DECISION RECORD
Yates Petroleum Corporation (Yates), Porsche Com 4H and 8PH
Applications for Permit to Drill (APDs)
Determination of NEPA Adequacy (DNA), WY-070-DNA14-372 and -373
Buffalo Field Office, Bureau of Land Management

DECISION. The BLM approves Yates Petroleum Corporation (Yates), Porsche Com 4H and 8PH gas and oil well application for permit to drill (APDs) as described in Alternative B of the environmental assessment (EA), WY-070-EA14-85 to which this DNA, WY-070-DNA14-372 and -373 tiers. This approval includes the wells' support facilities.

Compliance. This decision complies with or supports:

- Federal Land Policy and Management Act of 1976 (FLPMA) (43 USC 1701); DOI Order 3310.
- Mineral Leasing Act of 1920 (MLA) (30 U.S.C. 181); including the Onshore Oil and Gas Orders.
- National Environmental Policy Act of 1969 (NEPA) (42 USC 4321).
- National Historic Preservation Act of 1966 (NHPA) (16 USC 470).
- Buffalo and Powder River Basin Final Environmental Impact Statements (FEISs), 1985, 2003, 2011.
- Buffalo Resource Management Plan (RMP) 1985 and Amendments.

BLM summarizes the details of the approval of Alternative B, below. The EA includes the project description, including specific changes made at the onsites, and site-specific mitigation measures.

Well Site. BLM approves the following APDs and support facilities:

	Well Name & #	Twp	Rng	Sec	Qtr	Lease #
1	Porsche Com 4H	43N	72W	30	NENW	WYW124459
2	Porsche Com 8PH	43N	72W	30	NENE	WYW107251

Limitations. There are no denials or deferrals. Also see the conditions of approval (COAs).

THE FINDING OF NO SIGNIFICANT IMPACT (FONSI). The APDs analyzed in the DNA worksheet was found to have no significant impacts on the human environment, beyond those described in the Powder River Basin Final Environmental Impact Statement (PRB FEIS), thus an EIS or EA is not required. The FONSI for EA, WY-070-EA14-85, incorporated here by reference, covers this proposal since the effects received analysis and there is no new surface disturbance.

This Project Tiers to these NEPA Documents, in Addition to the PRB FEIS.

POD Name	NEPA Analysis	Well Type / #	Approval
Porsche Com 3H and 7PH	WY-070-EA14-85	Oil/2	2/3/2014

COMMENT OR NEW INFORMATION SUMMARY. BLM publically posted the APDs for 30 days, received no comments, and then internally scoped them. BLM received no new or clarified information on NEPA processing subsequent to the receipt of these APDs.

DECISION RATIONALE. BLM bases the decision authorizing the selected project on:

1. BLM and Yates included mitigation measures to reduce environmental impacts while meeting the BLM's need. For a complete description of all site-specific COAs, see the COAs. The PRB FEIS analyzed and predicted that the PRB oil and gas development would have significant impacts to the region's greater sage-grouse (GSG) population. 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 and ROD and current BLM and Wyoming GSG conservation strategies.

2. Yates will conduct operations to minimize adverse effects to surface and subsurface resources, prevent unnecessary surface disturbance, and conform to currently available technology and practice.
3. The selected alternative will help meet the nation's energy needs, and help stimulate local economies by maintaining workforce stability.
4. The Operator committed to:
   - Comply with the approved APD, applicable laws, regulations, orders, and notices to lessees.
   - Obtain necessary permits from agencies.
   - Offer water well agreements to the owners of record for permitted wells.
   - Incorporate several measures to alleviate resource impacts into their submitted surface use plan and drilling plan.
5. The Operator certified it has a surface access agreement.
6. The project is clearly lacking in wilderness characteristics as there is no federal surface.
7. These APDs are pursuant to the Mineral Leasing Act for developing oil or gas and do not satisfy the categorical exclusion directive of the Energy Policy Act of 2005, Section 390 because there was no new surface disturbance.
8. Yates will conduct operations in accordance with Conditions of Approval (COAs) attached.

ADMINISTRATIVE REVIEW AND APPEAL. This decision is subject to administrative review according to 43 CFR 3165. Request for administrative review of this decision must include information required under 43 CFR 3165.3(b) (State Director Review), including all supporting documentation. Such a request must be filed in writing with the State Director, Bureau of Land Management, P.O. Box 1828, Cheyenne, Wyoming 82003, no later than 20 business days after this Decision Record is received or considered to have been received. Parties adversely affected by the State Director's decision may appeal that decision to the Interior Board of Land Appeals, as provided in 43 CFR 3165.4.

Field Manager: /s/ Duane W. Spencer Date: 9/11/14

Determination of NEPA Adequacy (DNA) Worksheet
WY-070-DNA14-372 and -373
Bureau of Land Management, Buffalo, WY

OFFICE: BLM, Buffalo Field Office (BFO), 1425 Fort Street, Buffalo, WY 82834
PROPOSED ACTION TITLE: Porsche Com 4H and 8PH Applications for Permit to Drill (APD)
LOCATION/LEGAL DESCRIPTION: Listed in Table 1.1
APPLICANT : Yates Petroleum Corporation (Yates)

A. Description of the Proposed Activity and any applicable mitigation measures

Yates Petroleum Corporation (Yates) requests BLM's approval for 2 applications for permit to drill (APDs). BLM incorporates the APDs here by reference; see the administrative record (AR). Yates proposes to drill the horizontal oil and gas on the previously approved Porsche Com 3H and 4H EA, WY-070-EA14-85 (hereafter known as the 7PH) well locations and to which this DNA tiers. 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 Parkman and Turner Formations at depths found in the AR.

The project area is approximately 10 miles southwest of Wright, Campbell County, Wyoming. The proposed surface holes (drill sites) are in Table 1.1. Well elevations are approximately 5,039 feet and 5,022 feet, respectively. Richard W. Leavitt Trust is the surface owner of the majority of the project area. Parts of the existing and proposed access roads are located on Ted R. Cosner Revocable Trust and a potential water source is located on Bernice Groves Revocable Trust land.

The original Porsche Com 4H well name was changed via sundry to the Porsche Com 7PH. The newly proposed Porsche Com 4H and 8PH will share the original approved pads and infrastructure of the Porsche Com 3H and 7PH.

The BLM previously completed a NEPA analysis; Porsche Com 3H and 7PH EA, WY-070-EA14-85, that covers this project area. The approved Porsche Com 3H and 7PH have not been constructed or drilled.

Mitigation measures are included in Section 4 of the Porsche Com 3H and 7PH EA, WY-070-EA14-85 and associated COAs (Appendix B).

Table 1.1. Well, Pad, and Lease List – Surfacehole (SHL) and Bottomhole (BHL)

#	Name and #	Twp	Rng	Sec	Qtr	SHL	BHL
1	Porsche Com 4H	43N	72W	30	NENE	WYW107251	Fee
2	Porsche Com 8PH	43N	72W	30	NENW	WYW124459	Fee

For complete details of surface disturbance see Porsche Com 4H and 8PH MUSP, and Section 2 of the associated EA, WY-070-EA14-85. No new surface disturbance is required for the Porsche Com 4H and 8PH wells.

B. Conformance with the Land Use Plan (LUP) and Consistency with Related Subordinate Implementation Plans

This proposal conforms to the applicable LUPs because it is specifically provided for in the following LUP decisions:

LUP: Buffalo Resource Management Plan (RMP), 1985, and Amendments; DOI Order 3310

The Buffalo RMP, 1985, and as amended in 2001 provides to "Continue to lease and allow development of federal oil and gas in the Buffalo Resource Area" (MM-7: 1985 Buffalo RMP ROD at pg.16, 2001 RMP update at p. 9).

The 2003 supplement to the Buffalo RMP provided goals and objectives for "future management of oil and gas operations….within the Buffalo…RMP areas" 2003 (PRB Final Environmental Impact Statement (FEIS) ROD, p. 6).

C. Identify applicable National Environmental Policy Act (NEPA) documents and other related documents that cover the proposed action.

List by name and date all applicable NEPA documents that cover the proposed action.

- Buffalo FEIS, 1985
- Final Environmental Impact Statement (FEIS) and Proposed Plan Amendments for the Powder River Basin Oil and Gas Project, 2003
- Porsche 3H and 7PH EA, WY-070-EA14-85, 2/2014

D. NEPA Adequacy Criteria

1. Is the new proposed activity a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document(s)? Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document(s)? If there are differences, can you explain why they are not substantial?

Yes, the action is similar to the actions proposed in the Porsche Com 3H and 7PH wells EA, WY-070-EA14-85, 2014. The proposed action falls within disturbed areas which were approved for use in Porsche Com 3H and 7PH wells EA, WY-070-EA14-85, 2014.

Yates submitted the 2 APDs as additions to the Porsche Com 3H and 7PH well locations. The conditions and environmental effects found in the EA are substantially unchanged and remain valid.

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the new proposed action, given current environmental concerns, interests, and resource values?

Yes, the range of alternatives was analyzed in the existing NEPA document; Porsche Com 3H and 7PH EA, WY-070-EA14-85, incorporated here by reference.

3. **Is the existing analysis valid in light of any new information or circumstances (such as, rangeland health standard assessment, recent endangered species listings, updated lists of BLM-sensitive species)? Can you reasonably conclude that new information and new circumstances would not substantially change the analysis of the new proposed action?**

   Yes, the Porsche Com 3H and 7PH EA, WY-070-EA14-85 analyzed this proposed foreseeable activity. Any new information or circumstances did not substantially change the analysis of the new proposed action. The EA's and APD's master surface use plan and drilling plan are incorporated here by reference and show adequate protection of surface lands and ground water. This includes the protections for the Fox Hills Formation.

4. **Are the direct, indirect, and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in the existing NEPA document?**

   Yes, the direct, indirect, and cumulative effects that would result from implementing this proposal are similar in the existing the NEPA document; Porsche Com 3H and 7PH wells EA, WY-070-EA14-85, Section 4; pp. 13-28.

5. **Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action?**

   Yes, the 30-day posting of the APDs led the public involvement and interagency review associated with the Porsche Com 4H and 8PH wells. This DNA worksheet and public involvement and interagency review are adequate for the current proposed action. BLM received no public comments from posting the APD for 30 days.

E. Persons/Agencies/BLM Staff Consulted

Position/Organization	Name	Position/Organization	Name
NRS/Team Lead	Dustin Hill	Archaeologist	Ardeth Hahn
Supr NRS	Casey Freise	Wildlife Biologist	Christopher Sheets
Petroleum Engineer	Will Robbie	Geologist	Kerry Aggen
LIE	Karen Klaahsen	Assistant Field Manager	Chris Durham
Supr NRS	Kathy Brus	NEPA Coordinator	John Kelley
Assistant Field Manager	Clark Bennett	Federal Regulatory Agent/Yates	Jeb Tachick

Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitute BLM's compliance with the requirements of the NEPA.

Field Manager: /s/Duane W. Spencer Date: 9/11/14

Note: The signed Conclusion on this Worksheet is part of an interim step in the BLM's internal decision process and does not constitute an appealable decision. However, the lease, permit, or other authorization based on this DNA is subject to protest or appeal under 43 CFR Part 4 and the program-specific regulations.