

# CHAPTER 1

## PURPOSE AND NEED

### 1.0 PURPOSE AND NEED FOR ACTION

Burlington Resources Oil and Gas Company LP (Burlington) has notified the Bureau of Land Management (BLM), Rock Springs Field Office (RSFO) that the company intends to drill additional exploration and development wells in the Little Monument Project Area (LMPA) located in Sections 21 through 23, and 26 through 28, Township 25 North and Range 111 West, 6<sup>th</sup> Principal Meridian, Sweetwater County, Wyoming (Figure 1-1). The project area includes approximately 3,857 acres. All surface and mineral rights are on public lands managed by the BLM. The proposed development wells, access roads, pipelines, and other ancillary facilities would be permitted with the BLM and the Wyoming Oil and Gas Conservation Commission (WOGCC). The Little Monument Project Area presently contains 31 producing natural gas wells, 2 plugged and abandoned wells, and 1 temporarily abandoned wellbore.

The project area is located approximately 12.5 miles south, southeast of LaBarge, Wyoming. Access to the project area is via US Highway 189 south of LaBarge, east on Delany Canyon (all weather road) to County Line Road (all weather road). The location of the proposed project area is within a well-developed oil and gas field.

Burlington proposes to develop the natural gas resources in the project area by increasing the number of wells and ancillary facilities where economically feasible. This proposal would increase the recovery of natural gas from the project area allowing Burlington to supply more of the resource to distribution companies for marketing to the end users.

Exploration and production of federal oil and gas leases by private industry is an integral part of the BLM's oil and gas policy. The BLM oil and gas program encourages development of domestic oil and gas reserves, as expressed in a variety of laws passed by Congress. Natural gas development is an integral part of the United States' energy future, and part of our current national energy policy. Production of reliable domestic natural gas will strengthen the United States' energy future by decreasing the reliance on foreign supplies.

The purpose and need for the proposed natural gas development project is to exercise the lease holders' rights within the project area to drill, complete, and operate additional natural gas wells, subject to applicable laws and stipulations of the lease. Also included is the right of Burlington to construct, operate, and maintain necessary ancillary facilities, subject to renewal or extension of the lease(s) subject to appropriate authority. The Mineral Leasing Act, as amended, mandates oil and gas lessees to conduct operations in a manner that results in the maximum ultimate economic recovery of the federal resource with minimum waste (43 CFR 3160-5 and 3161.2). The proposal is designed to achieve this regulatory requirement utilizing the most economical means possible.

### 1.1 PROJECT DESCRIPTION

Burlington proposes to drill, complete, and produce approximately 31 additional wells at 8 or more wells per section within the LMPA over the next 3 years. Drilling operations are proposed

# CHAPTER 1: PURPOSE AND NEED

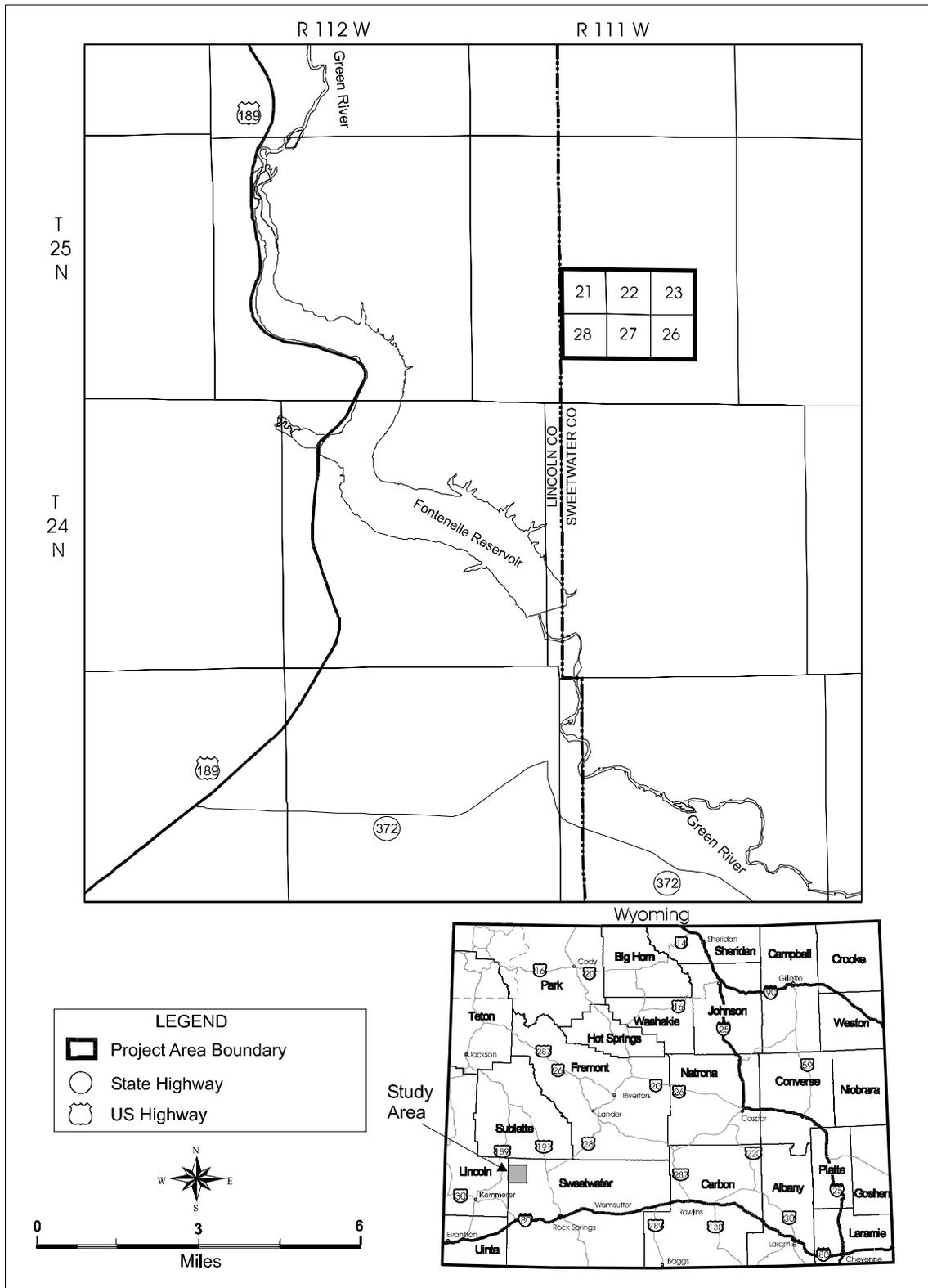
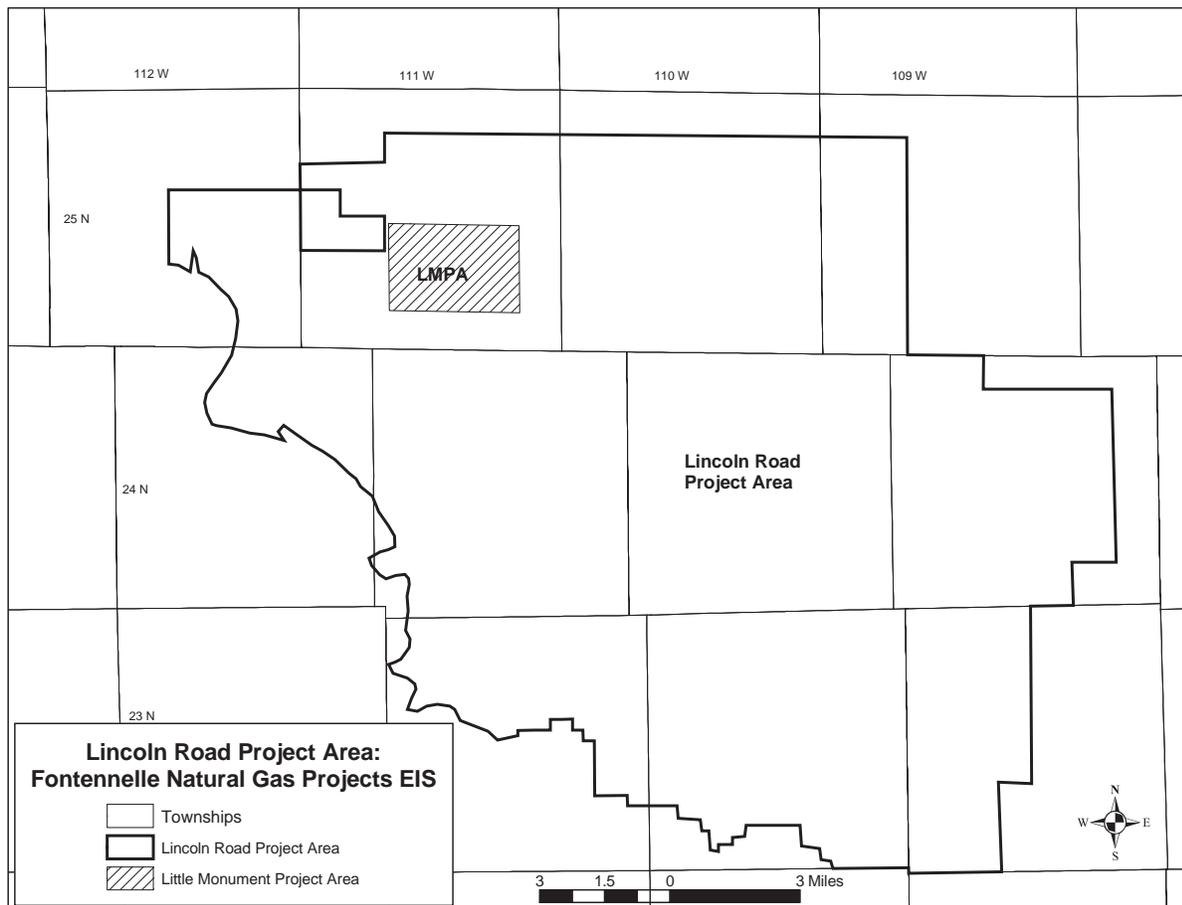


Figure 1-1. Location of the Little Monument Natural Gas Project, Sweetwater County Wyoming.

# CHAPTER 1: PURPOSE AND NEED

to begin once regulatory permits are secured, and would continue over the next 3 years depending on the success of the drilling program. In addition to wellpads and associated construction, Burlington anticipates that additional infrastructure such as access roads and pipeline would be necessary to further develop the resource. Additional gas volumes would be transported via existing trunk pipelines, but additional gathering pipelines are anticipated should drilling prove successful.

The LMPA lies within the Lincoln Road Project area that was previously studied for oil and gas development in the Fontenelle Natural Gas Infill Drilling Projects Environmental Impact Statement (EIS) (USDI-BLM 1995), which analyzed for a well density of 4 to 8 wells per section (80 to 160 acre spacing).



**Figure 1-2. Lincoln Road Project Area.**

## CHAPTER 1: PURPOSE AND NEED

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### 1.2 RELATIONSHIP TO EXISTING PLANS AND DOCUMENTS

Resource Management Plan - The document, which directs management of public lands administered by the BLM within the RSFO, is the approved Resource Management Plan (RMP) for the Green River Resource Area (now the RSFO, USDI-BLM 1997). The objective for management of oil and gas resources, as stated in the RMP, is to provide for leasing, exploration, and development of oil and gas while protecting other resource values.

The development of natural gas within the Little Monument Project Area is in conformance with the RMP. The environmental analysis prepared for the proposed additional wells in the LMPA incorporates decisions, terms, and conditions of use as described in the RMP.

Use Authorizations - Use authorizations (i.e., rights-of-way, permits, etc.) for roads, pipelines, and well site facilities would be processed through the BLM Application for Permit to Drill (APD), Sundry Notice, or Right-of-Way (ROW) permitting process.

Lease Stipulations - Some federal oil and gas leases within the proposed area may include special stipulations on occupancy. These stipulations are in addition to the standard lease terms and are designed to protect surface resources such as soils, water, and wildlife by restricting periods of activity or areas of disturbance. Application of these lease stipulations would be handled on a case-by-case basis for each APD submitted to the BLM.

Amended Record of Decision for Fontenelle Natural Gas Infill Drilling Projects/EIS – The Little Monument Project Area lies within the Lincoln Road project area analyzed in the aforementioned EIS. The amended Record of Decision (ROD) approved 1,095 wells (780 on BLM-administered public lands and 315 wells on public lands managed by the Bureau of Reclamation) within the Lincoln Road project area beyond the 287 existing wells producing at the time. To date, there are 418 producing wells within the townships overlapping the Lincoln Road Project area.

The EIS noted 95 wells drilled (72 wells producing) within T. 25 N., R. 111 W., and the decision approved an additional 158 wells within the township for a total of 253 wells (95 wells drilled + 158 new wells). To date, there are 139 producing wells in this township. The addition of 31 wells within this township is well within the scope of the analysis prepared for the Lincoln Road project area of the Fontenelle Natural Gas Infill Drilling Projects EIS.

Burlington's proposal is within the 1,095 wells approved in the amended ROD. However, to fully develop the federal mineral estate, Burlington has found it necessary to propose some wells at a spacing of less than the 80 acres analyzed in the EIS within the LMPA. The LMPA is outside of "Sensitive Resource Value Protection Areas" (e.g., wetlands, crucial winter range, raptor and greater sage-grouse nesting, etc.) identified in Appendix D of the amended ROD. No new issues have been identified for the lands affected by the proposal; thus, this project remains well within the threshold of impacts stated in the analysis. The analysis prepared for Burlington's proposal incorporates and tiers to the Fontenelle Natural Gas Infill Drilling Projects EIS.

Pinedale Anticline Oil and Gas Exploration and Development Record of Decision (July 2000) - The air quality analysis conducted for the Pinedale Anticline EIS updates the Green River (RSFO), Pinedale, and Kemmerer RMPs and southwest Wyoming air quality evaluation on a cumulative basis for the region. Project components from the Fontenelle project were factored into the air quality analysis. Although the Proposed Action proposes compression, it would be

## CHAPTER 1: PURPOSE AND NEED

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powered by electricity; thus, emissions from the additional compression would not add to the existing situation.

The Decision Record, Finding of No Significant Impact, Changes to Modification/Corrections to the Environmental Assessment for the Vermillion Basin Natural Gas Exploration and Development Project (USDI, 2002), Appendix D which analyzed directional and horizontal drilling techniques in the Frontier formation. Appendix D can be access via the internet at <http://www.wy.blm.gov/nepa/rsfodocs/vermbasin/VBPA-well-architecture-letter.pdf>.

### 1.3 NATIONAL ENVIRONMENTAL POLICY ACT

The proposed project has been analyzed in accordance with the requirements of the National Environmental Policy Act (NEPA). To comply with NEPA and the Council on Environmental Quality regulations, which implement NEPA, the BLM was required to prepare an environmental analysis. This environmental assessment (EA) serves several purposes:

- it provides the public and government agencies with information about the potential environmental consequences of the proposed project and alternatives;
- it identifies all practicable means to avoid or minimize environmental harm from the project and alternatives; and
- it provides the responsible official with information upon which to make an informed decision regarding the project.

NEPA requires Federal agencies to use a systematic, interdisciplinary approach to ensure the integrated use of natural and social sciences in planning and decision making. Factors considered during the environmental analysis process regarding the Burlington project include the following:

- a determination of whether the proposal and alternatives are in conformance with BLM policies, regulations, and approved resource management plan direction; and
- a determination of whether the proposal and alternatives are in conformance with policies and regulations of other agencies likely associated with the project.

This EA is not a decision document. It documents the process used to analyze the potential impacts of the proposed action and alternatives, and discloses the effects of the proposed action and alternatives to that action. A Decision Record (DR), signed by the responsible official (Assistant Field Manager for Lands and Minerals, BLM, RSFO) will document the final decision regarding the selected alternative. The BLM will document whether or not significant impacts would occur with implementation of any of the alternatives. If the BLM determines that no significant impacts would occur, a Finding of No Significant Impact (FONSI) and Decision Record would be issued. If significant impacts are identified, the BLM decision would be to complete an Environmental Impact Statement (EIS), with subsequent public input and additional analysis of the alternatives. The BLM decision will relate to BLM administered lands. Decisions by the responsible official regarding the use of transportation networks in the project area by Burlington may affect private landowners, county administration of these roads, and public access to BLM administered lands.

## CHAPTER 1: PURPOSE AND NEED

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### 1.4 AUTHORIZING ACTIONS

The proposed federal, state, county, and local actions required to implement the Little Monument Natural Gas Project are listed in Table 1-1.

**Table 1-1. Federal, State, and County Authorizing Actions.**

AGENCY	NATURE OF ACTION
<b>DEPARTMENT OF THE INTERIOR</b>	
Bureau of Land Management (Rock Springs Field Offices)	NEPA compliance and approval of ROW applications for pipelines; temporary use permits; approval of APD's and Sundry Notices.
U.S. Fish and Wildlife Service	Coordination, consultation, and impact review on federally listed or proposed for listing, threatened or endangered species of fish, wildlife, and plants. Migratory bird impact coordination.
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>	
	Spill Prevention Control and Countermeasures (SPCC) Plans. Regulate hazardous waste treatment, storage, and /or disposal.
<b>DEPARTMENT OF THE ARMY</b>	
U.S. Army Corps of Engineers	Issue permits(s) (Section 404) for placement of dredged or fill material in or excavation of waters of the U.S. and their adjacent wetlands.

## CHAPTER 1: PURPOSE AND NEED

**Table 1-1. Federal, State, and County Authorizing Actions. (cont.)**

AGENCY	NATURE OF ACTION
<b>WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY</b>	
Water Quality Division	<p>National Pollution Discharge Elimination System (NPDES) permits for discharging waste water and storm water runoff.</p> <p>Conformance with all surface water standards; permit to construct and permit to operate.</p> <p>Permits to construct settling ponds and waste water systems, including ground water injection and disposal wells.</p> <p>Regulate disposal of drilling fluids from abandoned reserve pits.</p> <p>Administrative approval for discharge of hydrostatic test water.</p>
Air Quality Division	<p>New Source Review (NSR) Permit: All pollution emission sources, including compressor engines and portable diesel and gas generators.</p> <p>Conformance with all ambient air quality standards.</p>
<b>WYOMING STATE ENGINEERS OFFICE</b>	
	<p>Issue permits to appropriate groundwater and surface water.</p> <p>Issue temporary water rights for construction permits to appropriate surface water.</p>
<b>WYOMING STATE HISTORIC PRESERVATION OFFICE</b>	
	<p>Consultation concerning identification, evaluation, assessments effect and treatment of adverse effects on historic properties.</p>

## CHAPTER 1: PURPOSE AND NEED

**Table 1-1. Federal, State, and County Authorizing Actions. (cont.)**

AGENCY	NATURE OF ACTION
<b>SWEETWATER COUNTY</b>	
	<p>Zoning certificates for site development and construction.</p> <p>Small wastewater system permits, where applicable.</p> <p>Road use agreements and/or oversize trip permits when traffic on county roads exceeds established size and weight limits or where the potential for excessive road damage exists.</p> <p>Construction and conditional use permits for all new structures.</p> <p>Zoning changes where applicable.</p> <p>Control of noxious weeds.</p> <p>Permits to bore or trench county roads or for any crossing or access off a county road.</p>
<b>WYOMING DEPARTMENT OF TRANSPORTATION</b>	
	<p>Conformance with applicable size and weight limits for trucks.</p>
<b>WYOMING OIL AND GAS CONSERVATION COMMISSION</b>	
	<p>Primary authority for drilling on state and privately held mineral resources and secondary authority for drilling on federal lands.</p> <p>Authority to allow or prohibit flaring or venting of gas on private or state owned minerals</p> <p>Regulate drilling and plugging of wells operating on private or state owned minerals.</p> <p>Aquifer Exemption Permit.</p> <p>Directional drilling.</p> <p>Rules and regulations governing drilling units.</p> <p>Gas injection well permits.</p>

## CHAPTER 1: PURPOSE AND NEED

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### 1.5 LAND AND RESOURCE MANAGEMENT ISSUES AND CONCERNS

In accordance with NEPA and Council of Environmental Quality (CEQ) regulations, the RSFO released a public scoping notice on December 3, 2002 for a 30-day review period. Ten comment letters were received. The scoping process led to the identification of the following land and resource management issues and concerns associated with the proposed action:

- potential increased traffic and associated impacts on existing county, state, and BLM roads;
- potential socio-economic impacts to local communities;
- potential impacts to surface and groundwater resources, including sedimentation/salinity to the Colorado River system;
- potential impacts to sensitive soils within the project area;
- potential impacts from emissions resulting from additional drilling and production activities, including dust emissions;
- potential impacts related to reclamation of disturbed areas and control of noxious weed invasions;
- potential conflicts with livestock management operations in the analysis area, including possible impacts to range improvement projects;
- potential impacts to cultural and historical values within the analysis area;
- potential impacts to wildlife habitats, especially habitat fragmentation, within the analysis area, including big game, greater sage-grouse, and raptors;
- potential impacts to listed, or proposed for listing, threatened and endangered plant and animal species, including potential Colorado River depletion and effects on downstream listed fish species;
- potential cumulative effects of drilling and development activities when combined with other ongoing and proposed developments on lands adjacent to the Little Monument Unit;
- application and acquisition of appropriate permits; and
- potential disturbance to riparian canopy or stabilizing vegetation.