

DECISION RECORD
Yates Petroleum Corporation, Blade Federal Com #21H and Blade Federal Com #22H
Applications for Permit to Drill (APD)
Categorical Exclusion 3 (CX3), WY-070-390CX3-14-17, WY-070-390CX3-14-18
Bureau of Land Management, Buffalo Field Office, Wyoming

DECISION. The BLM approves the applications for permit to drill (APDs) from Yates Petroleum Corporation (Yates) to drill 2 horizontal oil and gas wells and construct their associated infrastructure as described in the Section 390, Energy Policy Act of 2005 Categorical Exclusion 3 (CX3), WY-070-390CX3-14-17 to -14-18, which BLM incorporates here by reference.

Compliance. This decision complies with:

- Federal Land Policy and Management Act of 1976 (FLPMA) (43 USC 1701); DOI Order 3310.
- National Environmental Policy Act of 1969 (NEPA) (42 USC 4321).
- National Historic Preservation Act of 1966 (16 USC 470).
- Endangered Species Act of 1974 (16 USC 1531).
- Buffalo and Powder River Basin (PRB) Final Environmental Impact Statement (FEIS), 1985, 2003.
- Buffalo Resource Management Plan (RMP) 1985, Amendments 2001, 2003, 2011.

A summary of the details of the approval follows. The consolidated CX3 analysis for the 2 oil and gas wells, above, includes the project description, including site-specific mitigation measures which are incorporated by reference into this CX3 from earlier analysis. The proposed wells are 30 miles east of Kaycee, in Johnson County, Wyoming. This Yates’ proposal has 2 APDs along with associated access road and infrastructure, to develop and produce oil and gas from the Shannon and/or Frontier Formations .

Approvals. BLM approves the following APDs and associated infrastructure:

#	Well Name/ Well #	Qtr	Sec	Twp	Rng	Lease	CX Number
1	Blade Federal Com #21H	SWSW	10	43N	77W	WYW144541	WY-070-390CX3-14-17
2	Blade Federal Com #22H	NWNE	13				WY-070-390CX3-14-18

Limitations. See 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.

Summary of New Information. BLM posted the APDs for 30 days and received no public comments. Since BLM received these APDs it also received a clarification of the Greater Sage-Grouse (GSG) Density and Disturbance Calculation Tool, Instruction Memorandum (IM)-WY-2013-035.

DECISION RATIONALE. The approval of this project is because:

1. Mitigation measures and COAs, 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 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.

3. The approved project conditioned by its design features and COAs, will not result in any undue or unnecessary environmental degradation. There are no conflicts anticipated or demonstrated with current uses in the area. This decision approving the Blade Federal wells complies with the Energy Policy Act of 2005, Section 390, 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215.
4. To reduce the likelihood of a "take" under the Migratory Bird Treaty Act, BLM sensitive species nesting habitat removal will occur outside of the breeding season or be cleared by survey.
5. Approval of this project conforms to the terms and the conditions of the 1985 Buffalo RMP (BLM 1985) and 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.
6. The selected alternative will help meet the nation's energy need, revenues, and stimulate local economies by maintaining workforces.
7. The operator, in their POD, shall:
 - Comply with all applicable federal, state, and local laws and regulations.
 - Offer 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).
 - Provide water analysis from a designated reference well in each coal zone.
8. The project is clearly lacking in wilderness characteristics because it is amidst mineral development and there is no federal surface.
9. 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. This decision does not foreclose the lessee or operator to propose using external pumping units via a sundry application process.
10. Yates certified there is a surface use access agreement with the landowners or it posted a bond.
11. This approval is subject to adherence with all of the operating plans, design features, and mitigation measures contained in the surface use plan of operations, drilling plan, and information in individual APDs.

ADMINISTRATIVE APPEAL: This decision is subject to administrative appeal in accord with 43 CFR 3165. Request for administrative appeal 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:  Date: 11/26/13

**Categorical Exclusion 3 (CX3), WY-070-390CX3-14-17, WY-070-390CX3-14-18
Section 390, Energy Policy Act of 2005, Applications for Permit to Drill (APD)
Yates Petroleum Corporation, Blade Federal Com #21H and Blade Federal Com #22H
Bureau of Land Management, Buffalo Field Office, Wyoming**

Description of the Proposed Action.

Yates Petroleum Corporation (Yates) requests BLM’s approval for 2 applications for permit to drill (APD). BLM incorporates the APDs here by reference; see the administrative record (AR). Yates proposes to drill the horizontal oil and gas wells and construct associated infrastructure at the locations in Table 1.1. The wells will be drilled from a non-federal surface into underlying federal minerals on lease numbers listed below – resulting in standard split jurisdiction. The proposal is to explore for, and possibly develop, oil and gas reserves in the Shannon and Frontier Formations at depths found in the AR.

The project area is approximately 30 miles east of Kaycee, Johnson County, Wyoming. The proposed surface holes (drill sites) are in Table 1.1. Well elevations are 4,675 feet and 4,682 feet, respectively. The topography has gently sloped draws rising to mixed sagebrush and grassland uplands. Ephemeral tributaries of the Dry Fork of the Powder River drain the area. The area climate is semi-arid, averaging 10-14 inches of precipitation annually, about 60% of which occurs between April and September. Dry Fork Farms, L.L.C. and Brad Stepanek are the surface owners.

Table 1.1. Proposed Well

#	Well Name/ Well #	Qtr	Sec	Twp	Rng	Lease	CX Number
1	Blade Federal Com #21H	SWSW	10	43N	77W	WYW144541	WY-070-390CX3-14-17
2	Blade Federal Com #22H	NWNE	13				WY-070-390CX3-14-18

Yates submitted APDs to BLM on October 12, 2012 and February 8, 2013. Yates and BLM completed onsite inspections on December 11, 2012 and June 11, 2013. The onsites evaluated the proposals and modified them to mitigate environmental impacts. The BLM sent post-onsite deficiency letters to Yates on December 21, 2012 and June 21, 2013. Yates responded on January 28, 2013 and July 26, 2013. After subsequent correspondence, the BLM considered the deficiencies complete on August 1, 2013.

The BLM’s need for this project is to determine whether, and if so, and under what conditions to support the Buffalo Resource Management Plan’s (RMP) goals, objectives, and management actions (2003 Amendment) with permitting the operator’s exercising of conditional lease rights to develop federal fluid minerals. APD information is an integral part of this EA, which BLM incorporates here by reference (43 CFR 1502.21). 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.

Full effects of the action and recommended mitigation measures are in the Blade Federal Com #21H and Blade Federal Com #22H surface use plans, Blade Federal wells CX, WY-070-390CX314-17 and 14-18, Sahara Plan of Development (POD) EA, WY-070-EA13-072, and BLM Conditions of Approval (COAs) for Conventional Application for Permit to Drill, Appendix A.

Drilling, Construction & Production design features include:

Access

- Primary access for the proposed well locations is provided by Streeter Road via HWY 192 or Black and Yellow Road via HWY 50.
- A road network that will consist of existing improved all-weather roads; existing primitive (2-track) roads to be upgraded to all-weather improved roads; and a proposed improved well access road. A

road maintenance agreement will be ratified on shared roads to maintain existing roads in a condition the same as or better than before operations began.

- Newly constructed access will be built to the approach of the wells, disturbances and distances are listed in Table 1.2a and Table 1.2b.
- Yates will reconstruct a ranch access road around the pad and connect to the existing ranch road.

Well Locations

- The wells pad cuts and fills will be constructed with 1½:1 slopes initially and reduced as much as possible during interim reclamation.
- Well pad disturbances are outlined in Table 1.2a and Table 1.2b.
- There will be a reserve pit at the oil well locations during drilling and completion operations.
- The pits will be lined with an impervious synthetic liner.
- Dikes will be constructed completely around production facilities, i.e. production tanks, water tanks, and heater treater. The dikes will be constructed of corrugated steel, approximately 3 feet high, and hold capacity of the largest tank plus 10%. The load-out line will be outside of the dike area.
- No off-site ancillary facilities are planned for this project. 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 pad during the drilling and completion of the well.

Drilling and Completion Operations

- Hydraulic fracturing (HF) operations are planned as a ‘plug & perf’ operation done in stages. The process is anticipated require 14 days. Water used for HF will come from municipal water supplies from Wright or Gillette, Wyoming or permitted wells listed in the SUP. All fresh water will be contained in 400-500 bbl rental HF tanks and no surface pits will be used to hold this water. No additional well pad disturbance is anticipated for HF operations. Completion flowback water will be held in tanks on location and trucked offsite to a disposal facility permitted by Wyoming Department of Environmental Quality (WDEQ).
- If the well becomes a producer, production facilities will be located at the well site and will include a pumping unit, storage tanks, buildings, oil-water separator (heater-treater). There will be no pits at the producing oil well locations.
- It is anticipated that 40,000 bbls of water will be needed for drilling and completion operations. The fresh water for drilling operations will be trucked from multiple permitted sources; p. 3 of the respective SUP the for listed water sources.
- For completion (HF) phase, the operator intends use above ground tanks for onsite water storage at the pad. The above-ground tanks do not require a separate location or additional disturbance.
- Typically 170 500-bbl fracturing tanks are spotted, taking 2 weeks to fill, prior to pumping the stimulation. All fracturing water, including excess, is present before starting.
- Produced water during the production phase will be stored in a permanent storage tank. A third party will haul the flowback water, produced water, and oil from the reserve pit (if any) to permitted disposal facilities: one of 6 permitted facilities which are outlined in the SUP.
- Peak truck traffic to fill HF tanks during completion operations is estimated to be approximately 700 roundtrips per well.

Table 1.2. Anticipated Drilling and Completion Sequence and Timing (per well)

Drilling and Completion Step	Approximate Duration
Build Location (roads, pad, and other initial infrastructure)	30 days
Mob Rig	2-4 days ¹
Drilling (24/7)	30 days ²
Schedule/logistics	30 days
Completion (setup, completion, demobilization)	5-8 days

¹ Depending on distance and needed to add supplemental drilling equipment, such as skidding plates.
² By comparison, approximately 2 days are required to drill a CBNG well. ICF 2012

Figure 1.1. Blade Federal Wells Top & Bottom Hole Locations

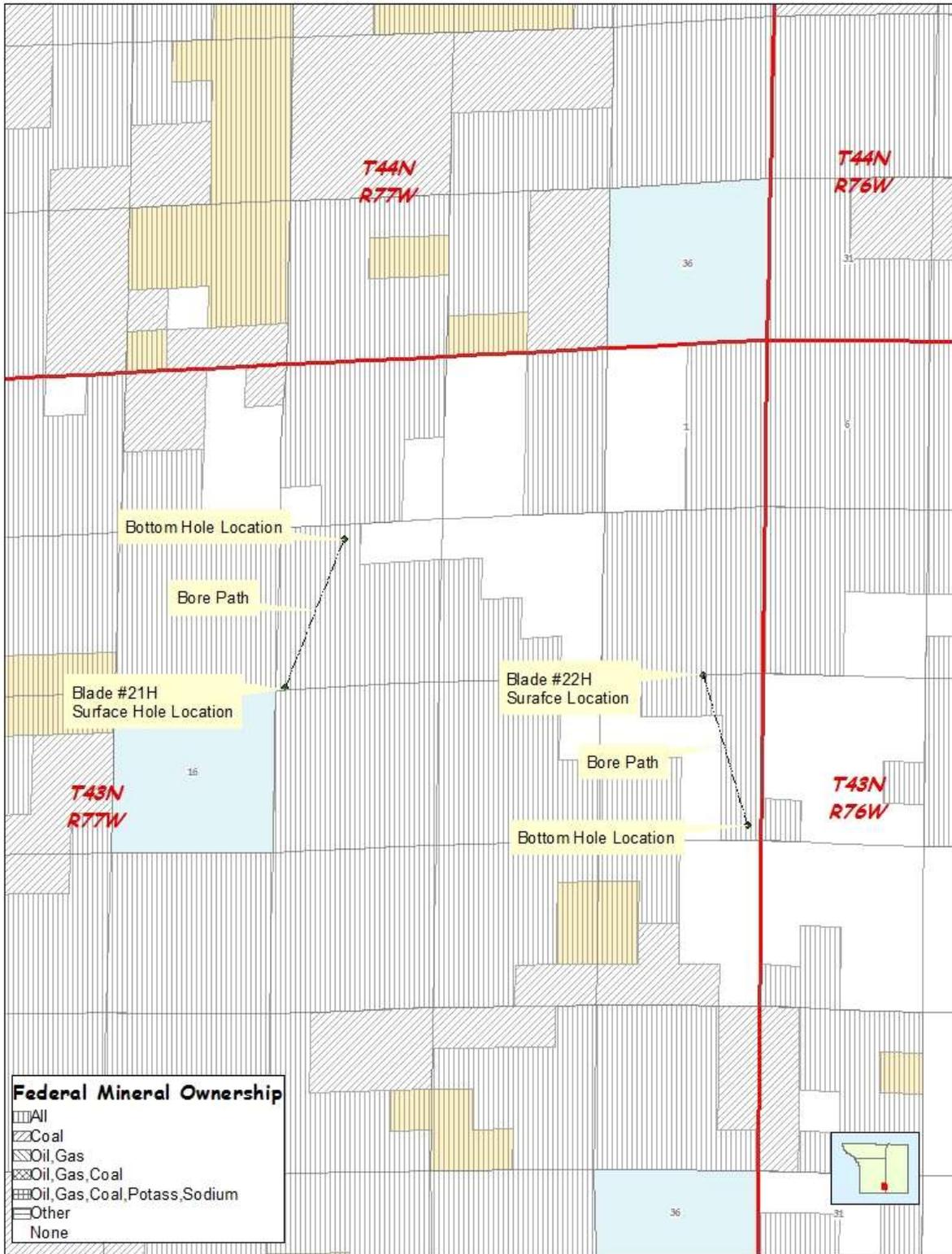


Figure 1.2. Blade Federal Wells inside or Adjacent to Approved Conventional POD Boundaries

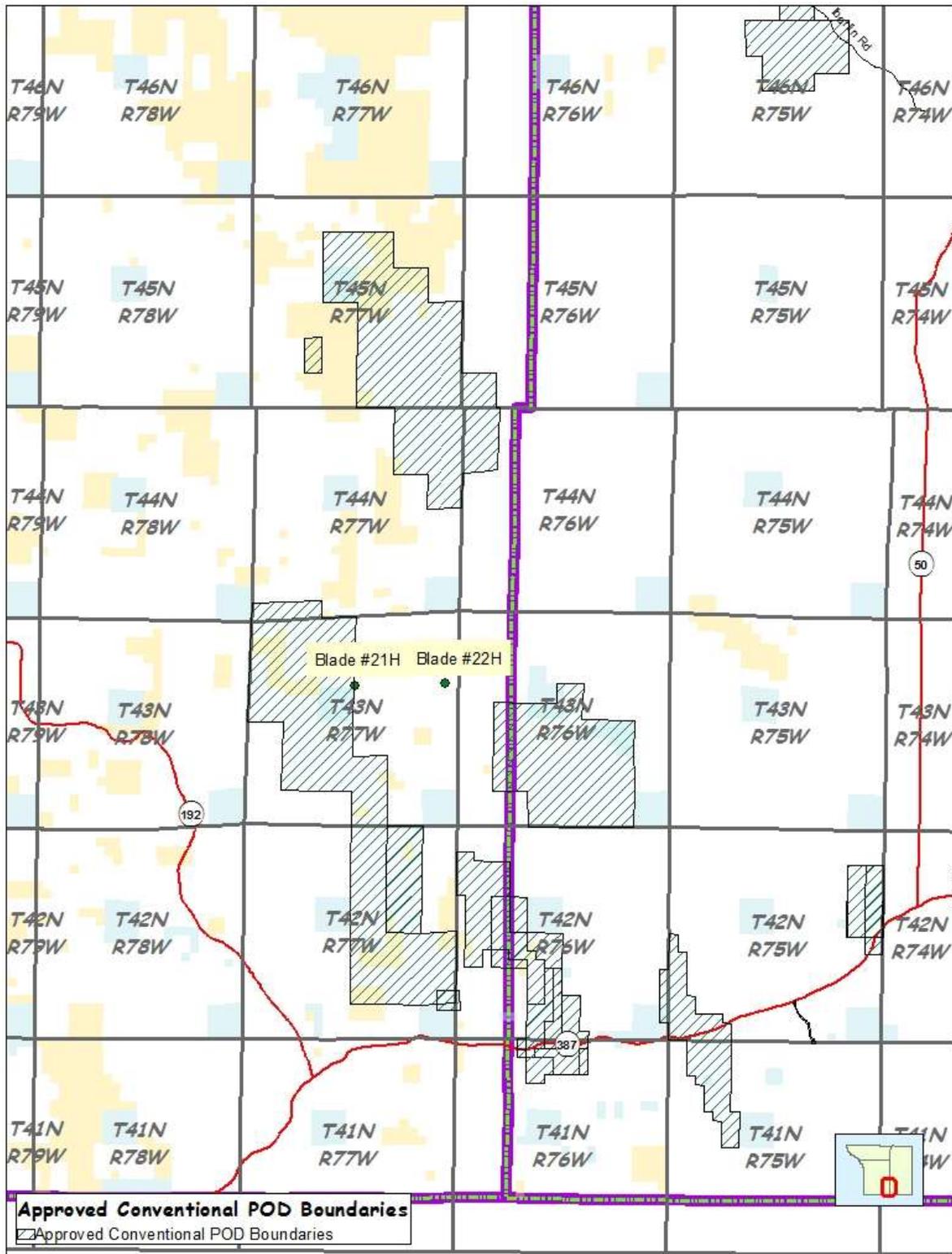


Table 1.2a. Disturbance Summary Blade #21H:

Facility	Dimensions	Square Feet	Disturbance
Engineered Pad including Cut/Fill and Topsoil/Spoil Piles	400ft x 400ft	160,000 sq ft (pad surface)	3.67 acres (pad surface) 6.0 acres (total)
Existing Improved Road/Utility Corridor	1,446ft x 30ft	43,380 sq ft	1.0 acres
Existing Improved Road (to be upgraded)/Utility Corridor	360ft x 70ft	25,200 sq ft	0.58acres
Proposed Access/Utility Corridor	3,144ft x 70ft	220,080 sq ft	5.05 acres
Total Surface Disturbance			12.63 acres

Table 1.2b. Disturbance Summary Blade #22H:

Facility	Dimensions	Square Feet	Disturbance
Engineered Pad including Cut/Fill and Topsoil/Spoil Piles	400ft x 400ft	160,000 sq ft (pad surface)	3.67 acres (pad surface) 7.0 acres (total)
Existing Improved Road	8,272ft x 30ft	413,600 sq ft	9.49 acres
Proposed Access	Varies	79,880 sq ft	1.83 acres
Buried Utilities	Varies	66,720 sq ft	1.53 acres
Proposed Road (to replace existing road through pad)	1,524ft x 50ft	76,200 sq ft	1.75 acres
Total Surface Disturbance			21.6 acres

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 RMP for the public lands administered by the BLM, BFO, 1985, the PRB FEIS, 2003, and the Record of Decision (ROD) and Resource Management Amendments for the Powder River Oil and Gas Project, Amendments of 2001, 2011 as required by 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215. The Blade Federal wells and area are clearly lacking in wilderness characteristics as they are amidst extensive natural gas development. 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 existing/approved PODs that are within or adjacent to the Blade Federal wells project area. This information shows the reader that BLM conducted analysis.

Table 1.3. Adjacent or Overlapping Oil & Gas Well POD NEPA Analyses by Decision Date

#	POD / Well Name	NEPA Analysis #	# / Type Wells	Decision Mo/Yr
1	Sahara	WY-070-EA13-072	21 Oil	3/2013
2	North Tree 1	WY-070-EA13-77	18 Oil	3/2013
3	Spruce 2	WY-070-EA13-240	5 Oil	7/2013
4	Cottonwood	WY-070-EA12-102	7 Oil	7/2012

- 2) There is an existing NEPA document (and the RMP) containing reasonably foreseeable development scenario for this action. There are several existing NEPA documents that reasonably foresaw development to spud additional wells to fill in 80 acre well-spacing. BLM reviewed these documents and determined they considered the potential environmental effects associated with the proposed activity at a site specific level. In addition, all approved EAs tier into the PRB FEIS. The PRB EIS analyzed foreseeable development in the PRB. The PRB foreseeable development included 3,200 oil wells and drilling CBNG wells on 80 acre-spacing resulting in about 51,000 CBNG wells and 3,200 oil wells. The Blade Federal wells are in the foreseeable development scenario of 80 acre well-spacing that was analyzed in EAs in Table 1.4 and in the PRB FEIS's Appendix A.

Table 1.4. EAs Which Account for Reasonably Foreseeable Development Scenario

#	POD Name	NEPA Analysis #	# / Type Wells	Decision Mo/Yr
1	Sahara POD	WY-070-EA13-72	21 Oil	3/2013

- 3) The tiered NEPA document was finalized or supplemented within 5 years of spudding (drilling) the proposed well.

The Blade Federal wells CX3 tiers to the following approved EAs listed above in Table 1.4.

In summary the EAs in Tables 1.3 and 1.4, and incorporated by reference in this CX3 analysis, 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 Blade Federal wells is similar to both the qualitative and quantitative analysis in the above mentioned EAs. The BFO reviewed the EA and found that the EA considered potential environmental effects associated with the proposal at a site specific level. The APD's 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.

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 SUP, drilling plan, in addition to the Standard COAs found in the PRB FEIS ROD, Appendix A.

Soil, Ecological Sites, and Vegetation

Soils, ecological sites, and vegetation found at the Blade Federal wells are similar to those occurring in Sahara POD EA, WY-070-EA13-72. Impacts anticipated occurring and mitigation considered with the implementation of the proposal will be similar to those analyzed in the following EA which is adjacent, overlapping, or have similar characteristics to the Blade Federal wells and are incorporated here by reference: Sahara POD EA, WY-070-EA13-72, Description of Affected Environment (pp. 11-13); and Direct and Indirect, Cumulative, Residual Effects (pp. 23-25).

Table 1.5. Dominant Soils by Map Unit Symbol (MUS)

Well Location	MUS	Map Unit Name	Ecological Site
Blade #21H	RAD	Razor-Gaynor-Samsil Complex	Clayey Loamy
	MR	Maysdorf-Schooner Association	
Blade #22H	SNb	Shingle Cushman Association	Shallow Loamy
Access Roads	RED	Renohill-Razor Association	Clayey
	RAD	Razor-Gaynor-Samsil Complex	
	WO	Wyarno-Limon Association	
	MR	Maysdorf-Schooner Association	Loamy
	KZB	Kim-Zigweid Association	
	CV	Cushman-Biggsdale Association	
	STg	Stoneham-Zigweid Association	
	GG	Glenberg-Bankard Association	Lowland
	SNe	Shingle-Tassel Association	Shallow Loamy

NOTE: area of analysis includes access (proposed, new disturbance) to well location.

The above referenced sections of the Sahara POD EA analyze the historical values and settings for soils, ecological sites, and vegetation. Although soil types in the Blade Federal wells project area are not identical to the soils in the Sahara POD project area, effects and mitigation are similar.

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 3 registered stock and domestic water wells within 1 mile of the proposed wells in the project area with depths ranging from 300 to 420 feet. For additional information on groundwater, refer to the PRB FEIS, Affected Environment, pp. 3-1 to 3-36.

Adherence to the drilling COAs, the setting of casing at appropriate depths, following safe remedial procedures in the event of casing failure, and using proper cementing procedures should protect any fresh water aquifers above the target coal zone. The operator will run surface casing to 2,200 feet, total vertical depth to protect shallow aquifers. The top of cement for the intermediate casing string will be calculated to isolate at a minimum 100 feet above to a minimum of approximately 2,900 feet below the Fox Hills formation, located at 7,418 feet and 7,198 feet TVD respectively. This will ensure that ground water will not be adversely impacted by well drilling and completion operations.

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 the wells 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.

Locatable Minerals

There are a total of 27 individual mining claims located in the same section as these 2 proposed oil wells. Although mining claimants are not required to list the minerals they are locating their claims for, given the number of uranium projects in this area, these mining claims were likely located for uranium.

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.

Wildlife.

A BLM wildlife biologist reviewed the proposed APD and determined that the proposed APD, combined with the COAs (and design features), is: (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), which is an update from the PRB FEIS, Appendix K. The biologist performed onsite visits to the project area on December 11, 2012. The affected environment and environmental consequences for wildlife are discussed in, and anticipated to be similar to the Sahara POD EA, WY-070-EA13. Site specific information is described below.

Blade Federal Com #21H

Raptors

No raptor nests are present within 0.5 mile of the proposed well pad or access road.

Greater Sage-Grouse (GSG)

Two known leks (Beecher Draw and Bushwhacker Creek 1) occur within 2 miles of the proposed project. BLM analyzed and considered mitigation for two leks in the Sahara POD EA, WY-070-EA13-72 and this analysis is incorporated here by reference: Affected Environment (Section 3.7.4.1 (p.18-19)); Direct and Indirect Effects (Section 4.6.4.1.1.(p. 34-39)); Cumulative Effects (Section 4.6.4.1.2. (pp.49-50)); Mitigation (Section 4.6.4.1.3. (p. 37); Residual Effects (Section 4.6.4.1.4. (p. 37).

In order to reduce the likelihood that noise, construction, and human disturbance impact nesting GSG, BLM will implement a timing limitation on all surface-disturbing activities (March 15-June 30) during the construction phase of the well pad and access road. The intent of this timing restriction is to decrease the likelihood that GSG will avoid these areas and increase habitat quality by reducing noise and human activities during the breeding season

The proposed well will cumulatively contribute to the potential for local extirpation, yet this impact is acceptable because it occurs outside preliminary priority habitats (core, focus and connectivity), is within the parameters of the PRB FEIS/ROD, and is consistent with the coordinated BLM and State of Wyoming GSG conservation strategies (BLM WY-2012-19 and WY Executive Order 2011-5, respectively).

Migratory Birds

The proposed well pad is within migratory bird habitat for sage-brush obligate species. Nesting season for Brewer's sparrows (a BLM Special Statues Species (SSS)) typically occurs mid-May to mid-July. Some young fledge in late July. Sage thrashers (BLM sensitive species) may lay a second clutch of eggs as late as mid-July. Lark sparrows in northern latitudes lay eggs from early May to mid-July (information on breeding habits available on the Birds of North America Online website: <http://bna.birds.cornell.edu/bna>). GSG timing limitations on surface disturbing activities will mitigate impacts to nesting migratory birds from March 15 to June 30. However, several species of birds, listed above, are likely to still have eggs or nestlings into July. BLM biologists have observed active Brewer's sparrow nests containing eggs during the last week of June. Only a percentage of known nests are active any given year, so the protections for migratory birds from June 30 to July 31 will depend on how many raptor and mountain plover nests are active. The least restrictive measures (in this case only applying GSG timing limitations) are inadequate to protect all nesting migratory birds that may inhabit the project area.

To reduce the likelihood of a "take" under the MBTA, the BLM biologist recommends that pad construction (vegetation removal) occur outside of the breeding season for the greatest quantity of BLM sensitive passerines (May 1- July 31) where suitable nesting habitat for sagebrush obligates is present.

This restriction would apply to habitat removal, unless a pre-construction nest search (within approximately 10 days of construction planned May 1-July 31) is completed. If surveys will be conducted, the operator will coordinate with BLM biologists to determine protocol. The nest search will consist of in areas where vegetation will be removed or destroyed. The BLM recommends all six well pads and associated infrastructure have timing limitations applied for well pad construction during the nesting season for sagebrush obligate passerines (May 1 to July 31).

Effects to migratory birds from surface disturbing and disruptive activities associated with development of the proposed well are similar to the wells previously analyzed in the CX3, Covering Bonita Federal Com. 11H-WY-070-390CX3-13-41, Lone Moose Federal Com. 13H-WY-070-390CX3-13-73, Cousins Federal Com. 22H-WY-070-390CX3-13-74 and Rocky Butte Federal Com. 29H-WY-070-390CX3-13-75 on pp. 6-9 (all approved under one NEPA document) referenced in Table W1.1, below. The wildlife biologist has determined that the proposal is in compliance with Instruction Memorandum No. WY-2013-005 Interim Management Guidance for Migratory Bird Conservation Policy on Wyoming Bureau of Land Management (BLM) Administered Public Lands Including the Federal Mineral Estate.

Table W1.1 NEPA Analyses, Incorporated by Reference Here, for Wildlife Analysis

#	Well Name & #	Qtr	Sec	Twp	Rng	CX Number
1	Bonita Federal Com 11H	NENE	10	43N	73W	WY-070-390CX3-13-41
2	Cousins Federal Com 22H	SWSE	2	43N	74W	WY-070-390CX3-13-74
3	Lone Moose Federal Com 13H	NWNW	26	44N	74W	WY-070-390CX3-13-73
4	Rocky Butte Federal Com 29H	NENW	4	43N	73W	WY-070-390CX3-13-75

Blade Federal Com #22H

The well location is less than 0.25 mile north of two occupied residential homes and five agriculture/livestock buildings.

Raptors

Six historical nests (BLM #s 2856, 5483, 5503, 5647, 6350 and 12797) are present within 0.5 mile of the proposed well pad and access road. All nests are outside the biological buffer (a biologic buffer is a combination of distance and visual screening that provides nesting raptors with security such that they will not be flushed by routine activities). Nests #s 5503, 6350 and 12797 have not been documented by a known nesting pair of raptors. Nests #s5483 and 5647 has been occupied by a pair of nesting red-tiled hawks. Nest # 2856 has been occupied by a pair of nesting Great-horned owls.

Impacts anticipated to occur toward the nesting pairs of raptors and mitigation will be similar to those analyzed in the Sahara POD EA, WY-070-EA13-72 and this analysis is incorporated here by reference: Affected Environment (Section 3.7.2.1 (p.15-16)); Direct and Indirect Effects (Section 4.6.2.1.1.(p. 2830)); Cumulative Effects (Section 4.6.2.1.2. (pp.30)); Mitigation (Section 4.6.2.1.3. (p. 30); Residual Effects (Section 4.6.2.1.4. (p. 30)).

To reduce the risk of decreased productivity or nest failure, the BLM BFO recommends a 0.5-mile radius timing limitation during the breeding season (February 1 – July 31) around active raptor nests for surface disturbing activities associated with construction of the proposed well pad and access road.

Greater Sage-Grouse (GSG)

One known lek (Bushwhacker Creek 1) occurs within 2 miles of the proposed project. BLM analyzed and considered mitigation for the lek in the Sahara POD EA (WY-070-EA13-72) and this analysis is incorporated here by reference: Affected Environment (Section 3.7.4.1 (p.18-19)); Direct and Indirect

Effects (Section 4.6.4.1.1. (p. 34-39)); Cumulative Effects (Section 4.6.4.1.2. (pp.49-50)); Mitigation (Section 4.6.4.1.3. (p. 37); Residual Effects (Section 4.6.4.1.4. (p. 37)).

In order to reduce the likelihood that noise, construction, and human disturbance impact nesting GSG, BLM will implement a timing limitation on all surface-disturbing activities (March 15-June 30) during the construction phase of the well pad and access road. The intent of this timing restriction is to decrease the likelihood that GSG will avoid these areas and increase habitat quality by reducing noise and human activities during the breeding season.

The proposed well cumulatively contribute to the potential for local extirpation, yet this impact is acceptable because it occurs outside preliminary priority habitats (core, focus and connectivity), is within the parameters of the PRB FEIS/ROD, and is consistent with the coordinated BLM and State of Wyoming GSG conservation strategies (BLM WY-2012-19 and WY Executive Order 2011-5 respectively).

Migratory Birds

BLM here incorporates by reference, the 3 paragraphs under migratory birds (above) and Table W1.1 in the analysis of pad, Blade Federal Com #22H.

Cultural.

Per 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 found in planning area, refer to the *Draft Cultural Class I Regional Overview, Buffalo Field Office* (BLM, 2010). Two class III (intensive) cultural resource inventories (BFO project nos. 70130033, 70130089) were performed in order to locate specific historic properties which may be impacted by the proposal. The following resources are in or near the proposal.

Cultural Resources Located In or Near the Project Area

Site Number	Site Type	NRHP Eligibility
48JO134/48JO3059, Dry Fork Ranch Segment 2	Bozeman Trail/Ft. Fetterman to Ft. McKinney Telegraph Line	Listed on the NRHP, noncontributing
48JO134/48JO3059, Dry Fork Ranch Segment 3	Bozeman Trail/Ft. Fetterman to Ft. McKinney Telegraph Line	Listed on the NRHP, contributing
48JO134/48JO3059, Dry Fork Ranch Segment 4	Bozeman Trail/Ft. Fetterman to Ft. McKinney Telegraph Line	Listed on the NRHP, noncontributing
48JO134/48JO3059, Dry Fork Ranch Segment 5	Bozeman Trail/Ft. Fetterman to Ft. McKinney Telegraph Line	Listed on the NRHP, contributing
48JO134/48JO3059, Dry Fork Ranch Segment 6	Bozeman Trail/Ft. Fetterman to Ft. McKinney Telegraph Line	Listed on the NRHP, noncontributing
48JO134/48JO3059, Dry Fork Ranch Segment 7	Bozeman Trail/Ft. Fetterman to Ft. McKinney Telegraph Line	Listed on the NRHP, contributing
48JO134/48JO3059, Dry Fork Ranch Segment 12	Bozeman Trail/Ft. Fetterman to Ft. McKinney Telegraph Line	Listed on the NRHP, noncontributing
48JO2482	Historic Site	Not Eligible
48JO2483	Prehistoric Site	Not Eligible
48JO2484	Prehistoric Site	Not Eligible
48JO3038	Historic Site	Not Eligible

Some of the project area analyzed in this EA occurs on deep alluvial deposits. Alluvial deposits typically have a high potential for buried cultural resources, which are nearly impossible to locate during a class III inventory (Ebert & Kohler 1988:123; Eckerle 2005:43). Buried archeological sites typically preserve artifacts, features and other materials in situ and are often evaluated as significant resources. Sites 48JO134 (Bozeman Trail), and 48JO3059 (Ft. Fetterman to Ft. McKinney Telegraph Line) are listed on

the NRHP. Contributing portions (typically expressed as wagon ruts) of each site are present in the project area. None of the contributing portions of the sites retain their integrity of setting due to modern additions to the landscape including CBNG wells, upgraded roads, pipelines, reservoirs, POD buildings, compressor stations, etc.

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. Non eligible site 48JO3038 will be impacted by the proposed project. No historic properties will be impacted by the proposed project. Following the State Protocol Between the *Wyoming Bureau of Land Management State Director and The Wyoming State Historic Preservation Officer*, Section VI(A)(1) the BLM notified the Wyoming State Historic Preservation Officer (SHPO) on April 2, 2013, and July 31, 2013, that no historic properties exist in the area of potential effect (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 and ROD must be followed. Further discovery procedures are explained in Standard COA (General)(A)(1)

When a project is constructed in an area with a high potential for buried cultural material, archaeological monitoring is often included as a condition of approval. Construction monitoring is performed by a qualified archeologist working in unison with construction crews. If buried cultural resources are located by the archeologist, construction is halted and the BLM consults with the State Historic Preservation Office (SHPO) about mitigation or avoidance. Due to the presence of alluvial deposits identified by the NRCS soil survey (NRCS n.d.), and areas of High Sensitivity Zones per the PUMP III Model (Eckerle 2005), the operator will be required to have an archeologist monitor all earth moving activities associated with certain construction, as described in the site specific COAs.

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

Position/Organization	Name	Position/Organization	Name
NRS/Team Lead	Dustin Hill	Archaeologist	Ardeth Hahn
Supr NRS	Casey Freise	Wildlife Biologist	Scott Jawors
Petroleum Engineer	Will Robbie	Geologist	Kerry Aggen
Petroleum Engineer	Mark Thomason	LIE	Christine Tellock
LIE	Kristine Phillips	Supr NRS	Kathy Brus
Assistant Field Manager	Chris Durham	Assistant Field Manager	Clark Bennett
NEPA Coordinator	John Kelley	Wyoming State Historic Preservation Officer	Mary Hopkins

This consolidated CX3 analysis also tiers to and incorporated by reference the following – either as senior NEPA analysis or as substantially similar analysis in the semi-arid sage-brush, short grass prairie:

#	POD / Well Name	NEPA Document #	# / Type Wells	Decision Date
1 ^a	Mufasa Fed 11-31H Well	WY-070-EA12-062	1 Oil	3/2012
2	Spruce 1 POD	WY-070-CX3-12-95 & -107	2 Oil	5/2012
3 ^b	Samson’s Hornbuckle Field	WY-060-EA11-1181	48 Oil Well Pads	8/2011

a. Those sections describing and analyzing hydraulic fracturing, its supporting analysis, and the Greater Sage-grouse Section 3.7.12 and 4.8.2.

b. Those sections describing and analyzing hydraulic fracturing and its supporting analysis to include but not limited to traffic, water, and air quality.

Decision and Rationale on the Proposal.

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 Blade Federal wells CX3 APD 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



Signature Date

Contact Person, Dustin Hill, Natural Resource Specialist, Buffalo Field Office, 1425 Fort Street, Buffalo WY 82834, 307-684-1059.