing would be contained and disposed of in a fenced, temporary reserve pit (or mud pit) approximately 40 feet by 25 feet. Temporary reserve pits will be constructed for drilling at each well site and located away from drainages, but no pits will be allowed in the project area during production. The only fluids/waste materials that would be authorized to go into the reserve pit are those that are exempt through the exploration and production wastes listed in the Resource Conservation and Recovery Act. These products include drilling muds and cuttings, rigwash, excess cement, and certain completion and stimulation fluids defined by the U.S. Environmental Protection Agency (EPA) as exempt.
- If suitable, drilling fluids may be recycled for use at other wells. In this case, drilling fluids would be removed from the pit and hauled by truck to the next drill site. Reserve pits will be closed as soon as possible, but no later than 90 days from the time of drilling, unless a BLM- and/or Forest Service-authorized officer grants an extension. Once the fluids and mud in the reserve pits are dry, the pit will be closed, topsoil restored, and the area recontoured. No depressions will be left to trap water or form ponds.
- Pipeline construction will be designed at a right angle to any drainages that are crossed to minimize the potential for erosion to soils and sediment loading if water resources. Pipeline construction will be designed to match the contour of any drainages crossed and backfilled completely, leaving a mounded appearance along the backfilled trench. The purpose of the mounding is to allow for some settling of the backfilled material and to avoid any concentration of surface drainage in the backfilled material, which could cause accelerated erosion or possible damage to the pipelines. Buried utility lines will also be located adjacent to access routes wherever feasible.
- All disturbed areas that have been compacted will be scarified. Disturbed areas over 0.25 acre in size will be landscaped to approximate original contours, seeded, and fenced with a fence design approved by the district ranger to exclude livestock.
- Reclamation sites, including decommissioned roads designated after production is complete, will be ripped or plowed and drill-seeded as required by the Forest Service-authorized officer. On two-track roads, only the individual tracks will be ripped. All roads will be reseeded with a seed mixture certified or registered and approved by the authorized officer, as described in the APD and applicable Forest Service requirements, standards, and guidelines.
- All disturbed areas will be recontoured to a natural appearance or as near the original contour as possible and as soon as practical after the conclusion of construction and

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operations. Any topsoil conserved during excavation will be distributed evenly over the recontoured areas. The land surface will be left "rough" after recontouring to ensure that the maximum surface area will be available to support the reestablishment of vegetative cover. The goals for vegetative cover will include erosion control, palatable and nutritious forage for livestock and wildlife, and visual aesthetics.

- The interim reclamation work, including seeding and mulching, will be completed within 6 months of the completed construction.

Visual Resources

- All aboveground production facilities will be a "Standard Environmental Color" as shown on the Munsell Soil Color Charts of the Wyoming BLM and approved by the Forest Service. All above ground facilities will be painted within 6 months of installation.
- Pipeline and utility lines will be collocated along road ROWs whenever feasible.
- Continuous dusk-to-dawn lighting at facilities will be limited to reduce impacts to the nighttime viewshed. If continuous lighting is necessary, the light will be obstructed such that only the facility is directly lighted.
- Whenever the facilities are not being actively worked, the lights will be at a minimum.

Air Quality

- As needed or required by the Forest Service, Williams will water roads during the construction phase in order to minimize fugitive dust emissions with at least 50 percent control efficiency.

Vegetation

- Well pads will be mowed, rather than graded, to accommodate drilling and production equipment and the successful facilitation of subsequent reclamation work and revegetation.
- Revegetation efforts will comply with all instructions and specifications provided by the Forest Service. Seeding is expected to occur within 6 months of the installation/construction or decommissioning of facilities and infrastructure. Seeding activities will occur prior to ground frost, or in the spring after frost has left the ground, and preferably prior to May 15.
- The seed mixture, including fertilizer and mulching requirements, seeding depth, and seed drilling specifications will be approved by the Forest Service. Seed will be drilled on the contour using a seed drill equipped with a depth regulator to ensure even depths of planting.
- Areas that constitute potential habitat for species of concern were identified and avoided in the placement of facilities and access to those facilities. Williams will provide "No Access" signage and barriers along the decommissioned roads to help ensure successful revegetation as well as to protect known species of concern. In particular, access to the 12-14 well was altered to avoid impacting Barr's milkvetch plants and the original access route will be barricaded with a posted sign to provide notification that the route has been decommissioned for use.
- Travel routes were also circumvented around playas to minimize impacts on lush vegetation and water resources.

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- Roads will be constructed to the minimum standard necessary to accomplish the Purpose and Need for the project, while minimizing disturbance to soil and vegetation, as well as, the potential for wildlife-vehicle collisions.

Wildlife and Aquatics

- Areas with critical habitat for species of concern such as raptor nests and sage-grouse leks were identified and avoided to the degree possible in the placement of facilities and access to those facilities. In particular, the placements of wells 12 through 14 and 23 through 27 were modified to maximize the distance between the well sites and the nearest raptor nest and to avoid direct line-of site with the nests.
- To reduce the risk of raptor nest failure, construction activities (drilling, testing, new construction, workovers) will not be conducted within line-of-sight (up to 0.5 mile) of any raptor nest site between February 1 and July 31.
- The Forest Service may waive these stipulations if a nest is documented to be inactive for a period of 7 consecutive years.
- Construction of facilities will be prohibited year-round within 0.25 mile of any greater sage-grouse lek and prohibited from March 1 through June 15 within 2.0 miles of a lek.
- New electric utility lines will be buried to minimize the potential for raptor collisions with overhead lines and electrocution.

Monitoring

The following will be monitored:

Engineering, Access, Road System Plan

- Williams and other adjacent CBNG operators using the Forest Service roads for well and facility access will be responsible for maintaining the improved roads in the project area. Maintenance may include the addition of gravel on individual tire paths to improve traction and reduce erosion on two-track roads, graveling and blading improved roads consistent with standard maintenance operations in the area, grading borrow ditches, cleaning out low-water crossings, and/or blading snow from access roads. Williams will maintain all other project roads and low-water crossings.
- Newly constructed roads will be reclaimed within 6 months after the production of a well is complete and the access road is decommissioned. Reclamation will be approved once the established vegetative cover is free of invasive weeds and equal to 70 percent cover of the native adjacent areas.

Hydrology

- Monitoring measures in the form of a WMP have been developed for the project area and will be applied as a cooperative effort at the time the Permit to Drill is issued. This implementation will include all agencies with jurisdiction (Forest Service, BLM, U.S. Army Corps of Engineers, WSEO, WOGCC, and/or WDEQ) in consultation with the involved local land managers and soil conservation districts.

Range

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- Monitoring of livestock issues related to the development of the Proposed Action will occur for the life of the project and, if substantial issues (e.g., drifting livestock and/or wildlife) are identified, additional fencing will be constructed to prevent and/or minimize injury to livestock and/or increase the public safety.

Soils

- Reclamation will be approved once the established vegetative cover is free of invasive weeds and equal to 70 percent cover of the native adjacent areas.

Vegetation

- The operator will be responsible for the prevention and control of noxious weeds and weeds of concern on all areas of surface disturbance associated with the Proposed Action (well locations, roads, header building locations, etc.). Use of pesticides will comply with the applicable federal and state laws. Pesticides will be used only in accordance with their registered uses and within limitations imposed by the Secretary of Interior. 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 for such use will be required from the Forest Service, prior to the use of pesticides on public land.

Forest Service Requirements and National Grassland Plan Standards and Guidelines that apply

In response to public comments on the Williams West Cripple Creek CBNG Project and USFS resource requirements and Grassland Plan standards and guidelines, design criteria and effects monitoring requirements were developed to reduce potential adverse impacts of the Proposed Alternatives and to monitor for the effectiveness of these measures. The design criteria described above are consistent with those measures required in the Grassland Plan and 2002 ROD for the Grassland Plan. The measures will be implemented as part of the permit in the operating plan.

Approval of the Proposed Action or Alternatives is subject to adherence with all of the operating plans, monitoring and design criteria.

The Purpose and Need for the Action

The *purpose* of this project is to facilitate production of energy resources and allow Williams to exercise lease rights and perform surface use operations, including facilities, associated with drilling 14 CBNG wells, testing them for production capability and completing them for production if they are so capable, or plugging and abandoning the wells and reclaiming the locations if the wells are non-productive. Additionally, this project would help meet the public's need for natural gas and avoid the loss of federal mineral resources. Potential natural gas from the leases would return royalty revenues to the Federal Treasury.

This project is *needed* to help implement the federal government's policy to foster and encourage mineral development as expressed in the Mining and Minerals Policy Act of 1970. This project would also fulfill the goals of the Mineral Leasing Act of 1920 as amended, which promotes the development of oil and gas resources.

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This project will be consistent with Executive Order Number 13212 Actions to Expedite Energy-Related Projects.

This project would serve to meet the goals in the 2001 TBNG Land and Resource Management Plan (Grassland Plan) to improve the capability of the nation's forests and grasslands to provide a desired sustainable level of uses, values, products, and services. Objectives for mineral and energy resources under that goal are to honor all valid existing legal mineral rights and to ensure that reclamation provisions of operating plans are completed to standard.

Under the terms of its federal oil and gas lease on which the West Cripple Creek POD wells are proposed, Williams has a legal right to explore, develop, and produce oil and/or natural gas from the area defined in the lease. For operations on a lease on the NFS lands, the Forest Service has the authority and responsibility to regulate all surface-disturbing activities conducted pursuant to the lease. The BLM has the authority and responsibility to regulate drilling, down-hole operations, production activities, and certain surface activities directly associated with drilling, down-hole operations, and production of oil and/or natural gas.

Reasons for the Decision

Based, in large part on the issues and alternatives identified and analyzed as documented in the EA and the possible beneficial and adverse effects of implementing this alternative on the resources that occur in the analysis area, I have decided to implement Alternative 2, the Proposed Action Alternative. Alternative 2, allows the applicant to construct the CBNG according to the plan of development. Alternative 2 also best responds to the public issues identified in Chapter 1 of the EA. It has been shown to be consistent and in full compliance with Grassland Plan management direction for Management Area 6.1- and other applicable laws, regulations and policies.

Alternative 2 provides for protection of the potentially affected resources before, during, and after the planned construction. A summary of the affects are covered in Appendix D.

The effects on the quality of the human environment are primarily of local concern and, with the implementation of the design criteria included above that have been made a part of this decision and that will be required, any adverse impacts that could occur as a result of this action will be insignificant and of relatively short duration.

The effects will not adversely impact public safety and do not involve any unique or unknown risks.

The Wildlife Biologist and Botanist has determined that the project would not be expected to significantly impact endangered, threatened, sensitive and rare plant and animal species or their habitats any impacts mentioned will not be significant due to project design criteria. This action will not adversely affect any listed or proposed endangered or threatened species or their habitat, or sensitive plant or animal species, critical habitats, or unique natural communities.

- a. A determination of "no effect" has been made for Threatened or Endangered

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species Colorado Butterfly plant, Ute ladies' tresses orchid, and black-footed ferrets.

- b. A determination of "May adversely impact individuals, but not likely to result in a loss of viability in the Planning Area, nor cause a trend toward federal listing" for R2 Sensitive species: Leathery grapefern, Slender leaved buckwheat, Plains minnow, Northern leopard frog, Townsend's big-eared bat, Fringed myotis, Black-tailed prairie dog, Swift fox, Bald eagle, American bittern, Long-billed curlew, Ferruginous hawk, Northern harrier, Burrowing owl, Short-eared owl, Chestnut-collared longspur, McCown's longspur, Greater sage-grouse, Mountain Plover, Loggerhead shrike, Brewer's sparrow, Grasshopper sparrow and Black tern.

There are no known significant impacts that could occur to any cultural, historical or paleontological resources. A Class III inventory was used to make the determination that no historic properties will be affected.

A Forest Hydrologist has determined that, based on the best scientific information available at this time, measures are in place to minimize water resource impacts and that they were incorporated and designed into the project.

The project will not result in a violation of any Federal, State or local law or requirements imposed for the protection of the environment.

After reviewing the EA, the public comments received throughout the analysis process, and the project analysis file, I have determined that this project serves the public interest. The resource values present in the project area that will be preserved and protected and the Grassland Plan management objectives that can be accomplished for Management Area 6.1 will be at a level that serves that interest and need.

Cumulative Impacts

The EA discloses the following cumulative impacts:

Past Present and Reasonably Foreseeable Future Actions (December 2009)

PAST	PRESENT	FUTURE
Dispersed recreation	Dispersed recreation	Dispersed recreation
Grazing and Range Improvements	Grazing and Range Improvements	Grazing and Range Improvements
Roads	Roads	Roads
Fire	Fire	Fire
Railroad	Railroad	Railroad
Relocation of roads	Relocation of roads	Relocation of roads
CBNG	CBNG	CBNG
Coal Mines	Coal Mines	Coal Mines
Oil Wells	Oil Wells	Oil Wells
Range improvements	Range improvements	Range improvements
Special Use Permits	Special Use Permits	Special Use Permits

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Coal Exploration	Coal Exploration	Coal Exploration
Oil and gas leasing	Oil and gas leasing	Oil and gas leasing
		Travel management
Vegetation Management	Vegetation Management	Vegetation Management
		kV Transmission Line

The project will not result in a significant incremental impact to the cumulative effects from existing mineral development. Action alternatives have a small but cumulative impact.

Scoping and Public Involvement

The President's Council for Environmental Quality (CEQ) regulations require an "early and open process for determining the scope of issues to be addressed, and for identifying significant issues related to a Proposed Action". In order to satisfy this CEQ requirement, the Responsible Official selected an Interdisciplinary (ID) Team made of specialists to carry out an internal scoping process. The ID Team scoped with the public to determine their concerns and issues with applicant's proposal, develop alternatives to the proposal that respond to any and all issues raised, to analyze the beneficial and adverse environmental effects of the proposal and the alternatives considered in detail, and to prepare an environmental document.

The proposal was first published in the Medicine Bow-Routt National Forests and Thunder Basin National Grassland Quarterly Schedule of Proposed Actions (SOPA) in October 2008. The public Scoping Statement and Request for Comments describing the Proposed Action was mailed to organizations, agencies and individuals known to be interested in proposed activities on public lands on the Thunder Basin National Grassland (TBNG), as well as to parties that could be affected by the proposal, including adjacent landowners, tribal governments, and the State of Wyoming, and to the State and Federal Congressional delegations on December 12, 2008. The legal notice for Request for Comments was published in the *Casper Star Tribune* on December 17, 2008.

Seven comment letters were received as a result of the scoping effort. The list of respondents included: Wyoming Department of Agriculture, Brad Mohrmann, Powder River Basin Resource Council, Robert Stoddard, Wendell Funk, Wyoming Game and Fish, and Northern Cheyenne Tribe.

Issues

The Forest Service ID Team developed a list of issues and concerns raised from the comments received during the scoping period. Each issue was categorized as either a key issue that would drive alternative development or as an issue that would not result in the development of an alternative to the proposal, but that would be considered, analyzed, and disclosed in the Environmental Consequences (Chapter 3). A summary of all analyzed issues as environmental consequences in their appropriate resource section in Chapter 3 is provided in Appendix D. Key issues that are addressed in this EA were defined as those directly or indirectly caused by implementing the Proposed Action and are listed below:

- Effects upon livestock grazing;
- Social and economic impacts;
- Use of appropriate BMPs;
- Provisions for maintaining food and habitat for fish, wildlife, and domestic animals;

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- Water quality/availability (both surface water and groundwater);
- Cumulative impacts of development;
- Preservation of wildlife habitat/resources (e.g., leks, nests, etc.);
- Sage-Grouse
- Pronghorn
- Mule deer
- Raptors
- Design criteria, mitigation measures, and monitoring activities;
- Ensuring reclamation success;
- Air quality;
- Minimizing additional access roads/road construction;
- Topsoil disturbance and storage techniques; and
- Revegetation, and invasive/noxious weed control.

Other issues identified are listed below but were not determined to drive consideration for alternatives these issues were be analyzed in the EA but do not constitute sufficient consideration for a new alternative, are already included in the design criteria, and/or were not feasible for this project:

- Allowing/continuing livestock operations as part of the POD COA
- Locating underground corridors within road corridors to minimize habitat disturbance
- Relocating POD facilities/wells to adjacent private lands.

A summary of all issues and where the key issues are analyzed as environmental consequences in their appropriate resource were discussed in the EA in Chapter 1. Those issues that did result in Alternatives analyzed in the EA are discussed in Chapter 3, Environmental Consequences.

Alternatives Considered in Detail

Alternative 2, the "Proposed Action" was considered and evaluated. At the time the environmental effects analysis documented in the EA was completed, the IDT and District Ranger determined that it was consistent with the standards and guidelines in the Grassland Plan and with the Record of Decision.

Alternative 1, the No Action Alternative was also considered and evaluated. Analysis of this alternative in a NEPA document is required by 40 CFR 1502.14 (d) of the CEQ regulations. A No Action Alternative enables the decision-maker to compare the magnitude of environmental effects among Alternatives to existing management conditions.

Alternatives Considered, but Eliminated from Detailed Study

Some of the issues originating from the scoping process suggested potential alternatives to the Proposed Action. Proposed alternatives are required to be technically and economically feasible and must achieve the project's purpose and need. Three additional alternatives were considered but not analyzed in detail. The rationale for exclusion from this document follows each alternative.

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1) The COA should include provisions for maintaining available forage for livestock grazing operations.

Rationale:

The West Cripple Creek POD project will not dramatically change the current grazing practices in the project area. Uses that are allowed in the TBNG and the allocations of lands made for these uses are decided in the Grassland Plan (Forest Service 2002). The effects of the Proposed Action on the available forage for continued livestock grazing were fully analyzed and explained in the sections of the EA pertaining to range and vegetation management.

2) The possibility of locating underground power lines within road corridors should be explored to minimize surface disturbance and negative impacts on sage-grouse and other pressured species.

Rationale:

Forest Service resource requirements, Grassland Plan standards and guidelines (Forest Service 2002), design criteria, and effects monitoring requirements are addressed for each alternative to reduce potential adverse impacts on resources. The design criteria for CBNG projects are consistent with those measures required in the Grassland Plan (Forest Service 2001) and the Powder River Basin (PRB) Oil and Gas Final Environmental Impact Statement (FEIS) (BLM 2003). Locating underground power lines in road corridors is a design criterion of the Proposed Action as explained in Section 2.5.2 and analyzed in Section 3.12 of this EA. The measure will be implemented as an APD requirement.

3) Consideration should be made for relocating six proposed wells, the header building, and all proposed new or improved roads within the northern half of Section 22 T42N:R72W.

Rationale:

The 320 acres of private land located in the northern half of Section 22 T42N:R72W are subject to a federal oil and gas lease that is neither owned nor controlled by Williams. Furthermore, development of that lease has already occurred at the allowable density permitted by the WOGCC. As the proponent of this project, Williams has no control or rights of the lease in the northern half of Section 22 and, therefore, has no ability to consider or propose relocating facilities (including roads) associated with the West Cripple Creek POD into this area.

Finding of No Significant Impact (FONSI)

I have considered both the beneficial and potential adverse effects of Alternative 2. Based on my experience with other projects in the same vicinity and the results of the site-specific environmental analysis and after a review of the EA and the project analysis file, I have determined that the effect(s) of implementing this alternative will be limited in scope and intensity. Any effects that may occur will be within an acceptable range and will, in and of themselves, or by using the appropriate design criteria contained in this decision, result in no significant adverse environmental impact(s), either individually or cumulatively, to the physical or biological components of the environment, as defined in 40 CFR 1508.27. Therefore, an Environmental Impact Statement will not be prepared.

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Based on my review of the Environmental Assessment, including appendices and supporting documents contained in the NEPA project file, it is my conclusion that Alternative 2 is not a major Federal action that will significantly effect the quality of the human environment as defined at 40 CFR 1508.27. Therefore, an environmental impact statement will not be prepared. This finding is based on the following factors:

2. Both beneficial and adverse effects have been considered and this action will not have a significant adverse impact on the quality of the human environment. The context of this project is regional and local to the Powder River Basin and the Thunder Basin National Grassland and Campbell County, Wyoming with environmental implications for the immediate/local area, only.
3. I have concluded that public health and safety will not be adversely affected.
4. This project area does not involve any characteristics or circumstances in the geographic area that are unique, such as proximity to heritage resources, park lands, prime farmlands, wetlands, wild and scenic rivers or ecologically critical areas.
5. This action does not involve any unique or unknown risks to the human environment. This project will not have highly controversial effects on the quality of the human environment. It is similar to past actions that have occurred on the Thunder Basin National Grassland. The probable effects and risks are well understood.
6. Neither the actions planned nor this decision establishes a precedent for future actions with significant effects.
7. I have concluded that they do not represent a decision in principle about any future action as every proposed project must be considered and evaluated on its individual merits.
8. There are no known significant local cumulative effects between this project and other projects implemented or planned on areas separated from the affected area of this project. This action, as related to past, other present and foreseeable future actions addressed in the Cumulative Effects section of the EA, will not individually or cumulatively result in significant adverse impacts to the human or biological environment.
9. The action will not adversely affect any historic sites now listed or eligible for listing on the National Register of Historic Places, nor will it cause the loss or destruction of any other significant scientific, cultural, heritage, historic, or prehistoric or paleontological resource. This finding is based upon the results of site-specific cultural and paleontological resource surveys conducted in the project area as part of the project Plan of Development and consultation with the Wyoming State Historic Preservation Officer.
10. This action will not adversely affect any listed or proposed endangered or threatened species or their habitat, or sensitive plant or animal species, critical habitats, or unique natural communities.

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- a. A determination of "no effect" has been made for Threatened or Endangered species Colorado Butterfly plant, Ute ladies' tresses orchid, and black-footed ferrets.
 - b. A determination of "May adversely impact individuals, but not likely to result in a loss of viability in the Planning Area, nor cause a trend toward federal listing" for R2 Sensitive species: Leathery grapefern, Slender leaved buckwheat, Plains minnow, Northern leopard frog, Townsend's big-eared bat, Fringed myotis, Black-tailed prairie dog, Swift fox, Bald eagle, American bittern, Long-billed curlew, Ferruginous hawk, Northern harrier, Burrowing owl, Short-eared owl, Chestnut-collared longspur, McCown's longspur, Greater sage-grouse, Mountain Plover, Loggerhead shrike, Brewer's sparrow, Grasshopper sparrow and Black tern.
11. This action does not constitute nor will it lead to any violation of any Federal, State or local law, ordinance or requirement imposed for the protection of the environment.

Findings Under the National Forest Management Act of 1976 (NFMA)

By this review, I have determined that this decision is consistent with the Grassland Plan. The action that will occur complies fully with the goals of the Grassland Plan and the Management Area Direction, including that contained under Management Area 6.1 and the Forest-wide standards and guidelines.

The project is consistent and compatible with the management prescriptions, goals and objectives for the desired conditions of the NFS lands described in the plan. The decided action (Alternative 2) complies fully with the Grassland Plan.

Findings Required By Other Laws

Floodplains, wetlands, prime lands, threatened and endangered plant and animal species, global warming, minerals, cultural resources, consumers, civil rights, women, minority groups, and other environmental factors have been considered and will not be adversely affected.

The environmental analysis documented in this EA is tiered to the Final Environmental Impact Statement and Land and Resource Management Plans for Dakota Prairie Grasslands, Nebraska National Forest Units and Thunder Basin National Grasslands (TBNG EIS). I have determined that this decision is consistent with the Grassland Plan approved by the Regional Forester on July 31, 2002. The activities and projects approved in this decision are consistent with the Grassland Plan Direction in Chapter 1, and the Standards and Guidelines in Chapter 3, Management Area 8.4 and 5.12 of the Grassland Plan. The general environmental effects that result from implementing the activities of a project are described in Chapter 3 of the TBNG EIS. Project specific effects of implementing, both the Alternatives and the Proposed Action are displayed in the EA in Appendix D.

The decision complies and is consistent with:

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Endangered Species Act of December 28, 1973, (87 Stat. 884) P.L. 93-205, as amended. The Biological Assessment/Biological Evaluation documents that the Wildlife Biologist has concluded that the planned project will have no effect on any Threatened or Endangered species Colorado butterfly plant, Ute ladies' tresses orchid and black-footed ferrets.

Executive Order 11990 - Protection of Wetland 42 FR 26961 (signed May 25, 1977) and Executive Order 11988 - Floodplain Management 42 FR 26951, (signed May 25, 1977). The Forest Service has evaluated the planned action in accordance with these Executive Orders and the decided action has been found to be in compliance with those orders. No wetlands or floodplains occur in the project area.

National Historic Preservation Act of October 15, 1966, (80 Stat. 915) P.L. 89-665, as amended, & Archeological Resources Protection Act of October 31, 1979, (93 Stat. 721) P.L. 96-95, as amended. A Heritage resource inventory and report have been completed for the Federal lands in the project area. The Wyoming State Historic Preservation Officer has concurred with the Forest Service determination that the project will have no effects on cultural resources.

Clean Water Act (Federal Water Pollution Control Act) of June 30, 1948, (62 Stat II 55) P.L. 80-845, as amended by the Water Quality Act of 1987, (Act of February 4, 1987, P.L. 100-4) and other laws.

Decision Appeal Provisions

This decision is subject to administrative review pursuant to Federal regulations at 36 CFR 215.11. Appeals (including attachments) must be in writing and filed (regular mail, fax, e-mail, hand-delivery, express delivery or messenger service) with the Appeal Deciding Officer (§215.8) within 45 days following the date of publication of a legal notice of this decision in the Casper Star Tribune. The publication date of the legal notice in the newspaper of record is the exclusive means for calculating the time to file and appeal (§215.15(a)). Those wishing to appeal should not rely upon dates or timeframe information provided by any other source. To be able to appeal any person, non-federal agency or entity has to provide comment or otherwise expressed interest in a particular proposed action by the close of the comment period.

The formats that our systems will accept for electronic comments are: as an email message, plain text (.txt), rich format (.rtf), or word.

For electronically mailed comments or appeals, the sender should normally receive an automated electronic acknowledgment from the agency as confirmation of receipt. If the sender does not receive an automated acknowledgment of the receipt of the comments, it is the sender's responsibility to ensure timely receipt by other means.

Where to File an Appeal

USDA, Forest Service, Region 2
Attn: Appeal Deciding Officer
740 Simms Street
Golden, CO 80401

In person: Office hours are 7:30 a.m. to 4:30 p.m. Monday through Friday MT, except holidays.

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Fax: 303-275-5134

Email: appeals-rocky-mountain-regional-office@fs.fed.us

It is an appellant's responsibility to provide sufficient activity-specific evidence and rationale, focusing on the decision, to show why the Responsible Official's decision should be reversed. Notices of Appeal that do not meet the requirements of 36 CFR 215.14 will be dismissed.

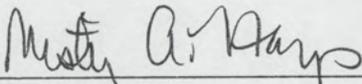
Implementation Date

Pursuant to 36 CFR 215.9(a), if no appeal is filed, implementation of this decision may occur on, but not before, the fifth business day following the close of the appeal filing period. If an appeal is received, implementation may occur on, but not before, the 15th business day following the date of appeal disposition.

Contact Person

The record of the environmental effects analysis process and project file is available for public review at the Douglas Ranger District Office. For further information about this decision and the analysis process that preceded it, contact Amy Ormseth, Minerals & Lands Program Manager, 2250 East Richards Street, Douglas, Wyoming, 82633, or telephone (307) 358-4690, email: aormseth@fs.fed.us.

Responsible Official



Misty A. Hays
Deputy District Ranger

12-9-09

Date

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