



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Wyoming State Office
5353 Yellowstone Road
Cheyenne, Wyoming 82009

Dear Reader:

The Bureau of Land Management (BLM) prepared this Final Environmental Impact Statement (FEIS) to document and disclose the results of the environmental analysis of a proposal to drill, complete, operate, and reclaim additional coal bed methane wells in the Powder River Basin of Wyoming and other purposes. You may view the FEIS on the Powder River Basin EIS web site at <http://www.prb-eis.org>. Copies of the FEIS also are available for public inspection at the following BLM offices:

Bureau of Land Management
Wyoming State Office
5353 Yellowstone Road
Cheyenne, Wyoming 82009

Bureau of Land Management
Buffalo Field Office
1425 Fort Street
Buffalo, Wyoming 82834

Bureau of Land Management
Casper Field Office
2987 Prospector Drive
Casper, Wyoming 82604-2968

We recommend that you begin by reading the Preface of the FEIS, which will orient you to the general outline of the document and the Executive Summary.

The Draft EIS (DEIS) was made available for public review and comment from January 18, 2002 through May 15, 2002. More than 17,000 comments were received. In response to the comments, a variety of changes were made throughout the document, including correction of errors in some calculations, updating information on the Wyoming Department of Environmental Quality's (WDEQ) permitting process for produced waters, clarifying the alternatives, revising some of the models use to predict environmental effects, and providing some additional information concerning biological resources.

The BLM in Montana has also issued an FEIS that addresses oil and gas development in the Powder River Basin as a part of a state-wide EIS prepared with the State of Montana as a co-lead agency. More information on the *Montana Statewide Final Environmental Impact Statement (FEIS) and Proposed Amendment of the Powder River and Billings Resource Management Plans* can be found on the web at <http://www.mt.blm.gov/mcfo>.

The comment period for the Montana DEIS also closed on May 15, 2002. BLM received several comments comparing the Wyoming and Montana DEISs that are worth noting here.

To prepare the FEISs, BLM worked cooperatively with the Environmental Protection Agency and the Wyoming and Montana Departments of Environmental Quality to ensure higher levels of consistency where appropriate and improve the air and surface water quality impact analysis methods. For example, the agencies agreed to use common analytical assumptions and prepared a joint cumulative impact assessment for surface water based on information provided by the U.S. Geological Survey (USGS). The Wyoming FEIS includes an updated air quality analysis that is consistent with the model used in the Montana FEIS. Both documents include an expanded section on water and air quality monitoring and the roles and responsibilities of the agencies in regards to issuing permits for water discharges and air emissions. Both documents de-

scribe in more detail some of the mitigation options available to the permitting agencies to ensure compliance with all activities with the Clean Air Act and Clean Water Act.

Where differences in certain analytical assumptions are still warranted, the rationale for assumption is better explained in the FEISs. For example, both EISs now use a figure for water production from coal bed methane wells in the Powder River Basin of 6.2 gpm over a 10-year period. However, because the Montana EIS covers all lands within the state of Montana and since there are data on Montana wells outside the Powder River Basin that indicate such wells last up to 20 years, the Montana FEIS continues to note a 2.5 gpm average for water production over a 20-year period.

Some reviewers of the DEISs suggested the EISs be combined because of their similarities and to alleviate concerns about the level of consistency between the documents. The EISs are being issued separately primarily because the documents involved different cooperators and co-leads with independent jurisdictions and legal responsibilities. In addition, the Montana EIS covered the entire state of Montana while the Wyoming EIS addressed only lands within the Powder River Basin. Finally, most of the information and analysis presented in the documents are specific to the lands and resources within each state, or as is the case for the surface water quality analysis, individual watersheds. To combine such a volume of information would have made the documents impracticable to read and to address issues over such an extensive area would have made it extremely difficult to identify the information relevant to the decisions to be made in each state by each agency.

Some reviewing agencies suggested the BLM issue a Supplemental DEIS due to the extensive nature of the comments provided by the reviewing agencies. Largely due to the coordinated efforts of the BLM, EPA, and the Montana and Wyoming DEQs to be responsive to public comments, numerous changes were made in the FEISs. BLM has significantly improved the analysis in the FEISs but did not make substantial changes in the proposed action. BLM has determined that the FEISs did not include significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts. Therefore, preparation of a supplement to the DEISs is not required.

Regarding the Wyoming FEIS, BLM's preferred alternative is a combination of Alternative 2A and Alternative 1. BLM prefers Alternative 2A for all parts of the project except for the provisions that 50 percent of the compressors would be electrically powered. This assumption could lead to a general requirement that 50 percent of the compressors must be electrically powered; such requirements are best developed based on a case by case review of the application for the permit to be issued by the WDEQ for such facilities. Since Alternative 1 assumes the use of natural gas powered compressors but does not preclude the use of electric powered compressors, the BLM prefers Alternative 1 regarding the options available to power the compressor facilities. This gives the WDEQ maximum flexibility to permit facilities in the most economical way that complies with applicable national and state air quality standards.

Although implementation of Alternative 2A may disturb more land and cost more than Alternative 1, BLM prefers Alternative 2A (emphasis on infiltration) because: (1) it involves separate water management strategies for each sub-watershed that align with WDEQ's current approach to permitting; (2) would minimize the volume of water that reaches the main-stems in the sub-

watersheds of the Little Powder River, Powder River, and Tongue River, which would reduce the potential for adverse effects on the water quality of these streams as they are used by downstream users and flow into Montana; (3) would maximize local beneficial use of the produced water rather than discharging the water downstream where the state gets no benefit from this resource; (4) maximizes infiltration and storage of the produced water into the shallow aquifers of Wyoming to help with deeper aquifer recharge in the Powder River Basin, rather than having this resource pumped into surface waters that leave the state; and (5) encourages treatment of produced water, where feasible and practicable.

The BLM RMPs would be amended to allow oil and gas exploration and development at the level analyzed in the FEIS and to adopt new conditions of use. In addition, the FEIS updates the NEPA analysis for the RMPs for management of oil and gas exploration and development on federal leases.

For the U.S. Forest Service, the FEIS will be used to allow oil and gas exploration and development at the level analyzed in the FEIS, update the NEPA analysis for the LRMP and adopt the 2002 LRMP stipulations for the area west of the coal outcrop line.

The BLM Planning Regulations, 43 CFR 1610.5-2, state that any person who participated in the planning process and has an interest which may be adversely affected may protest. A protest may only raise those issues which were submitted for the record during the planning process. The protest must be filed within 30 days of the date the Environmental Protection Agency publishes the notice of receipt of the Final Environmental Impact Statement for the Powder River Basin Oil and Gas Project and Proposed Plan Amendments in the Federal Register. See information pertaining to the protest procedures on the page following the Dear Reader letter.

The decisions associated with this FEIS are not the final reviews and approvals for actions associated with the Powder River Basin Oil and Gas Project. BLM and the U.S. Forest Service must conduct the appropriate level of environmental review prior to approving the various components of the project that involves ground disturbance. At the time such approvals are granted, those decisions will be subject to administrative reviews according to the applicable regulations of the approving federal agency.

Please retain this copy of the FEIS for future reference. If you have any questions or require additional copies of this document, please call Paul Beels at 307-684-1168. We appreciate your interest in management of the public lands.

Sincerely,

A handwritten signature in cursive script, appearing to read "Alan L. Kesterke".

Alan L. Kesterke
Acting State Director



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Wyoming State Office
5353 Yellowstone Road
Cheyenne, Wyoming 82009

Protest Procedures

All protests must be sent in writing to:

Regular Mail

Director, Bureau of Land Management
Attention: Ms. Brenda Williams, Protest Coordinator
P.O. Box 66538
Washington D.C. 20035

Overnight Mail

Director, Bureau of Land Management
Attention: Ms. Brenda Williams, Protest Coordinator
1620 L Street, N.W., Room 1075
Washington, D.C. 20036

[Phone: 202-452-5045]

Protests filed late, or filed with the State Director, or Field Manager, shall be rejected.

There is no provision for any extension of time for the 30-day protest period provided in the planning regulations.

The resolution of protests is the responsibility of the Director of the BLM whose decision is the final decision of the Department of the Interior. The decision will be in writing and set forth the reasons for the decision. The decision will be sent to the protesting party by certified mail, return receipt requested.

The Planning Regulations at 43 CFR 1610.5-2, state that the protest shall contain:

- 1) The name, mailing address, telephone number, and interest of the person filing the protest.
- 2) A statement of the issue or issues being protested.
- 3) A statement of the part or parts of the plan being protested.
- 4) A copy of all documents addressing the issue or issues that were submitted during the planning process by the protesting party or an indication of the date the issue or issues were discussed for the record.
- 5) A concise statement explaining why the State Director's decision is believed to be wrong.

**Final Environmental Impact Statement
Powder River Basin Oil and Gas Project
Campbell, Converse, Johnson, and Sheridan Counties**

Lead Agency: Bureau of Land Management
Buffalo Field Office
Buffalo, Wyoming

Cooperating Agencies: Bureau of Land Management
Casper Field Office
Casper, Wyoming

USDA Forest Service
Medicine Bow-Routt National Forest
Douglas, Wyoming

State of Wyoming

For Further Information, Contact: Paul Beels
Bureau of Land Management
1425 Fort Street
Buffalo, Wyoming 82834-2436
(307) 684-1168

Abstract

A group of oil and gas companies has notified the Bureau of Land Management and U.S. Forest Service of their intent to develop additional coal bed methane (CBM) resources in Wyoming's Powder River Basin. The Proposed Action includes drilling, completing, operating, and reclaiming almost 39,400 new CBM wells and constructing, operating, and reclaiming various ancillary facilities needed to support the new wells. The Proposed Action would occur in a project area of almost 8,000,000 acres. Drilling would begin in 2002 and continue for 10 years.

Three alternatives were considered in detail. They were: Alternative 1 — the Proposed Action; Alternative 2 — the Proposed Action with Reduced Emission Levels and Expanded Disposed Water Handling Scenario; and Alternative 3 — No Action. Alternative 1 consisted of a combination of the CBM development proposal submitted by the Companies and non-CBM oil and gas development possibilities described in BLM's Reasonable Foreseeable Development (RFD) scenario. Alternative 2 was developed in response to issues raised during the public and agency scoping process. This alternative, which consists of Alternatives 2A and 2B, would replace some of the proposed gas-fired compressors with electrical compressors and would involve a more limited amount of water that would be discharged directly to the sub-watersheds. The No Action alternative is required by the National Environmental Policy Act (NEPA) for comparison with other alternatives analyzed in the EIS. For this project, the No Action Alternative would not authorize additional development of natural gas on federal leases within the Project Area. Drilling could continue on state and private leases.

The BLM RMPs would be amended to: (1) allow oil and gas exploration and development at the level analyzed in the FEIS; (2) adopt the operational requirements included as a new Appendix I in the FEIS and standard conditions of approval (Appendix C in the DEIS and FEIS) that have been established over time; (3) adopt the mitigation measures developed in previous NEPA documents (referenced in Appendix C in the DEIS and included as a new Appendix M in the FEIS); and (4) adopt the new mitigation de-

scribed in the FEIS (Chapter 4 in the DEIS and FEIS). In addition, the FEIS updates the NEPA analysis for the RMPs for management of oil and gas exploration and development on federal leases.

For the U.S. Forest Service, the FEIS will be used to allow oil and gas exploration and development at the level analyzed in the FEIS, update the NEPA analysis for the LRMP and adopt the 2002 LRMP stipulations for the area west of the coal outcrop line.

The Wyoming State Director is the BLM's Authorized Officer responsible for preparing this Final Environmental Impact Statement.