

**DECISION RECORD**  
**Categorical Exclusion 3 (CX3), WY-070-390CX3-14-63 & WY-070-390CX3-14-64**  
**Section 390, Energy Policy Act of 2005**  
**Yates Petroleum Corporation, Bluebird III Plan of Development (POD)**  
**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 vertical bore coalbed natural gas (CBNG) wells and construct the associated infrastructure as described in the consolidated CX3 analysis, 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, and Amendments.

**A summary of the details of the approval follows.** The CX3 analysis includes the project description, including site-specific mitigation measures which are incorporated by reference into the CX3 analysis from earlier analysis. Lease parcels include WYW-WYW-130082 and WYW132250 (Bluebird III). The proposed wells are 21.3 miles SW of Gillette, Campbell County Wyoming, south off of the Barber Creek road (I-90, Exit 102), see Table 1 for legal descriptions. The Bluebird III proposed wells are vertical bores on an 80 acre spacing pattern with 1 well per location. Each CBNG well will produce from the Big George and Wyodak coal seams. Well house dimensions are (in feet): 8.0 wide x 8.0 long x 8.0 high.

**Table 1. Approvals.** BLM approves the following applications for permit to drill (APDs) to drill 2 vertical bore coalbed natural gas (CBNG) wells and construct the associated infrastructure:

#	Lease #	Well Name	Well #	Sec	Twp	Rng	CX #
1	WYW132250	BLUEBIRD III Tanager CS FED COM	2	1	48N	75W	WY070-390CX3 -14-63
2	WYW130082	BLUEBIRD 2 JAY CS	2	2	48N	75W	WY070-390CX3 -14-64

**Limitations.** See the conditions of approval (COAs).

**THE FINDING OF NO SIGNIFICANT IMPACT (FONSI).** Congress, the Department of Interior and BLM affirmed there was no significant impact of a like-structured project when they created this CX3 process and its limiting parameters. The EAs to which the consolidated CX3 analysis tiers also received a FONSI. A FONSI and an EIS is not required.

**COMMENT OR NEW INFORMATION SUMMARY.** Since receipt of these proposed APDs, BLM received clarified policies on Greater Sage-Grouse (GSG) conservation, and notice of staking (NOS) and APD processing.

**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 analysis tiers or incorporates by reference, will reduce environmental impacts while meeting the BLM’s need. The PRB FEIS analyzed and predicted that the PRB oil and gas development would have significant impacts to the region’s GSG population.

The impact of this project's 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.

2. BLM sensitive species migratory bird nesting habitat removal for specified planned surface disturbances, see COAs, will occur outside of the breeding season or will receive a pre-disturbance clearance survey to reduce the likelihood of a "take" contrary to the Migratory Bird Treaty Act.
3. The approved project conditioned by its design features and COAs, will not result in any undue or unnecessary environmental degradation. The impact of this development cumulatively contributes to the potential for local extirpation yet its effect is acceptable because it is outside priority habitats and is within the parameters of the PRB FEIS/ROD and current BLM and Wyoming GSG conservation strategies. There are no conflicts anticipated or demonstrated with current uses in the area. This decision approving the Bluebird III POD complies with the Energy Policy Act of 2005, Section 390, 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215.
4. This decision approving the Bluebird III POD complies with the Energy Policy Act of 2005, Section 390, 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215. 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. 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 CBNG producing well in the POD (PRB FEIS ROD, p. 7); and provide water analysis from a designated reference well in each coal zone.
5. The selected alternative will help meet the nation's energy need, revenues, and stimulate local economies by maintaining workforces.
6. The Bluebird III POD is clearly lacking in wilderness characteristics as there is no federal surface.
7. 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.
8. Yates certified there is a surface use access agreement with the landowners.
9. This approval is subject to adherence with all of the operating plans, design features, and mitigation measures contained in the master surface use plan of operations, drilling plan, and information in individual APDs. This approval is also subject to operator compliance with all mitigation and monitoring requirements in the PRB FEIS ROD, 2003.

**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: 12/13/13

**Categorical Exclusion 3 (CX3), WY-070-390CX3-14-63 & WY-070-390CX3-14-64**  
**Section 390, Energy Policy Act of 2005**  
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**Bureau of Land Management, Buffalo Field Office, Wyoming**

**Description of the Proposed Action.**

The proposal is to explore for and develop 2 coalbed natural gas (CBNG) wells in geologic formations currently leased by Yates Petroleum Corporation (Yates) in Wyoming. Lease parcels include WYW-WYW-130082 and WYW132250 (Bluebird III). The proposed wells are 21.3 miles SW of Gillette, Campbell County Wyoming, south of the Barber Creek road (I-90, Exit 102), see Table 1 for legal descriptions.

Much of the project area has dissected uplands with steep down-cut channels, created predominately by summer thunderstorms and spring runoff in ephemeral drainages with steep gradients and fine sediment substrate, which lead to the Powder River. The North Prong of Dead Horse Creek and numerous intermittent tributaries of the Powder River drain the area to the west. Tree and shrub species which consist mainly of sparse cottonwood trees and dense sage brush dominate the riparian areas. Rangeland is the predominant management with livestock grazing and recreational hunting as the main uses. The area experienced historic conventional oil and gas exploration and production, and recent CBNG development, documented with environmental assessments (EAs). The area is in a 10-14 inch precipitation zone, with most of the precipitation falling during late winter and spring.

The Bluebird III POD proposal consists of 2 vertical bore CBNG wells and associated infrastructure. All proposed wells are vertical bores on an 80 acre spacing pattern with 1 well per location. Each CBNG well will produce from the Big George and Wyodak coal seams. Well house dimensions are (in feet): 8.0 wide x 8.0 long x 8.0 high. The surface owners are Glenn Barlow (Barlow Ranch, L.P.).

**Background.**

BLM received the Bluebird III POD applications for permit to drill (APDs) on April 30, 2013 (incorporated here by reference). Onsites were held on June 24, 2013 to evaluate the proposal and modified it as necessary to mitigate environmental impacts. BLM sent Yates the post-onsite deficiency letter on August 9, 2013. Yates received BLM’s post-onsite deficiency letter on August 12, 2013. Yates submitted their response and revisions for the post onsite deficiency letter on September 4, 2013. BLM Buffalo Field Office (BFO) had to await the response from the BLM High Plains District Office for engineering review and deficiencies which were finally reviewed and found to be sufficient on December 6, 2013. BLM BFO shared the conditions of approval (COAs) with the operator in December 13, 2013.

**Table 1.1. Proposed Wells**

#	Lease #	Well Name	Well #	Sec	Twp	Rng	CX #
1	WYW132250	BLUEBIRD III Tanager CS FED COM	2	1	48N	75W	WY070-390CX3 -14-63
2	WYW130082	BLUEBIRD 2 JAY CS	2	2	48N	75W	WY070-390CX3 -14-64

**Water Management Proposal.**

A water management plan (WMP) is not included with these APDs. Yates indicated that they will submit a WMP at a later date, pending production results. Yates proposes the following: no pipelines are proposed for the 2 wells. The wells will be drilled using the drill over procedure in order to receive an extension on the 2 leases. Wells may be pumped into tanks to determine production potential. No gas will be produced into pipelines; however, measurement devices may be used to monitor well parameters.

**Table 1.2. Summary of Proposed Surface Disturbance for Bluebird III POD**

#	Well Name or Infrastructure	Total Length of Disturbance (ft.)	Miles of Disturbance	Acres of Disturbance
1	Engineered/Template Road	4,140	0.78	4.28
2	Primitive/Spot Upgrade Road	2,860	0.54	1.31
3	Well Locations (2 slots)	30X120	N/A	0.17
4	Overhead Power	N/A 3 <sup>rd</sup> Party	N/A 3 <sup>rd</sup> Party	N/A 3 <sup>rd</sup> Party
5	<b>Total</b>	<b>7,000 Ft</b>	<b>1.32 Miles</b>	<b>5.76 Acres</b>

NOTE: These values are approximate and are from the Project Surface Use Data Summary Form from the Bluebird III POD SUDS Form with the Bluebird III POD section labeled: SUDS Form.

**Drilling and Construction.**

- Yates anticipates completing drilling and construction within 2 years. Drilling and construction occurs year-round in the PRB. Weather may cause delays lasting several days but rarely do delays last multiple weeks. Timing limitations in the form of COAs and/or agreements with surface owners impose longer temporal restrictions on portions of this POD, but rarely do these restrictions affect an entire POD.
- Well metering shall be accomplished by a combination of telemetry and well visitation. Metering would entail 2-3 visits per week during the summer and up to 4 visits per week during the winter to each well location, if the wells are placed into production.
- If the power line network is not completed before the wells are in production, then temporary diesel generators may be placed at the 2 power drops (at each well location).
- Yates may locate fuel storage tanks of 1,000 gallon capacity at the 2 power drops along with each diesel generator. Generators may operate for 6 months per the example given by Yates within their Bluebird III master surface use plan (MSUP), p. 4. The analysis anticipates that fuel deliveries once a week. Fuel delivery duration should be from 30 to 60 minutes. For generator noise levels please refer to Bluebird III MSUP, p. 4.

For a detailed description of design features, construction practices, and water management strategies associated with the proposed action, refer to the master surface use plan (MSUP), drilling plan in the POD and individual APDs. See the POD for maps showing the proposed well locations and the associated facilities. More information on CBNG well drilling, production, and standard practices are available in the Powder River Basin Final Environmental Impact Statement (PRB FEIS), pp. 2-9 to 2-40.

For a detailed description of design features, construction practices, and water management strategies associated with the proposed action, refer to the MSUP, Drilling Plan, and the individual APDs. Also see the POD proposal for maps showing proposed well locations and associated facilities described above. More information on CBNG well drilling, production, and standard practices also is available in the PRB FEIS, pp. 2-9 to 2-40.

**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 CX3 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 proposals conform to the terms and conditions of the Approved Resource Management Plan (RMP) for the public lands administered by the BLM, Buffalo Field Office (BFO), 1985, the PRB FEIS, January 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 Bluebird III POD APDs are clearly lacking in wilderness characteristics as there is no federal surface. 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) Each 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 Bluebird III POD. This information is provided for informational use and shows the reader that BLM conducted analysis. BLM incorporates by reference here, the analyses found in Table 1.3.
- 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 NEPA analyses tier to the PRB FEIS (2003). 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. The Bluebird III POD is in the foreseeable development scenario that was analyzed in EAs in Table 1.3.
- 3) The tiered NEPA document was finalized or supplemented within 5 years of spudding (drilling) the proposed wells. The tiered NEPA documents in Table 1.3, for Napier Road and Beaver Creek Add II and Beaver Creek Add II SGPD are both within 5 years of the proposed spudding of these wells.

**Table 1.3. Adjacent or Overlapping CBNG POD NEPA Analyses Sorted by Decision Date**

#	Project Name	NEPA Document	#of Wells	Decision Date
1	Blackbird POD	WY-070-00-018	32	11/19 & 22/1999
2	North Pleasantville I	WY-070-03-069	26	2/19/2003
3	Rooster POD	WY-070-04-021	20	2/12/2004
4	North Pleasantville II	WY-070-03-121	10	2/24/2004
5	Beaver Creek POD	WY-070-05-058	158	1/13/2005
6	Beaver Creek Add II & Beaver Creek Add II SGPD	WY-070-09-065	27	5/28/2009
7	Blackbird POD Retrofit Water, Gas, & Electric Lines	WY-070-10-243	NA	7/9/2010
8	Napier Road POD	WY-070-10-280	51	7/6/2011
9	Bluebird I POD	WY-070-390CX3-12-130	10	6/8/12
10	Bluebird I add III	WY-070-390CX3-13-93	3	3/1/2013
11	Bluebird II POD	WY-070-390CX3-13-315	21	11/22/2013

### **Plan of Operations.**

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

This CX3 analysis also incorporates by reference the oil and gas drilling practices described and analyzed throughout the Napier Road EA, WY-070-10-280. BLM highlights sections in Table 1.4.

**Table 1.4. Highlighted Sections and Pages Incorporated by Reference into this CX3**

<b>Bluebird I &amp; Baltimore CS Fed 1 POD Sections Incorporated by Reference from</b>	<b>Napier Road EA WY-070-10-280</b>	<b>Blackbird POD EA WY-070-00-018</b>
Soils	pp. 33-38	
Vegetation	pp. 38-40	
Wetlands/Riparian	pp. 40-41	
Invasive Species	p. 41	
Wildlife	pp. 14-25; 41-59	
Sage-grouse	pp. 16-19; 44-45	
Raptors	pp. 25; 58-59	
Water Resources	pp. 59-66	*pp. 3-5; 8

\* Yates purchased the rights from Coleman Oil and Gas, Inc. in 2009 and this analysis also includes updates from the: Retrofit Utilities to Yates Infrastructure, Determination of NEPA Adequacy, WYW146792, 2009; and Blackbird POD CX01-11-263 for deepening Nisselius CS Federal 30-14L and emergency pit, 2011.

**Soils, Vegetation, Wetlands/Riparian, and Invasive Species.**

Impacts anticipated and mitigation considered with the implementation of the proposed action will be similar to those analyzed in the Napier Road EA which is adjacent or overlapping to the Bluebird III POD, see Table 1.4.

**Wildlife.**

The BLM reviewed the proposed APDs and determined that they, 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 June 24, 2013. The affected environment and environmental effects for wildlife are discussed in, and anticipated to be similar to the Sahara POD EA, WY-070-EA13-72, incorporated here by reference. Site specific information is described below for known species suspected to occur in the project area as depicted in Table W.1.(Summary of Sensitive Species Habitat and Project Effects) and Table W.2. (Summary of Threatened and Endangered Species Habitat and Project Effects) located in the administrative record.

**BLUEBIRD 2 JAY CS**

**Raptors**

Three known ferruginous hawk nests (BLM #s 12524, 12525, and 12526) occur within 0.5 mile of the BLUEBIRD 2 JAY CS well location and 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). Impacts anticipated occurring toward the nesting pairs of ferruginous hawks will be similar to those analyzed in the Napier Road EA, WY-070-10-280. The Napier Road EA has sufficient affected environment information (p. 20-21) direct and indirect information (p. 47-51), cumulative effects (p. 51), and residual effects concerning raptors (51-52). To reduce the risk of decreased productivity or nest failure, the BLM 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.

**BLUEBIRD 2 JAY CS and BLUEBIRD III TANAGER CS FED COM**

**Greater Sage-Grouse (GSG)**

One known lek (Barlow) is within 2 miles of the proposed project. BLM analyzed and considered mitigation for 2 leks in the Sahara POD EA, WY-070-EA13-72 and this analysis is incorporated here by

reference: Affected Environment (p.18-19); Direct and Indirect Effects ( p. 34-39) ; Cumulative Effects (pp.49-50); Mitigation (p. 37); Residual Effects (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) within 2 miles of an occupied lek. 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 in 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 the well pad 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 a consolidated NEPA document) referenced in Table W1.1, below. The wildlife biologist has determined that these proposals are 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. BLM recommends taking measures to ensure excluding migratory birds from facilities posing a mortality risk, including, but not limited to, heater treaters, flare stacks, secondary containment, and standing water or chemicals where escape may be difficult or hydrocarbons or toxic substances are present.

**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

#	Well Name & #	Qtr	Sec	Twp	Rng	CX Number
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

### 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 stock and domestic water wells (depths from 335 to 370 feet), 1 monitor well, and 2 industrial groundwater wells (depth from 1014 to 1055 feet) within 1 mile of the proposed wells in the project area. 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. This will ensure that ground water will not be adversely impacted by well drilling and completion operations.

### Cultural.

A Class III cultural resource inventory was performed for the Blue Bird III POD prior to on-the-ground project work (BFO project no. 70130065). A class III cultural resource inventory following the Archeology and Historic Preservation, Secretary of the Interior's Standards and Guidelines (48CFR190) and the *Wyoming State Historic Preservation Office Format, Guidelines, and Standards for Class II and III Reports* was provided by Yates. Seth Lambert, BLM Archaeologist, reviewed the report for technical adequacy and compliance with BLM standards, and determined it to be adequate. There are no eligible sites in the area of potential effect (APE) of the proposals. Following the Wyoming State Protocol Section VI(A)(1) the BLM notified the Wyoming State Historic Preservation Officer (SHPO) on November 18, 2013 that no historic properties exist in the APE. If operators observe any cultural values [sites, artifacts, human remains (Appendix L PRB FEIS and ROD)] during operation of this lease/permit/right-of-way, they will be left intact and the Buffalo Field Manager notified. Further discovery procedures are in the Standard COA (General)(A)(1).

Some of the project area analyzed in this CX3 occur on deep alluvial deposits, areas at and near the BLUEBIRD 2 JAY CS and its likely infrastructure. 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). 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) on mitigation or avoidance. Due to the presence of alluvial and/or Aeolian deposits identified by the NRCS soil survey (NRCS n.d.), and areas of High to Very 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)

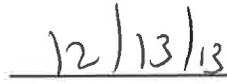
Position/Organization	Name	Position/Organization	Name
NRS/Team Lead	Andy Perez	Archaeologist	Seth Lambert
Supr NRS	Casey Freise	Wildlife Biologist	Scott Jawors
LIE	Kristine Phillips	Geologist	Kerry Aggen
Petroleum Engineer	Will Robbie	Assistant Field Manager	Chris Durham
Assistant Field Manager	Clark Bennet	NEPA Coordinator	John Kelley
Civil Engineer	J Bunderson	Hydrologist	Brent Sobotka

**Decision and Rationale on Action**

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 Bluebird III POD CX3 APDs and infrastructure conform to the applicable land use plans. I reviewed the proposal to ensure the appropriate exclusion category as described in Section 390 of the Energy Policy Act of 2005 is correct. It is my determination that there is no requirement for further environmental analysis.



Field Manager



Signature Date.

Contact Person: Andy Perez, Natural Resource Specialist, Buffalo Field Office, 1425 Fort Street, Buffalo WY 82834, 307-684-1100

