

SCOPING NOTICE
for
Richardson Operating Company
BISON BASIN UNIT DEVELOPMENT AND WEST BISON BASIN UNIT
WATER FLOOD ENHANCEMENT PROJECT ENVIRONMENTAL ASSESSMENT

Bureau of Land Management
Lander Field Office
February 3, 2012

Background

Richardson Operating Company (Richardson) has submitted a proposal to the Bureau of Land Management (BLM) Lander Field Office to develop the Bison Basin Unit, and implement a water flood program in the new West Bison Basin Unit for secondary oil recovery (SOR) of an existing oil field. Richardson proposes to inject water into the oil bearing zones to increase the amount of recoverable oil and gas compared to the current primary recovery of this aging oil field. The SOR is expected to expand the field's oil recovery. This notice is to inform the public that the BLM Lander Field Office will prepare an Environmental Assessment (EA) for this proposed project. The purpose of the Environmental Assessment is to determine whether an Environmental Impact Statement (EIS) is necessary.

The proposed project area is located approximately 20 miles south of Sweetwater Station in eastern Fremont County, Wyoming, and is within the administrative boundary of the BLM's Lander Field Office. The Bison Basin and West Bison Basin Units comprise approximately 1512 acres of Federal minerals and surface lands administered by the BLM.

Description of Proposed Project

Richardson proposes to develop a Secondary Oil Recovery (SOR) project consisting of the following operations and maintenance activities:

- Drill five new water injection wells in the West Bison Basin Unit
- Drill one new oil well in the West Bison Basin Unit
- Drill three new oil wells in the Bison Basin Unit
- Drill one new exploratory gas well in the North Bison Basin
- Expand an existing production facility in the West Bison Basin Unit to accommodate the installation of a secondary recovery water flood
- Install new underground oil and water pipelines
- Install new underground electric power lines
- Upgrade and construct new access roads

The proposed number, spacing, and arrangement of the wells are designed to provide maximum recovery of oil remaining in place in the unit. New wells will be permitted through the Application for Permit to Drill (APD) process under BLM regulations. Richardson obtained an aquifer exemption on October 26, 2011 for the West Bison Basin Unit Nugget Formation from the State of Wyoming.

The production infrastructure will include a combination of entrenched water distribution, crude oil gathering and power lines running either adjacent to project roads or the most direct cross country route. Centralized gathering, production, metering and compression facilities will be located at the site of the existing unit production facilities. The project construction activities will begin with the building of new access roads, installation of pipelines and power lines, expansion of the production facility, installation of the secondary recovery water flood, and drilling of new wells.

It is estimated that the ten new well pads, and associated access roads, pipelines, power lines and all other new project facility disturbance, would result in a potential maximum initial surface disturbance of approximately 20 acres. The construction of all aspects of the proposal is expected to last three to five years. All areas of new disturbance not needed for life of project operations will be reclaimed per BLM specifications. Long term surface disturbance for the proposed project is estimated to be approximately ten acres. The anticipated life of the proposed project is approximately 20 years.

Identified Resource Management Issues and Concerns

The following issues and concerns have been identified. This list is not meant to be an all-inclusive list, but rather a starting point for further public input and a means of identifying the resource disciplines needed to conduct the analysis.

- Potential effects to Wyoming Greater Sage-Grouse Core Area habitat
- Potential effects to wildlife habitat within the analysis area, including Ferruginous Hawk, Burrowing Owl, and sagebrush obligates
- Potential effects to wetlands and riparian habitat
- Potential effects to surface and groundwater resources
- Potential effects to air quality due to increased traffic, emissions, construction and production activities
- Potential effects to rangelands
- Potential effects to visual resources
- Reclamation of disturbed areas and control of noxious weeds
- Potential cumulative effects of the proposed project when combined with ongoing oil and gas development in the area

Public Involvement

Public input is important in establishing the level and scope of the analysis. The public is encouraged to participate throughout the environmental assessment process to help in

identifying the level of analysis needed, alternatives to the proposed action, other issues or concerns that should be analyzed or mitigated, and any other comments or ideas to help ensure the completeness of the analysis process.

The BLM can best use comments and resource information if submitted before the close of the public scoping period (February 3, 2012 – March 5, 2012). Please submit written comments to:

Bureau of Land Management
Lander Field Office (c/o Andrew Gibbs)
1335 Main Street
Lander, WY 82520

Comments may also be submitted electronically to: lander_wymail@blm.gov.

Please note that comments, names, e-mail addresses, and street addresses of the respondents, will be available for public review and disclosure at the above address during regular business hours (7:45 a.m. to 4:30 p.m.), Monday through Friday, except holidays. Individual respondents may request confidentiality. If you wish to withhold your name, phone number, e-mail address, or street address from public review or from disclosure under the Freedom of Information Act, you must state this plainly at the beginning of your comment. Such requests will be honored to the extent allowed by law. All submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, will be made available for public inspection in their entirety.

If additional information regarding this project is required, please contact Andrew Gibbs at the above e-mail, street address or phone 307-332-8487.