DECISION RECORD
Yates Petroleum Corp., Application for Permit to Drill (APD), Rocky Butte Federal Com. #31H
Categorical Exclusion 3 (CX3), WY-070-390CX3-14-189
Bureau of Land Management, Buffalo Field Office, Wyoming

DECISION. The BLM approves the application for permit to drill (APD) from Yates Petroleum Corporation (Yates) to horizontally drill 1 oil and gas well and construct associated infrastructure as described in the CX3, WY-070-390CX3-14-189, all of which the 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 Final Environmental Impact Statement (FEISs), 1985, 2003 (2011).
- Buffalo Resource Management Plan (RMP) 1985, Amendments 2001, 2003, 2011.

A summary of the details of the approval follows. The CX3, WY-070-390CX3-14-189, includes the project description, including site-specific mitigation measures which are incorporated by reference into the CX3 from earlier analysis. The proposal is to explore by drilling for, and possibly develop, oil and gas in the Turner Formation at 10,490 feet, total vertical distance (TVD) leased by Yates, under standard split jurisdiction rules (private surface located over federal minerals). The project area is approximately 7 miles 7 west of Wright, Wyoming in Campbell County.

Approvals. BLM approves the following APD and associated infrastructure:

Well Name/ Well #	Qtr	Sec	Twp	Rng	Lease
Rocky Butte Federal Com. #31H	NENW	34	44N	73W	WYW120439

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 and its limiting parameters. Thus a FONSI and an EIS is not required.

COMMENT OR NEW INFORMATION SUMMARY. BLM posted the APD for 30 days and received no public comments. Since BLM received this APD it also received clarified policies on migratory bird conservation, APD processing, bond adequacy, and on using the Greater Sage-Grouse (GSG) Density and Disturbance Calculation Tool.

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 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 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. There are no conflicts anticipated or demonstrated with current uses in the

area. This decision approving the Rocky Butte Federal Com. #31H APD complies with the Energy Policy Act of 2005, Section 390, 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215.

3. 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.
4. The selected alternative will help meet the nation's energy need, revenues, and stimulate local economies by maintaining workforces.
5. 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).
6. The project is clearly lacking in wilderness characteristics as it lacks 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 access agreement with the landowners or it posted a bond.
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, Water Management 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: 4/9/14

Categorical Exclusion 3 (CX3), WY-070-390CX3-14-189
Section 390, Energy Policy Act of 2005
Yates Petroleum Corp., Rocky Butte Federal Com. #31H, Application for Permit to Drill (APD)
Bureau of Land Management, Buffalo Field Office, Wyoming

Description of the Proposed Action.
Yates Petroleum Corporation (Yates) proposes to horizontally drill 1 oil and gas well and construct associated infrastructure as shown in Table 1.1:

Table 1.1. Proposed Well

Well Name/ Well #	Qtr	Sec	Twp	Rng	Lease
Rocky Butte Federal Com. #31H	NENW	34	44N	73W	WYW120439

The proposal is to explore by drilling for, and possibly develop, oil and gas in the Turner Formation (Fm.) at 10,490 feet, total vertical distance (TVD) leased by Yates, under standard split jurisdiction rules (private surface located over federal minerals). Due to lack of horizontal knowledge in the immediate area, Yates proposes to drill a pilot hole through the Turner Fm. and evaluate all zones, including the Parkman and Niobrara Fms., to determine future production potential. After evaluation, Yates will plug back, then kick off and drill horizontal into the Turner Fm. The project area is approximately 7 miles west of Wright, Wyoming in Campbell County, see Figure 1.1. BLM's need for this project is to support the objectives and goals of the Buffalo Resource Management Plan (RMP) as BLM determines whether, and if so how and under what conditions to balance natural resource conservation with allowing the operator to exercise lease rights to develop fluid minerals by drilling 1 horizontal well. The proposed Rocky Butte Federal Com. #31H (Rocky Butte) wells' surface-hole and bottom-hole location are on federal lease, WYW120439, as described in the APD, surface use plan, and drilling plan, all incorporated here by reference. The fluid mineral leasing programs fall under the authority of the Mineral Leasing Act, the Federal Land Policy Management Act (FLPMA), and other laws and regulations.

Project area elevations are from 5,000 to 5,300 feet above sea level. The topography varies from flat ridgetops to gently sloping drainages with the prominent rock structure, Rocky Butte, nearby. The area has 65% sagebrush, 35% grasses, 10% forbs and bare ground. Dense stands of sagebrush (12-20" high) are along the western edge of Rocky Butte Gulch and in several other pockets in the area. Sagebrush thins and becomes shorter in height as one leaves the drainages. Grasses are very short and heavily grazed. Ephemeral tributaries of Rocky Butte Gulch drain to the Belle Fourche River. The climate is semi-arid, averaging 16.2 inches of precipitation annually, about 60% of which occurs between April and September. The Rocky Butte well, infrastructure and surface lines from 2 drilling water facilities are located on private surfaces owned by the Little Buffalo Ranch, LLC and Gary C. Marquiss. A portion of access road and potential drilling water and surface supply water lines on surface owned by Dale Lester Revocable Trust and another potential source for drilling water is on the nearby Sunburst Ranch. Project area land uses include buffalo grazing, coalbed natural gas (CBNG), and oil development.

Yates submitted an APD in May of 2013, to the BFO. Yates and BFO completed onsite inspections on June 14, 2013. The onsite evaluated the proposal and modified it to mitigate environmental impacts. The BLM sent a post-onsite deficiency letter to Yates electronically on February 7, 2014, final revisions were submitted and concluded on February 20, 2014.

<u>Drilling, Construction & Production design features include</u>:
- Yates anticipates completing drilling and construction as soon as possible upon permit completion. Weather may cause delays, but delays rarely last multiple weeks. Timing limitations in the form of

COAs and/or agreements with surface owners may impose longer temporal restrictions. The operator anticipates that estimated drilling duration will be 60 days and 90 days for completion.

- Construction of a pad with dimensions 400 feet x 400 feet and a crowned and ditched road 3,370 feet long x 65 feet wide that will tie into an existing road. The existing road will be improved, 3,260 feet x 65 feet wide and tie into other existing crown and ditched road(s) in the area.
- Hydraulic fracturing (HF) operations are planned as a 'plug & perf' operation done in stages. Approximately 40,000 total barrels of water will be used for both drilling and completion activities. Water will be hauled by tanker truck and/or pumped through surface lines to the well and stored in the drilling pit or temporary tanks set on location.
- There will be a reserve pit at this oil well location during drilling and completion.
- Water used for drilling will be stored in the reserve pit and water for hydraulic fracturing will be stored in temporary tanks.
- 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).
- Produced water from well production will be placed in temporary storage tanks located on the well pad. Liquid hydrocarbons produced during completion will be placed in a temporary storage tank then piped to the permanent production tanks located on the well pad for processing.
- A portable generator may be used (diesel, propane, or natural gas powered) to provide temporary electrical power. If needed, the generator would be located on the well pad and within a lined structure able to contain 110% of its liquid fuel capacity in case of a spill. Diesel powered generators have 500 to 1000 gallons capacity that are typically fueled weekly.
- 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.
- 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 this producing oil well location.
- Galvanized steel containment will be constructed completely around production facilities, i.e. production tanks, water tanks, and heater treater. The containment walls will be imbedded in compacted subsoil and designed to hold 110% of the capacity of the largest tank.
- Approximately 3,670 feet of power will be buried, cross-country, if the well becomes a producer. Power will be provided by 3d party contactor. Overhead power does not exist in the immediate area.
- Well pad disturbance during construction and drilling will be approximately 7.0 acres.
- 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.
- Flowback equipment and tanks are spotted 2-3 days before pumping. Sand silos are spotted and filled 2-3 days prior to pumping.
- Next pump trucks and chemical mixing equipment arrives and, when ready, operations continue for 36-48 hours or 3-5 days depending on the type of stimulation stage isolation (i.e. packers/sleeves or plug/perf respectively).
- Sand is continuously brought on site in semi-truck loads during pumping. It is necessary to have a safe turning radius available for these trucks. Pumping water may require heating in the winter months.

The following narrative explains why the operator requests approximately 7.0 acres for the engineered pad, including cuts and fills in the fenced area. Multi-stage horizontal completions require all equipment and materials to be present before beginning operations. Necessary space must be available to work safely around all the equipment. The proposed well pad surface disturbances are within the PRB FEIS analysis parameters; see description and analysis in Crazy Cat East EA, WY-070-EA13-028, incorporated here by reference, along with its analysis of hydraulic fracturing (HF), its effects on water, and traffic.

For a detailed description of design features and construction practices associated with this proposal, refer to the surface use plan (SUP) and drilling plan included with the APD. Also see the subject APD for maps showing the proposed well location and associated facilities described above. Total surface disturbance for the proposed action is 18.98 acres. Once the well is completed, any area of the well pad not needed for production will be reclaimed for interim reclamation, typically up to 50 feet in width along the edges.

Table 1.2. Disturbance Summary Rocky Butte Federal Com. #31H:

Facility	Number or Miles	Factor	Disturbance
Engineered Pad cut & fill (fenced)	1 @ 400 ft. x 400 ft.	Varies	7.0 acres
Improved Template Roads No Corridor	0.26 mile	3,260 ft. x 65 ft.	4.86 acres
Proposed C&D Roads No Corridor	0.64 miles	3,370 ft. x 65 ft.	5.03 acres
Proposed Buried Electric No Corridor	0.69 miles	3,670 ft. x 25 ft.	2.09 acres
Temporary Surface Waterline (existing) (from existing fee action, Edra Frac Pit)	0.48 miles	2,550 ft.	NA
Temporary Surface Waterline (proposed) Corridor	0.91 miles	4,815 ft	NA
Diversion Drainage Ditch Long-term re-channeling	~ 0.83 acres	600 ft. x 60 ft.	Included in Pad
Total Surface Disturbance			**18.98 acres**

Off Well Pad

Fresh water for drilling and completion may be obtained from one or more permitted sources. The water will be hauled by tanker truck and/or pumped through surface lines. The temporary surface water lines consist of a poly pipe with a 3 to 4 inch outside diameter (OD). The water lines will be approximately 2,550 feet long and 4,815 feet long, respectively, from:

- Drake #2 Reservoir located in the NENE of Section 9-43-73 (Drilling Water, DW).
- Edra Frac Pit (Lined, Fee location) located in the NENE of Section 3-43-73 (DW).
- Edra #3 water well located in the NESE of Section 3-43-73.

For cementing operations, water will be obtained from commercial water load-outs, or municipal sources: Water Co. LLC, water load out facility in Gillette, WY; or a municipal source.

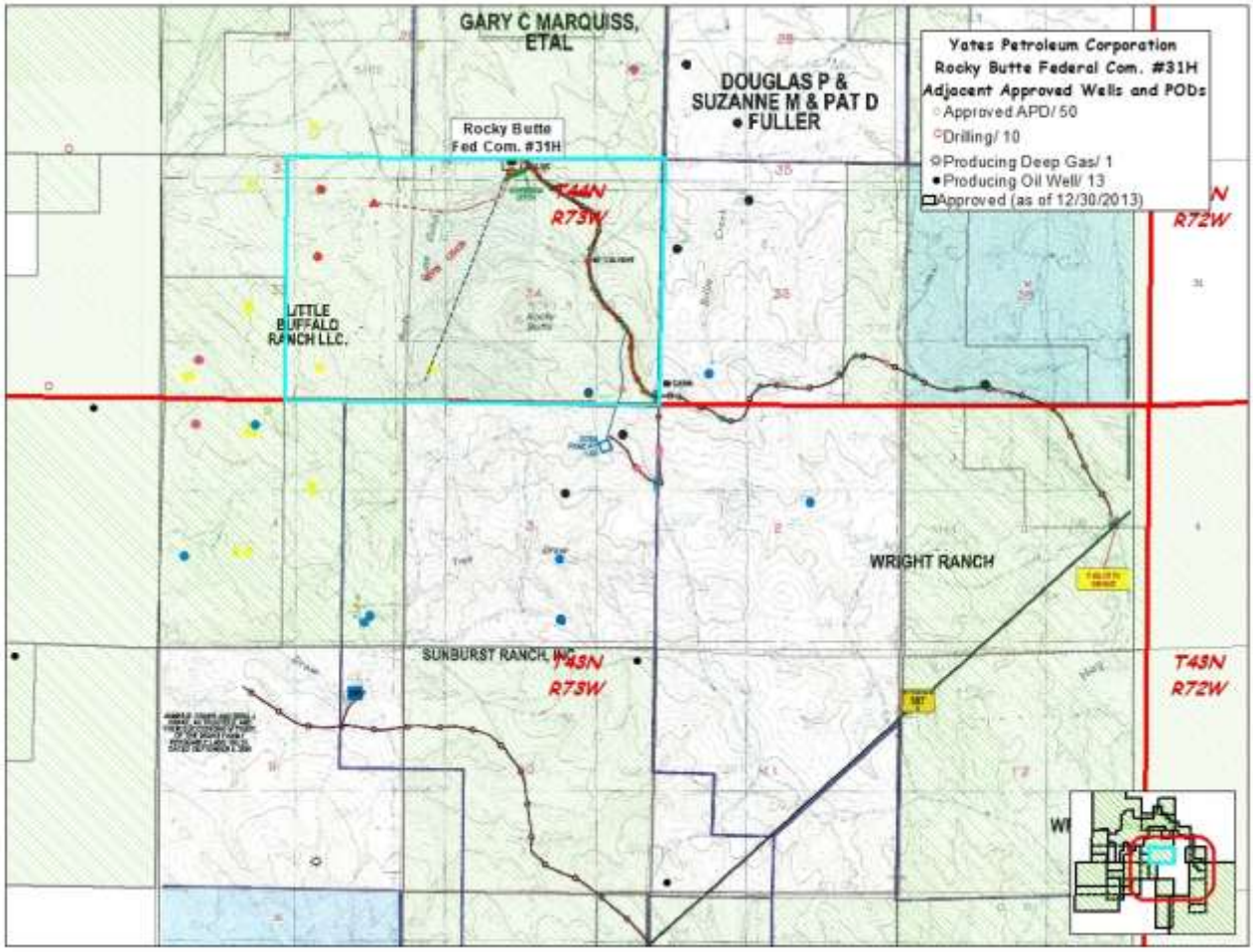
A diversion ditch, 600 feet x 60 feet (0.83 acres and accounted for in the pad disturbance area shown in Table 1.2) will be constructed due to a portion of the pad's southeast corner filling in the draw. The location of the pad was necessary due to topographic limitation that would have resulted in a greater amount of disturbance to the surface, including sagebrush habitat. The long term re-channeling of the draw will be designed broad to re-capture and promote re-growth of the grassy swale bottom. Yates submitted plans for surface preparation and stabilization in accordance with the WDEQ Stormwater Plan to ensure successful reclamation which may be found in the project surface use plan.

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 Resource Management Plan (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 Rocky Butte Federal Com. #31H well and area are clearly lacking in wilderness characteristics as they lack 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.*

Figure 1.1. Rocky Butte Federal Com. #31H within and adjacent Approved POD Boundaries



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). BLM determined that over 115 townships from Montana to the Converse County border comprise the PRB developed field.

The proposed Rocky Butte Federal Com #31H well is inside, immediately adjacent to or in the 4 mile analysis area of the recent NEPA analyses in Table 1.3, which include an area of approximately 60,000 acres, see also Figure 1.1. This information shows the reader that BLM conducted analysis.

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

#	Project Name	NEPA Analysis #	#/Type Wells/# Drilled	Mo/Yr
1	Cosner-Wright 2	WY-070-EA14-191	18 / Oil / 3	2/2014
2	Chime 1H	WY-070-390CX3-13-306	1 / Oil / 0	12/2013
3	Little Buffalo 2	WY-070-390CX3-14-125 to 130	6 / Oil / 2	11/2013
4	Pastry, Rocky, Thrush et al	WY-070-390CX3-13-247 to 249	2**/ Oil / 1	9/2013
5	Wright:-Thrush/Green/Bunn	WY-070-390CX3-13-46 to -48	3** / Oil / 1	6/2013
6	Bonita Fed, Rocky Butte et al	WY-070-390CX3-13-41 & -75	2** / Oil / 1	3/2013
7	Groves Com 51H	WY-070-390CX3-12-253	1 / Oil / 1	10/2012
8	Valerie	WY-070-EA12-68	9 / Oil / 1	3/2012
9	House Creek Sandy	WY-070-EA11-144	5 / Oil / 0	2/2011

See also: SDR WY-2013-005, particularly noting pp. 2-3, incorporating the entirety here by reference.
*Approved within 5 years and in the 4 miles analysis area of the Rocky Butte #31H APD (as of 3/24/2014).
**Approved as part of a consolidated analysis so BLM only included wells in the Rocky Butte 4-mile analysis area.
Well status within these PODs: 10 Drilling, 1 Deep Producing Gas, 13 Producing Oil (as of 3/24/2014).

2) Reasonably foreseeable activity is found in the Cosner-Wright 2 POD Environmental Assessment (EA), WY-070-EA14-191, 2014. This locality includes but is not limited to the approved Cosner-Wright 2 POD and will fill-in to 640 acre spacing. BLM also notes from Table 1.3., above, that of the 47 analyzed APDs, only 10 are drilled; thus 37 undrilled, analyzed APDs contribute to the available reasonably foreseeable activity for this CX3 analysis. The reasonably foreseeable activity (RFA) for this analysis area includes 36 sections, oil/gas exploration on 640 acre spacing and possible 320 acre spacing for horizontal wells and 80 acre spacing for vertical wells. (This does not preclude the RFA spacing analysis in the PRB FEIS further reducing the surface disturbance per well.) The project analysis area is the area within 4 miles of the proposed well and includes only those federal projects approved within 5 years, as of March 2014. The reasonably foreseeable activity included in this analysis could consist of multiple wells on an existing pads or tying into existing supporting infrastructure; tank batteries, pipelines, power lines, and transportation networks.

3) The tiered NEPA document was finalized or supplemented within 5 years of spudding (drilling) the proposed well. The Rocky Butte Federal Com. #31H CX3 tiers to the NEPA analyses in the Cosner-Wright 2 (WY-070-EA14-191), Valerie (WY-070-EA12-68) and House Creek Sandy (WY-070-EA11-144) EAs.

In summary, the analyses in Tables 1.3., analyzed in detail the anticipated direct, indirect, residual, and cumulative effects that would result from the approval of this APD and associated support structure in the Rocky Butte Federal Com. #31H well is similar to both the qualitative and quantitative analysis in the above tiered-to and incorporated NEPA analyses. The BLM reviewed the analyses and found that the analyses considered potential environmental effects associated with the proposal at a site specific level. The Rocky Butte 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. The proposal's acres of surface disturbances are within the analysis parameters of the PRB FEIS.

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.

Traffic, light and heavy duty trucks, will increase with approval of the wells. Yates did not supply specific information related to traffic in the surface use plan therefore BLM has made assumptions based on operations conducted by other operations on similar projects. Mobilizing the drilling rig and associated equipment requires 50 or more truckloads. The Operator did not estimate what the ADT would be, yet BLM anticipates 2-10 vehicle trips per day during drilling operations.

The other anticipated impact associated with HF involves the large amount of heavy truck traffic (200-700 trucks/well) to transport water storage containers, water and other HF materials to the location as well as truck traffic anticipated for removing the storage tanks and flow-back fluid from the HF. The operator's surface use plan does not provide specific information of the HF operations but BLM anticipates the process to be a 24 hour operation lasting approximately 2 weeks. During the production phase of the well, heavy trucks are expected to visit the well every 1 to 2 days to haul oil or water from the location, in addition to pumper traffic from equipment inspections.

Soils/ Vegetation.
Impacts anticipated occurring and mitigation considered with the implementation of the proposal will be similar to those analyzed in the following EAs which are adjacent or overlapping to this proposal and are incorporated here by reference: Valerie POD, WY-070-EA12-68, Section 3.3.1 to 3.3.3 and 4.3 to 4.3.2.3; and, House Creek Sandy POD, WY-070-EA11-144, Section 3.2 and 4.1.1.

Water Resources.
The area's historical use for groundwater was for stock water. A search of the WSEO Ground Water Rights Database showed 1 registered stock water well within 1-mile of the proposed well with a depth of 205 feet. For additional information on groundwater, refer to the PRB FEIS, 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. The operator will run surface casing to 2,100 feet, total vertical depth to protect shallow aquifers.

Table 1.4. Casing Set and Cementing Depths in relation to the Fox Hills

Well Name/ Well #	Total Depth of Surface Casing (feet)	Total Depth of Intermediate Casing (feet)	Depth to Fox Hills (feet)
Rocky Butte Federal Com. #31H	2,100	10,586	6,226

The Fox Hills, the deepest penetrated fresh water zone in the PRB lies well above the target formation. Table 1.4., shows the depth where casing will be set and cemented in place. Yates will verify that there is competent cement across the zone, from 100 feet above to 100 feet below the Fox Hills Formation. 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 well 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.

Wetlands/ Riparian.
No wetlands/ riparian areas are in the project area.

Invasive Species.
Impacts anticipated occurring and mitigation considered with the implementation of the proposal will be similar to those analyzed in the following EAs which are adjacent or overlapping to this proposal and are incorporated here by reference: Valerie POD, WY-070-EA12-68, Section 3.2.1 to 3.4, and, House Creek Sandy POD, WY-070-EA11-144, Section 3.2.1 and 4.1.1.1.5.

Wildlife.
BLM reviewed the proposed APD and determined that it, 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 proposed well and infrastructure are a result of Yates and the BLM to reducing impacts to Greater Sage-Grouse (GSG). The affected environment and environmental effects for wildlife are anticipated to be similar to the Devon House Creek Sandy POD EA, WY-070-11-144.

Raptors
Effects to raptors were analyzed in the Devon House Creek Sandy POD. Because there are no raptor nests within 0.5 miles of this proposal, BLM recommends no mitigation for raptors.

Greater Sage-Grouse (GSG)
BLM analyzed effects to GSG in the Devon House Creek Sandy POD EA. The BLM typically applies a controlled surface use buffer of 0.25 miles for GSG leks. The proposed well is 1 mile from the Billie Creek Lek in sagebrush grassland habitat. Yates routed the proposed access road to disturb the least amount of sagebrush habitat. Traffic, light and heavy duty trucks, will increase with approval of the well. Heavy trucks are expected to visit the well every 1 to 2 days to haul oil or water from the location, in addition to pumper traffic from equipment inspections. To mitigate impacts to GSG at the lek during the breeding season, the BLM will apply a timing limitation from March 15 – June 30.

Migratory Birds
The proposed Rocky Butte Federal COM #31H well is within migratory bird habitat. To reduce the likelihood of a "take" under the MBTA, the BLM biologist recommends that pad and infrastructure 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. Effects to migratory birds from surface disturbing and disruptive activities associated with development of the proposed well is similar to the wells previously analyzed in the consolidated CX3 analysis, Bonita Federal Com. 11H-WY-070-390CX3-13-41, et. al., on pp. 6-9. BLM determined that the proposal is in compliance with Instruction Memorandum No. WY-2013-005 Interim Management Guidance for Migratory Bird Conservation Policy on [WY BLM] Administered Public Lands Including the Federal Mineral Estate.

Cultural.
A Class III cultural resource inventory was performed for the Rocky Butte #31H prior to on-the-ground project work (BFO # 70130076). 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 to BFO by Yates. Seth Lambert, BLM Archaeologist, reviewed the report for technical

adequacy and compliance with BLM standards, and determined it to be adequate. Non-eligible sites 48CA4805 and 48CA4977 are in the project area and will be impacted.

There are no eligible sites in the area of potential effect (APE) of the proposed project. Following the Wyoming State Protocol Section VI(A)(1) the BLM notified the Wyoming State Historic Preservation Officer (SHPO) on September 13, 2013 that no historic properties exist in the APE.

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

Position/Organization	Name	Position/Organization	Name
NRS/Team Lead	Raymond Stott	Archaeologist	Seth Lambert
Supr NRS	Casey Freise	Wildlife Biologist	Don Brewer
Petroleum Engineer	Will Robbie	Geologist	Warren Garrett
LIE	Karen Klaahsen	NEPA Coordinator	John Kelley

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 Rocky Butte Federal Com. #31H 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

4/9/14
Signature Date

Contact Person, Ray Stott, Natural Resource Specialist, Buffalo Field Office, 1425 Fort Street, Buffalo WY 82834, 307-684-1100

Reference

Taylor, R. L., D. E. Naugle, L. S. Mills. 2012. Viability analyses for conservation of sage-grouse populations: Buffalo Field Office, Wyoming. Final Report. February 27, 2012. University of Montana, Missoula, MT.