



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

High Desert District
Rock Springs Field Office
280 Highway 191 North
Rock Springs, Wyoming 82901



MODIFIED DECISION RECORD DESOLATION ROAD EXPLORATORY GAS PROJECT

Lease Number: WYW147885

EA NUMBER: DOI-BLM-WYD40-2010-43-EA

Background:

On May 10, 2010, the Bureau of Land Management (BLM) Rock Springs Field Office (RSFO) issued the Decision Record for the Desolation Road Exploratory Gas Project. Due to an appeal to a State Director Review, the Environmental Assessment (EA) was remanded back to the RSFO for the following issues to be addressed:

- The Desolation Road EA does not support a reasoned conclusion that the subject project area does not contain wilderness characteristics. It appears from the record that a wilderness character determination of the subject area has not been formally made within the RSFO boundary.
- If the RSFO determines that the subject project area contains wilderness characteristics, the RSFO will need to determine whether the proposed action will have significant impacts to wilderness quality and public recreation.
- RSFO is directed to amend as necessary Appendix 1 of the Decision Record (Appendix E of the EA) to provide consistency with IM No. 2010-012 as discussed within the EA, or to prepare additional analysis in support of the Conditions of Approval, which would provide a greater level of protection than the provisions provided for in the Land Use Plan (LUP).
- Once the issue of wilderness characteristics within the project area is verified, the RSFO must determine whether heliportable drilling is a reasonable alternative to protect wilderness characteristics.

All remaining arguments of the appeal were affirmed in the State Director Review.

Summary of the Exploratory Development Proposal:

Samson Investment Company (Samson) proposes to develop the Desolation Road Gas Exploratory Project (Desolation Road Project) in Sweetwater County, Wyoming. The proposed action includes two new well pads and a new access road. The South Well (DRU #31-28) would be constructed on BLM-administered public land to drill into the Federal mineral estate. The North Well (DRU #34-21) would be constructed on privately owned surface land to drill into privately owned mineral estate. The purpose of both wells would be to test the feasibility of oil and gas development. The proposed location of the South Well (DRU #31-28) and portions of the access route for both proposed wells are within the Monument Valley Management Area. Both locations and the access route are outside of the Adobe Town Wilderness Study Area (WSA), with the southern well located approximately 1.5 miles north of the Adobe Town WSA boundary. The proposed action includes construction of a new well access road approximately 5.42 miles in length. Depending on exploration results the wells could be put into production, shut-in pending decisions by Samson, or plugged, abandoned, and reclaimed. A second

alternative includes upgrading 5.38 miles an existing two-track and constructing 0.95 miles of new road to access the proposed wells. Under the Proposed Action total land disturbance is estimated at 30.1 acres, and 32.6 acres under alternative 2.

Location: The Desolation Road Project is located in T. 16 N., R. 96 W., NWNE in Sweetwater County, Wyoming, approximately 30 miles south of Wamsutter, Wyoming.

Applicant: Samson Investment Company

Amended EA:

The Desolation Road Exploratory Gas Project EA has been amended to address the issues identified above from the State Director Review. The following sections were amended:

- Section 3.1.2 Adobe Town WSA was amended to reflect the most recent data available from the RSFO. This data verifies that the lands within the project area do not meet the criteria for wilderness characteristics regarding naturalness and solitude. Therefore, the management of the lands within the project area has not changed since the LUP was signed in 1997, which allows for oil and gas leasing and development within the project area. The project is in compliance with management objectives for this area in the LUP.
- A map (Figure 3-0) was added to Section 3.1.2 for better clarification.
- Section 7.0 References Cited was updated to include the citation for the BLM field data sheets referenced in Section 3.1.2.
- Appendix B Public Comments and Response to Comments: #4 Response has been amended to clarify that the use of heliportable drilling is not a reasonable alternative.
- Appendix E Applicant Committed Environmental Protection Measures: #3 was amended to reflect disruptive activities as provided by IM No. WY-2010-012 and defined by WY IB 2007-029. The seasonal restriction dates of March 1 to July 15 provide greater protection than those provided by IM No. WY-2010-012 and are consistent with seasonal restriction dates provided by the Green River RMP of March 1-May 15 (Sage-grouse leks) and March 15-July 15 (Sage-grouse lek and nesting area use).
- Appendix E Applicant Committed Environmental Protection Measures: #4 was amended to reflect 'disrupting activities' as defined in the Green River RMP.

No other changes were made to the EA document.

DECISION

Based upon the analysis of the potential environmental impacts described in the Amended EA for the Desolation Road Exploratory Gas Wells and supporting documents in the case file, it is my decision to approve the Proposed Action to construct two new well pads and a new access road as described above.

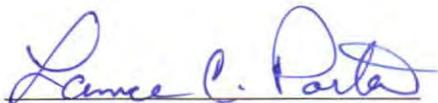
1. **Compliance with applicable laws:** The proposal was submitted and evaluated under the following authorities: the National Environmental Policy Act, Mineral Leasing Act of 1920, as amended; the Mining and Mineral Policy Act of 1970; the Federal Land Policy and Management Act of 1976; the Federal Oil and Gas Royalty Management Act of 1982 (Pub. L. No. 97-451); the Federal Onshore Oil and Gas Leasing Reform Act of 1987; and

the Energy Policy Act of 2005, Onshore Oil and Gas Operations (43 CFR 3160), BLM Onshore Oil and Gas Order Nos. 1 through 7 (43 CFR 3164.1), and Notices to Lessees (43 CFR 3164.2).

2. **Selected Alternative:** The proposed action includes two new well pads and a new access road. The South Well (DRU #31-28) would be constructed on BLM-administered public land to drill into the Federal mineral estate. The North Well (DRU #34-21) would be constructed on privately owned surface land to drill into privately owned mineral estate. The proposed location of the South Well and portions of the access route for both proposed wells are within the Monument Valley Management Area. Both locations and the access route are outside of the Adobe Town WSA, with the southern well located approximately 1.5 miles north of the Adobe Town WSA boundary. The proposed action includes construction of a new well access road approximately 5.42 miles in length.
3. **FONSI:** I have determined that the proposed project is in conformance with the approved land use plan. I have reviewed the amended EA including the analysis of potentially significant environmental impacts. I have determined that the proposed action with the mitigation measures as identified in the EA will not have any significant impacts on the human environment and that an EIS is not required. It is my decision to implement the proposed action.
4. **Public Involvement.** The BLM scoping process included two public comment periods. The first was a 30-day scoping period from December 1 to December 30, 2008. The second was a 15-day public comment period from June 1 to June 15, 2009. During the two scoping periods, the RSFO received comments from 31 individuals. The summarized comments and BLM responses are in Appendix C of the Amended EA.
5. **Rationale for Alternative Selected.** The Proposed Action with the BLM Application for Permit to Drill (APD) Conditions of Approval and the Applicant-Committed Environmental Protection Measures (Attachment 1) as described in the amended EA was selected because it is in compliance with the Green River RMP and the BLM has determined it will not have any significant impacts on the human environment. The Rock Springs Office Field Manager or designee is the Authorized Officer (AO) for this project. Mitigation and monitoring measures may be modified by the AO as necessary to further minimize impacts. Final mitigation and monitoring requirements will be determined by the AO after reviewing the results of on-site inspections conducted by the BLM and the Operator, and recommendations from BLM resource specialists. The BLM may require additional field studies or documentation to ensure that reclamation and other resource protection goals are met.
6. **Appeal Procedures.**
Under BLM regulation, this decision is subject to administrative review in accordance with 43 CFR 3165. Any request for administrative review of this decision must include the information required under 43 CFR 3165.3(b), including all supporting documentation. Such a request must be filed in writing with the State Director (920), Bureau of Land Management, P.O. Box 1828, Cheyenne, Wyoming 82003, within 20 business days of the date such notice of decision was received or considered to have been received. This decision will be considered to have been received seven (7) business days from the date it is mailed.

The decision of the State Director may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR 3150.2, 43 CFR 3165.4, and 43 CFR 4. Each adverse party to any such appeal must be provided with all documentation in accordance with 43 CFR 4.413.

SIGNATURE



Lance C. Porter
Field Manager

19 Oct. 2010

Date

ATTACHMENT 1
APPLICANT-COMMITTED ENVIRONMENTAL PROTECTION MEASURES

1. In Potential Fossil Yield Classification (PFYC) Class III, IV, and V areas, a BLM permitted paleontologist must conduct a pre-surface disturbance paleontological field study. A written report of the findings by the paleontologist must be submitted to the BLM AO with recommendations for mitigation or avoidance. Authorization for an activity to proceed cannot be given by a consulting paleontologist. Performance of the survey, either by a consulting paleontologist or BLM staff or submission of the report DOES NOT constitute approval for the activity to proceed. The BLM must review the report, including adequacy of the field methods and findings. The AO must approve the findings and determine the need for monitoring prior to approval to proceed. See IM-2009-011 and attachments for more information.
2. Spot inspection of the access road and well pad by a professional paleontologist following construction and prior to the installation of the reserve pit liner on the well pad is required in order to account for impacts, negative or positive, to potential buried paleontological resources which might be exposed by ground disturbing construction activities.
3. Disruptive activities to seasonal Greater Sage-Grouse Breeding Habitat are prohibited during the period of March 1 to July 15.
4. Disrupting activities to big game crucial winter range are prohibited from November 15 through April 30.
5. Construction, drilling and other activities disruptive to identified sage brush obligates: Sage Thrasher, Brewer's Sparrow and Sage Sparrow known habitat are prohibited during the period of March 1 to July 15.
6. Construction, drilling, and other activities disruptive to identified Mountain Plover habitat are prohibited during the period of April 10 to July 10.
7. A No Surface Occupancy restriction exists within an 800-foot radius of the burrowing owl nest site identified during the 2009 field survey.
8. The BLM requires a 0.5-mile radius buffer around the active burrowing owl nest during the nesting season from April 1 to September 10.
9. If well is producing, all facilities placed on the well site will be painted Shale Green or Sudan Brown.
10. This project/action will require water usage from the Colorado River drainage from > 0.1 to < 100 acre-feet. Therefore, this action is considered a May affect, likely to adversely affect situation for threatened or endangered species within the Colorado River System and formal consultation is required with the USFWS. As required by the Green River RMP and the USFWS agreement, formal consultation consists of a review by the USFWS and a letter of concurrence and/or recommendations provided within 30 days

regarding the proposed project. For depletions <100 acre-feet a depletion fee will not be required.

11. A class III cultural inventory of all areas of potential effect has been conducted for the proposed undertaking. It has been determined that there will be no adverse effect on historic properties within the area of potential effect. The undertaking is within the BLM standard stipulation regarding the discovery of unanticipated cultural resources as applied to this APD.
12. Due to the sand accumulations construction of the well pad will be monitored by an archaeologist who meets or exceeds the qualification standards recommended by the Secretary of the Interior.
13. The western boundary for the cultural site 48SW9328 will be fenced off by an archaeologist who meets or exceeds the qualification standards recommended by the Secretary of the Interior during the reconstruction of the reclaimed access road to prevent potential impacts to the site.
14. Due to erosive and saline soils in the area, the BLM determined that a low water crossing approach would be used to reduce the risk of stream bank and stream bottom erosion.
15. In order to minimize visual resource impacts, low profile tanks, less than 12 feet in height, would be used during production.
16. The BLM is allowing a higher cut bank for the construction of the reserve pit in order to move the reserve pit off the nearby vegetated dunes.