



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Anchorage Field Office  
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Anchorage, Alaska 99507-2591  
<http://www.blm.gov/ak>

## DETERMINATION OF NEPA ADEQUACY (DNA) WORKSHEET

**Proposed Action Title/Type:** Hilcorp Alaska LLC's Application for Permit to Drill

**NEPA Register Number:** DOI-BLM-AK-A010-2013-0025-DNA

**Case File Number:** A028406

**Location / Legal Description:** NENW of Section 15, Township 8 North, Range 9 West; within the federally managed Swanson River Field (SRF)

**Applicant (if any):** Hilcorp Alaska LLC (Hilcorp)

### A. DESCRIPTION OF THE PROPOSED ACTION

BLM-Alaska proposes to approve Hilcorp's Application for Permit to Drill (APD) for one new oil well, which was submitted to the Alaska State Office on May 6, 2013. Hilcorp proposes to develop potential oil resources on an existing pad, Pad 21-15, which is located on Federal lease A028406.

The proposed well is located in the NENW of Section 15 in Township 8 North, Range 9 West within the federally managed Swanson River Field (SRF). This location is 17 miles north of Sterling, Alaska and lies within the Kenai National Wildlife Refuge (KNWR). Development in the SRF has been occurring since 1957, which has resulted in an extensive infrastructure of existing pads, roads, pipelines, and facilities. At present, this field encompasses 7,880 acres, with 70 wellbores, 69 pads, 43 miles of roads, 62 acres of buildings and facilities, a 4-acre solid waste disposal site, 12 acres of gravel and sand pits, and power and pipeline corridors throughout the entire field.

Drilling operations would occur on an existing pad with existing maintained gravel access roads. The proposed plan is a slightly deviated wellbore reaching a maximum inclination of 20.8 degrees and a 2,026 foot vertical separation. Target vertical depth is 11,451 feet into Federal minerals in the Hemlock formation. Drilling operations would utilize a closed-loop drilling system. Existing flowlines, pipelines, and production facilities are available if the well proves capable of producing commercial quantities. If the APD is approved, Hilcorp would like to begin drilling operations on July 10, 2013.

BLM developed Required Operating Procedures (ROPs), Stipulations, and Standard Lease Terms to ensure that oil and gas operations are conducted in a manner that minimizes adverse impacts to the land, resources, land uses, and users. These are contained in Appendix A of the Ring of Fire Record of Decision and Approved Management Plan.

Furthermore, the Conditions of Approval for the permit contain the following mitigation measures:

- **Cultural:** Should any cultural resources be unearthed, surface disturbing activities will be halted until the cultural site/ artifact can be evaluated for significance and a mitigation/salvage plan be formulated.
- **Paleontological Resources:** If paleontological resources are discovered during construction, the operator shall suspend operations and notifying BLM and notify all contractors of the potential for prosecution if paleontological resources are disturbed.
- **Wildlife:** Leave areas of operations clean and free of all debris and take all reasonable and feasible precautions to avoid attracting wildlife to food and garbage. Feeding of wildlife is prohibited and will be subject to noncompliance regulations. All vents, exhaust stacks and other openings on facilities and equipment shall be covered with grating. The size of the grating shall be sufficiently small to keep all birds from entering the vents, stacks and other openings.
- **Wastes:** All Federal and State laws will be followed regarding use, storage and disposal of hazardous materials and solid wastes. No produced water or other fluids will be disposed of on the well pad or roads.
- **Dust:** Dust will be controlled during construction and drilling operations by spraying fresh water on all roads being used to access the well and on the well pad as needed. Speed control measures on all roads shall be required and enforced.
- **Noxious/Invasive Weeds:** Heavy equipment will be cleaned and/or sprayed to remove any noxious or invasive weeds and seeds prior to being moved into the project site.

## **B. LAND USE PLAN CONFORMANCE**

The proposed action is in conformance with the Ring of Fire Resource Management Plan/Environmental Impact Statement (RMP/EIS), even though it is not specifically provided for, because it is clearly consistent with certain land use plan decisions and objectives.

An objective of the PRMP/FEIS provides that public lands and federal mineral estate would be made available for orderly and efficient exploration, development, and production of fluid leasable mineral resources unless withdrawal or other administrative action is justified in the national interest. *See* PRMP/FEIS page 2-17. The PRMP/FEIS and ROD make all unselected lands (except the Lake Carlanna Municipal Watershed and Halibut Cove Forest Study Area), and any selected lands whose selection is relinquished or rejected, available for fluid mineral leasing. *See* PRMP/FEIS page 2-19.

Copies of the Ring of Fire Resource Management Plan and Record of Decision are available by request from the following locations: BLM Anchorage District Office, 4700 BLM Road, Anchorage, Alaska 99507, (907) 267-1246, and on the BLM Alaska State Office website at: [http://www.blm.gov/ak/st/en/prog/planning/ring\\_of\\_fire\\_plan.html](http://www.blm.gov/ak/st/en/prog/planning/ring_of_fire_plan.html).

## **C. IDENTIFY APPLICABLE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) DOCUMENTS AND OTHER RELATED DOCUMENTS THAT COVER THE PROPOSED ACTION.**

- Ring of Fire Proposed RMP/FEIS (July 2006).
- Shadura Natural Gas Development Project FEIS, (U.S. Fish and Wildlife Service, May 2013).

#### **D. NEPA ADEQUACY CRITERIA**

1. *Is the new proposed action a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document(s)? Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document(s)? If there are differences, can you explain why they are not substantial?*

Yes. The proposed well is analyzed in the Ring of Fire RMP/EIS as being within the Southcentral Region, in the Cook Inlet Basin. Under Alternatives B and D, the area would be open for fluid mineral leasing, and is designated as having high development potential for oil and gas. The Swanson River Field and its associated exploratory oil wells are specifically represented on the Oil and Gas Potential Maps of Lower and Upper Cook Inlet. *See* PRMP/FEIS Appendix G, Figures G-16 and G-17.

2. *Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the new proposed action, given current environmental concerns, interests, and resource values?*

Yes. The Ring of Fire PRMP/FEIS analyzed a broad range of alternatives, from not identifying any lands as open for fluid mineral leasing except to protect from drainage, to opening all unselected and any selected lands whose selection would be relinquished or rejected. *See* PRMP/FEIS page 2-46. The PRMP/FEIS analyzed a range of stipulations and ROPs to protect surface resources and address a wide variety of environmental concerns, interests, and resource values. These have been incorporated in the approval of the Proposed Action.

3. *Is the existing analysis valid in light of any new information or circumstances (such as, rangeland health standard assessment, recent endangered species listings, updated lists of BLM-sensitive species)? Can you reasonably conclude that new information and new circumstances would not substantially change the analysis of the new proposed action?*

The existing analysis and conclusions are adequate. New information and circumstances have arisen since the issuance of the Ring of Fire PRMP/FEIS, regarding development of natural gas in the northwestern portion of the Kenai NWR, which under certain alternatives in the Shadura FEIS could result in an access road being built to the Swanson River Unit. The impacts of such development are extensively analyzed in FWS's Shadura Natural Gas Development Project FEIS; this document provides that certain alternatives could potentially result in temporarily increased traffic through the Swanson River Unit. *See* Shadura FEIS, page 4-56. The Preferred Alternative, however, does not include road access to the Swanson River Unit.

BLM concludes that the new information and circumstances are insignificant to the analysis of this proposed action.

4. *Are the direct, indirect, and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in the existing NEPA document?*

Yes. The direct, indirect, and cumulative impacts of this proposed action are substantially unchanged from those identified in PRMP/FEIS. The impacts analysis was based upon the Mineral Potential Report and the Reasonably Foreseeable Development Scenario (RFD) contained in Appendix G of the PRMP/FEIS.

The Mineral Potential Report recognized the historic oil exploration activities in the Swanson River field, and its status as a confirmed and currently producing oil field with total production and reserves of about 230 MMBO. *See* PRMP/FEIS page G-23. The RFD predicts that the total surface disturbance within the planning area due to projected short-term oil and gas exploration, development, and production, including coalbed natural gas, to be 2,558 acres. *See* PRMP/FEIS page 4-7. Production from Swanson River Field was projected to continue until ceasing production around 2017. *See* PRMP/FEIS, Appendix G, page G-56.

The RFD further provides that from 1973 to 2003, 53 oil development wells were drilled in the Cook Inlet Basin. Eleven of these wells were drilled between 1996 and 2006. The RFD assumed that based on this one-well-per-year trend, that another 15 oil production wells would be drilled in the 15 years following the PRMP/FEIS. *See* PRMP/FEIS, Appendix G, Attachment A, page A-1.

At the present time, there have been four oil production wells drilled in the Cook Inlet Basin since 2006. Therefore, the impacts of this production well are within the impacts analyzed in the Ring of Fire PRMP/FEIS.

5. *Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action?*

Yes. The Ring of Fire RMP/EIS planning process involved extensive public participation and addressed oil and gas development in the Swanson River Field, including the area proposed for production drilling in the current APD. Detailed information on public participation efforts is included in Chapter 5, Consultation and Coordination of the PRMP/FEIS.

**E. PERSONS, AGENCIES, AND BLM STAFF CONSULTED**

<b>Name</b>	<b>Title</b>	<b>Resource Represented</b>
Bridget Psarianos	Planning & Env. Specialist	Planning and NEPA
Sharon Yarawsky	Mineral Law Examiner	Oil and Gas
Wayne Svejnoha	Chief, Energy and Minerals Branch	Oil and Gas
Molly Cobbs	Planning & Env. Coordinator	Planning and NEPA
Serena Sweet	Supervisory Planner	Planning and NEPA
Steve Cohn	Deputy State Director, Division of Resources	

Note: Refer to the EA/EIS for a complete list of the team members participating in the preparation of the original environmental analysis or planning documents.

## F. CONCLUSION

Based on the review documented above, I conclude that this proposal and proposed action conforms to, and is fully covered by, The Ring of Fire PRMP/FEIS, and constitutes BLM's compliance with the requirements of the NEPA.

*/s/ Alan Bittner*

June 5, 2013

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Alan Bittner  
Anchorage Field Manager

Date

Note: The signed Conclusion on this worksheet is part of an interim step in the BLM's internal decision process and does not constitute an appealable decision. However, the lease, permit, or other authorization based on this DNA is subject to protest or appeal under 43 CFR § 4 and the program-specific regulations.