

**MODIFIED DECISION RECORD (DR) FOR
Williams Production RMT Company, 11 Deferred Applications for Permit to Drill (APD)
Ridgeline/Bullwhacker II Adds 1 Plan of Development (POD)
ENVIRONMENTAL ASSESSMENT –WY-070-EA09-150**

This is a modified decision record; it is not a new decision record (DR). This modified DR augments the Ridgeline/Bullwhacker II Add 1 (RB) POD combined finding of no significant impact (FONSI) and DR, dated September 22, 2009 to resolve that earlier deferral of 11 APDs. The new information, analysis, and rationale here augment and complete the environmental record of review for the BR POD and its APDs.

Compliance. This decision complies with:

- Federal Land Policy and Management Act of 1976 (FLPMA) (43 USC 1701).
- Mineral Leasing Act of 1920 (30 U.S.C. 181) to include On Shore Order No. 1.
- National Environmental Policy Act of 1969 (NEPA) (42 USC 4321).
- Interior Department Order 3310.
- Buffalo Final Environmental Impact Statement (FEIS) (1985, 2001); Powder River Basin FEIS (PRB FEIS) (2003).
- Buffalo Resource Management Plan 1985, Amendments 2001, 2003, 2011.
- Greater Sage-Grouse Habitat Management Policy on Wyoming BLM Administered Public Lands including the Federal Mineral Estate, (WY-IM-2010-012), Jan 2010.

Deferral Resolution.

BLM’s September 22, 2009 decision approved Alternative C as described in the EA¹. BLM approved Williams Production RMT Company (Williams) RB coalbed natural gas (CBNG) POD comprised of 8 approved APDs (see EA WY-070-EA09-150) while deferring the following wells. I approve the following 11 APDs due to receipt of Williams’ certification of September 13, 2011 Williams has a surface use agreement with the landowner.

Approved APDs

	Well Name	Well #	Qtr/Qtr	Section	TWP	RNG	Lease#
1	RIDGELINE FEDERAL	14-14	SWSW	14	44N	77W	WYW140148
2	RIDGELINE FEDERAL	12-23	SWNW	23	44N	77W	WYW139690
3	RIDGELINE J CHRISTENSEN	23-14	NESW	14	44N	77W	WYW140148
4	RIDGELINE J CHRISTENSEN	21-23	NENW	23	44N	77W	WYW139690
5	RIDGELINE J CHRISTENSEN	32-23	SWNE	23	44N	77W	WYW140148
6	RIDGELINE J CHRISTENSEN	43-23	NESE	23	44N	77W	WYW144543
7	RIDGELINE J CHRISTENSEN	41-23	NENE	23	44N	77W	WYW140148
8	RIDGELINE J CHRISTENSEN	43-24	NESE	24	44N	77W	WYW144543
9	RIDGELINE J CHRISTENSEN	31-24	NWNE	24	44N	77W	WYW140148
10	RIDGELINE J CHRISTENSEN	32-24	SWNE	24	44N	77W	WYW140148
11	RIDGELINE J CHRISTENSEN	34-24	SWSE	24	44N	77W	WYW144543

¹ Environmental Assessment, WY-070-09-150, occurred during a period of shifting policy for sage-grouse conservation at federal, department, bureau, and state levels. Subsequent decisions and refined policy provided clarification for updated analysis, findings, and decisions. The BFO considered, approved, and issued the vast bulk of over 1,000 APDs received during that time period. About 90 APDs were denied (two-thirds of which were in two proposed developments).

Limitations. The RB POD conditions of approval (COAs) (September 22, 2009) remain as limitations on the approved APDs in WY-070-EA09-150.

THE MODIFIED FINDING OF NO SIGNIFICANT IMPACT (FONSI). The FONSI, dated September 22, 2009 found no significant impacts, thus an EIS was not required. The Modified FONSI, WY-070-09-150, considered the new information, analysis, and rationale and found no significant impact on the human environment aside from those revealed in the PRB FEIS (2003).

COMMENT OR NEW INFORMATION SUMMARY.

New information became available that addressed the justification and rationale for deferring the aforementioned 11 APDs. The new information was the receipt of a sage-grouse policy,¹ Interior Department Order 3310, and the receipt of Williams' certification that Williams has a surface use (access) agreement with the landowner concerning the 11 APDs the BLM deferred in 2009.

DECISION RATIONALE.

The imperative new information is the information that Williams has a surface use (access) agreement with the surface landowner, Mr. Christensen for the purpose of developing an oil or gas lease (On Shore Order Number 1, VI.). (Two of the 11 APDs were not on the property of the surface owner but those 2 APDs could only have access through that surface owner's property.) The receipt of this information allows approval of 11 APDs. The other new information: the sage-grouse policy in WY-IM-2010-012, Buffalo RMP maintenance action, and Interior Department Order 3310 played no role in the approval decision. The approval of these 11 APDs conforms to the BLM regulation and policy to manage APD processing and is not detrimental to sage-grouse conservation.

RATIONALE: I base the approval of the 11 APDs, described above and in EA WY-070-EA09-150 on:

1. The evidence that Williams has and filed a written surface use agreement (aka., surface access agreement) with the surface owner dated 13 September 2011 – within the 2-year time frame allowed for resolution of an APD deferral. BLM outlined the deferral condition and action required to cure the information gap so that BLM could make a timely decision in the combined FONSI and DR, dated September 22, 2009, per On Shore Order Number 1, III.E.2.d. and the Buffalo RMP. BLM must approve the APDs in the presence of evidence that the operator fulfilled the deferral condition, On Shore Order Number 1, III.E.2.d.
2. The selected alternative (now Alternative C, modified with the previous 8 approved APDs and now 11 approved APDs) will help meet the nation's energy needs, and help stimulate local economies by maintaining workforce stability.

ADMINISTRATIVE REVIEW AND APPEAL: 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: _____

Shane A. Spivey

Date: _____

9/15/11

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FINDING OF NO SIGNIFICANT IMPACT:

On the basis of the information in the EA and all other subsequent information available to me, I find that: (1) Approving the 11 APDs previously onsited in the Williams Production RMT Company (Williams), as part of the earlier approved Ridgeline/Bullwhacker II Add I (RB) coalbed natural gas (CBNG) POD will not have significant environmental impacts beyond those already addressed in Powder River Basin Final Environmental Impact Statement (PRB FEIS) to which the EA tiers; (2) Approving the 11 APDs conforms to the Buffalo Field Office Resource Management Plan (RMP) (1985, 2001, 2003, 2011); and (3) Approving the 11 APDs, cumulative with the approvals for this POD's other 8 APDs does not constitute a major federal action having a significant effect on the human environment. Thus there is no requirement for an environmental impact statement. I base this finding on consideration of the Council on Environmental Quality's (CEQ) criteria for significance (40 CFR 1508.27) and Interior Department Order 3310, with regard to the context, cumulative effects, and to the intensity of the impacts described in the EA, WY-070-EA09-150, which is incorporated here by reference.

CONTEXT:

Mineral development is a long-standing land use in the PRB. More than 42% of the nation's coal comes from the PRB. The PRB FEIS reasonably foreseeable development predicted and analyzed the development of 51,000 CBNG wells and 3,200 oil wells (PRB FEIS ROD p. 2). The additional CBNG development of approving 11 APDs is insignificant in the national, regional, and local context.

BLM deferred the 11 APDs in a RB POD combined FONSI and decision record (DR), dated September 22, 2009. The justification for the deferral was "due to lack of a signed Surface Use Agreement (SUA) with the Surface Owner." (Two of the 11 APDs were not on the property of the surface owner at issue but those 2 APDs could only have access through that surface owner's property.)

Given Williams' certification of a SUA dated September 13, 2011 in the APD's/POD file I find the appeal of the above 11 APDs conforms to BLM and On Shore Order Number 1.

INTENSITY:

The implementation of Alternative C (now modified with 11 APD appeals) results in beneficial effects in the forms of energy and revenue production however; there will also be adverse effects to the environment. Design features and mitigation measures included in Alternative C (modified) minimize adverse environmental effects.

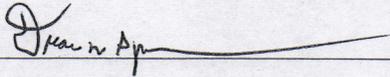
The preferred alternative does not pose a significant risk to public health and safety. The geographic area of the POD does not contain unique characteristics identified within the 1985 RMP, 2003 PRB FEIS, or other legislative or regulatory processes, including Interior Department Order 3310. This area clearly lacks wilderness characteristics as is amidst gas field developments.

BLM used relevant scientific literature and professional expertise in preparing the EA. The scientific community is reasonably consistent with their conclusions on environmental effects relative to oil and gas development. Research findings on the nature of the environmental effects are not highly controversial, highly uncertain, or involve unique or unknown risks.

The PRB FEIS predicted and analyzed development of the nature proposed with this POD and similar PODs. The selected alternative does not establish a precedent for future actions with significant effects.

There are no cultural or historical resources present that will be adversely affected by the selected alternative. No species listed under the Endangered Species Act or their designated critical habitat will be adversely affected. The selected alternative will not have any anticipated effects that would threaten a violation of federal, state, or local law or requirements imposed for the protection of the environment.

ADMINISTRATIVE REVIEW AND APPEAL: This finding 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 finding may appeal that finding to the Interior Board of Land Appeals, as provided in 43 CFR 3165.4.

Field Manager:  Date: 9/15/11