

U.S. Department of the Interior
Bureau of Land Management
Little Snake Field Office
455 Emerson St
Craig, CO 81625

CATEGORICAL EXCLUSION

Foundation Energy Management, LLC Assignments DOI-BLM-CO-N010-2016-0031-CX

Identifying Information

Project Title: Foundation Energy Management, LLC Assignments

Legal Description: 6th PM, T. 12 N., R. 101 W., sections 20, 27, 35, 36, Moffat County, CO.

Applicant: Foundation Energy Management, LLC

Casefile/Project Numbers: COC067455, COC069330, COC069331

Conformance with the Land Use Plan

The Proposed Action is subject to and is in conformance (43 CFR 1610.5) with the following land use plan:

Land Use Plan: Little Snake Resource Management Plan and Record of Decision (RMP) as amended by the Northwest Colorado Greater Sage-Grouse Approved Resource Management Plan Amendment.

Date Approved: October 2011, Amended September 2015

Decision Language: The Proposed Action is in conformance with the LUP because it is specifically provided for in the following LUP goals, objectives, and management decisions:

Allow for appropriate ROW routes and development sites, while identifying areas that will not be compatible with such use. Objectives for achieving these goals include:

- Provide access for the development of roads and trails, utilities, transmission lines, communication sites, and other uses in an environmentally responsible manner.
- Provide access for the development of oil and gas pipeline routes and other uses associated with oil and gas development in an environmentally responsible manner.

Section/Page: Section 2.17 Lands and Realty/ page RMP-52

Proposed Action

Foundation Energy Management LLC filed applications requesting assignments of rights-of-way (ROW) grants COC067455, COC069330, COC069331 from Whiting Oil & Gas Corporation.

- COC067455 sec. 20, 27, T. 12 N., R. 101 W., access road to Lion Govt. #12-26 well.
- COC069330 sec. 35 T. 12 N., R. 101 W., access road to Lion Govt. #12, 23, 33-36 wells.
- COC069331 sec. 36, T. 12 N., R. 101 W., pipeline for Lion Govt. #12, 23, 33-36 wells.

Foundation Energy Management, LLC agrees to comply with and be bound by all terms and conditions of the right-of-way grants.

There will be no new surface disturbance without prior approval from BLM.

BLM Required Conditions of Approval to Mitigate Impacts to Cultural and Paleontological Resources

1. The applicant is responsible for informing all persons who are associated with the project that they will be subject to prosecution for knowingly disturbing archaeological sites or for collecting artifacts.
2. If any archaeological materials are discovered as a result of operations under this authorization, activity in the vicinity of the discovery will cease, and the BLM LSFO Archaeologist will be notified immediately. Work may not resume at that location until approved by the AO. The applicant will make every effort to protect the site from further impacts including looting, erosion, or other human or natural damage until BLM determines a treatment approach, and the treatment is completed. Unless previously determined in treatment plans or agreements, BLM will evaluate the cultural resources and, in consultation with the State Historic Preservation Office (SHPO), select the appropriate mitigation option within 48 hours of the discovery. The applicant, under guidance of the BLM, will implement the mitigation in a timely manner. The process will be fully documented in reports, site forms, maps, drawings, and photographs. The BLM will forward documentation to the SHPO for review and concurrence.
3. Pursuant to 43 CFR 10.4(g), the applicant must notify the AO, by telephone and written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), the operator must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the AO.
4. The applicant is responsible for informing all persons who are associated with the project operations that they will be subject to prosecution for disturbing or collecting vertebrate or other scientifically-important fossils, collecting large amounts of petrified wood (over 25lbs./day, up to 250lbs./year), or collecting fossils for commercial purposes on public lands.
5. If any paleontological resources are discovered as a result of operations under this authorization, the applicant or any of his agents must stop work immediately at that site, immediately contact the BLM Paleontology Coordinator, and make every effort to protect the site from further impacts, including looting, erosion, or other human or natural

damage. Work may not resume at that location until approved by the AO. The BLM or designated paleontologist will evaluate the discovery and take action to protect or remove the resource within 10 working days. Within 10 days, the operator will be allowed to continue construction through the site, or will be given the choice of either (a) following the Paleontology Coordinator’s instructions for stabilizing the fossil resource in place and avoiding further disturbance to the fossil resource, or (b) following the Paleontology Coordinator’s instructions for mitigating impacts to the fossil resource prior to continuing construction through the project area.

Categorical Exclusion Review

The Proposed Action qualifies as a categorical exclusion under 516 DM 11.9, E., (9) “Renewals and assignments of leases, permits or rights-of-way where no additional rights are conveyed beyond those granted by the original authorizations.”

The Proposed Action has been reviewed with the list of extraordinary circumstances (43 CFR 46.215) described in the table below.

Extraordinary Circumstance	YES	NO
a) Have significant adverse effects on public health and safety.		X
b) Have significant impacts on such natural resources and unique geographic characteristics as historic or cultural resources; park, recreation, or refuge lands; wilderness areas; wild or scenic rivers; national natural landmarks; sole or principal drinking water aquifers; prime farmlands; wetlands; floodplains; national monuments; migratory birds; and other ecologically significant or critical areas.		X
c) Have highly controversial environmental effects or involve unresolved conflicts concerning alternative uses of available resources.		X
d) Have highly uncertain and potentially significant environmental effects or involve unique or unknown environmental risks.		X
e) Establish a precedent for future action or represent a decision in principle about future actions with potentially significant environmental effects.		X
f) Have a direct relationship to other actions with individually insignificant but cumulatively significant environmental effects.		X
g) Have significant impacts on properties listed, or eligible for listing, in the National Register of Historic Places as determined by the bureau.		X
h) Have significant impacts on species listed, or proposed to be listed, on the List of Endangered or Threatened Species, or have adverse effects on designated Critical Habitat for these species.		X
i) Violate a Federal law, or a State, local or tribal law or requirement imposed for the protection of the environment.		X
j) Have a disproportionately high and adverse effect on low income or minority populations.		X
k) Limit access to and ceremonial use of Indian sacred sites on Federal lands by Indian religious practitioners or significantly affect the physical integrity of such sacred sites.		X
l) Contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area or actions that may promote the introduction, growth, or expansion of the range of such species.		X

Interdisciplinary Review

The Proposed Action was presented to, and reviewed by, the Little Snake field Office interdisciplinary team on June 6, 2016. A complete list of resource specialists who participated in this review is available upon request from the Little Snake Field Office. The table below lists resource specialists who provided additional review.

Name	Title	Resource	Date
Louise McMinn	Realty Specialist	Project Lead	06/07/2016
Kathy McKinstry	Planning and Environmental Coordinator	NEPA Compliance	06/21/2016

Cultural Resources: The action is not an undertaking as defined by Section 106 of the National Historic Preservation Act, 54 U.S.C. 306108. Therefore consultation with the State Historic Preservation Officer (SHPO) is not necessary.

Native American Religious Concerns: The action is not an undertaking as defined by Section 106 of the National Historic Preservation Act, 54 U.S.C. 306108, tribal consultation for traditional cultural use is not necessary under Section 106.

Threatened and Endangered Wildlife Species and Plants: This is a paperwork exercise that would not have direct or indirect effects to special status species.

Mitigation

1. The holder shall construct, operate, and maintain the facilities, improvements, and structures within this right-of-way in strict conformity with the plan(s) of development which was (were) approved and made part of the original grants. Any relocation, additional construction, or use that is not in accord with the approved plan(s) of development, shall not be initiated without the prior written approval of the authorized officer. A copy of the complete right-of-way grants, including all stipulations and approved plan(s) of development, shall be made available on the right-of-way area during construction, operation, and termination. Noncompliance with the above will be grounds for an immediate temporary suspension of activities if it constitutes a threat to public health and safety or the environment.
2. The holder shall not initiate any construction or other surface disturbing activities on the right-of-way without the prior written authorization of the authorized officer. Such authorization shall be a written notice to proceed issued by the authorized officer. Any notice to proceed shall authorize construction or use only as therein expressly stated and only for the particular location or use therein described. Any proposal involving additional surface disturbance requires an application to the BLM for analysis and authorization. New stipulations for construction would be applied to projects subject to the regulations and policies existing at the time of the authorization.
3. The holder will notify the authorized officer at least 60 days prior to non-emergency activities that would cause surface disturbance in the right-of-way. A "Notice to Proceed" will be required prior to any non-emergency activities that would cause surface disturbance on the right-of-way. Any request for a "Notice to Proceed" must be made to the authorized officer, who will review the Proposed Action for consistency with

resource management concerns such as wildlife, big game winter range, paleontology, sage grouse, special status species, and cultural resource protection. The authorized officer may require completion of special status species surveys or other resource surveys. Additional measures may be required to protect special status species or other resources.

4. You must comply with all terms, conditions, and stipulations of the original grant and amendments.
5. The grant does not relieve you of your responsibility to obtain other required federal, state, or local permits.
6. The holder(s) shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder(s) shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
7. The holder of the Right-of-Way agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C 9601, et seq. or the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901, et. seq.) on the right-of-way (unless the release or threatened release is wholly unrelated to the right-of-way holder's activity on the right-of-way). This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
8. No hazardous materials/waste or trash shall be disposed of on the public lands. If a release does occur, it shall be reported to the Little Snake Field Office immediately (970) 826-5000. Any spills will be cleaned up to applicable standards.
9. Control of noxious weeds will be required through successful vegetation establishment and/or herbicide application. It is the responsibility of the lease operator to insure compliance with all local, state, and federal laws and regulations, as well as labeling directions specific to the use of any given herbicide.
10. A Pesticide Use Proposal (PUP) will be approved prior to application of herbicides and/or other pesticides on Federal surface; contact the Little Snake Field Office to obtain a PUP form to request this authorization. Submit the PUP two (2) months in advance of planned application. In the event you elect to apply herbicide or other pesticide as described and authorized on the approved PUP, you must report this use within 24 hours on Bureau of Land Management form titled Pesticide Application Record.
11. At least 90 days prior to the termination of the right-of-way, the holder will contact the authorized officer to arrange a joint inspection of the right-of-way. The inspection will result in the development of an acceptable termination and rehabilitation plan submitted

by the holder. This plan will include, but is not limited to, removal of facilities, drainage structures, and surface material; recontouring; topsoiling; or seeding. The authorized officer must approve the plan in writing prior to the holder's commencement of any termination activities.

12. The holder will conduct all activities associated with the operation and termination of the right-of-way within the authorized limits of the right-of-way.

Tribes, Individuals, Organizations, or Agencies Consulted

The action is not an undertaking as defined by Section 106 of the National Historic Preservation Act, 54 U.S.C. 306108. Therefore consultation with the State Historic Preservation Officer (SHPO) is not necessary.

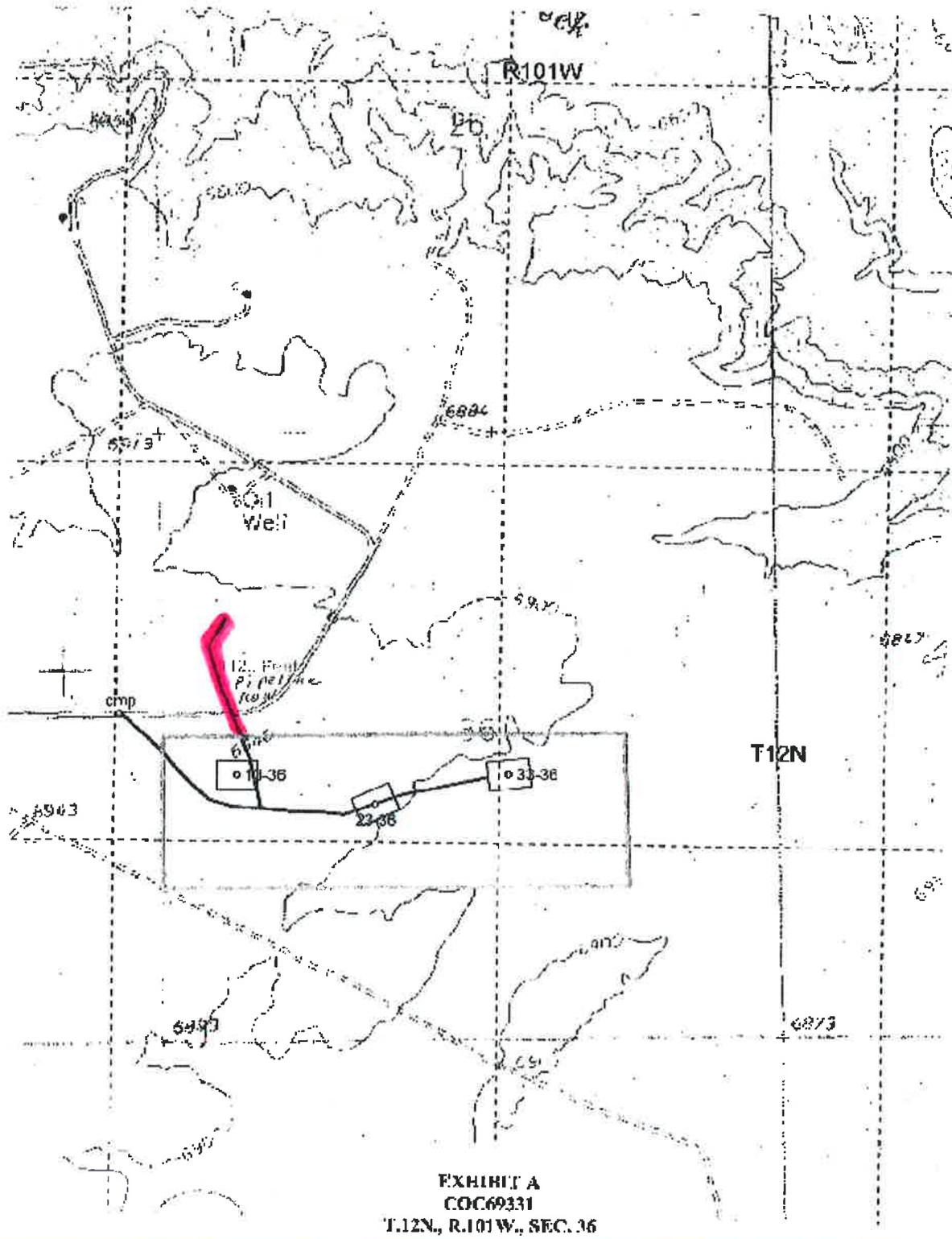
Compliance with NEPA

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with 516 DM 11.9, E., (9) "Renewals and assignments of leases, permits or rights-of-way where no additional rights are conveyed beyond those granted by the original authorizations." This categorical exclusion is appropriate in this situation because there are no extraordinary circumstances potentially having effects that may significantly affect the environment. The Proposed Action has been reviewed, and none of the extraordinary circumstances described in 43 CFR 46.215 applies.

acting Kathy McHenry
Field Manager

6/22/16
Date

Appendix A. Figures



**U.S. Department of the Interior
Bureau of Land Management
Little Snake Field Office
455 Emerson St
Craig, CO 81625**

DECISION RECORD

Foundation Energy Management, LLC Assignments DOI-BLM-CO-N010-2016-0031-CX

Decision

It is my decision to implement the Proposed Action as described in DOI-BLM-CO-N010-2016-0031-CX, assigning ROW grants COC067455, COC069330, COC069331, from Whiting Oil & Gas Corporation to Foundation Energy Management, LLC .

Mitigation

1. The applicant is responsible for informing all persons who are associated with the project that they will be subject to prosecution for knowingly disturbing archaeological sites or for collecting artifacts.
2. If any archaeological materials are discovered as a result of operations under this authorization, activity in the vicinity of the discovery will cease, and the BLM LSFO Archaeologist will be notified immediately. Work may not resume at that location until approved by the AO. The applicant will make every effort to protect the site from further impacts including looting, erosion, or other human or natural damage until BLM determines a treatment approach, and the treatment is completed. Unless previously determined in treatment plans or agreements, BLM will evaluate the cultural resources and, in consultation with the State Historic Preservation Office (SHPO), select the appropriate mitigation option within 48 hours of the discovery. The applicant, under guidance of the BLM, will implement the mitigation in a timely manner. The process will be fully documented in reports, site forms, maps, drawings, and photographs. The BLM will forward documentation to the SHPO for review and concurrence.
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4. The applicant is responsible for informing all persons who are associated with the project operations that they will be subject to prosecution for disturbing or collecting vertebrate

or other scientifically-important fossils, collecting large amounts of petrified wood (over 25lbs./day, up to 250lbs./year), or collecting fossils for commercial purposes on public lands.

5. If any paleontological resources are discovered as a result of operations under this authorization, the applicant or any of his agents must stop work immediately at that site, immediately contact the BLM Paleontology Coordinator, and make every effort to protect the site from further impacts, including looting, erosion, or other human or natural damage. Work may not resume at that location until approved by the AO. The BLM or designated paleontologist will evaluate the discovery and take action to protect or remove the resource within 10 working days. Within 10 days, the operator will be allowed to continue construction through the site, or will be given the choice of either (a) following the Paleontology Coordinator's instructions for stabilizing the fossil resource in place and avoiding further disturbance to the fossil resource, or (b) following the Paleontology Coordinator's instructions for mitigating impacts to the fossil resource prior to continuing construction through the project area.
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surveys. Additional measures may be required to protect special status species or other resources.

9. You must comply with all terms, conditions, and stipulations of the original grant and amendments.
10. The grant does not relieve you of your responsibility to obtain other required federal, state, or local permits.
11. The holder(s) shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder(s) shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
12. The holder of the Right-of-Way agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C 9601, et.seq. or the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901, et. seq.) on the right-of-way (unless the release or threatened release is wholly unrelated to the right-of-way holder's activity on the right-of-way). This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
13. No hazardous materials/waste or trash shall be disposed of on the public lands. If a release does occur, it shall be reported to the Little Snake Field Office immediately (970) 826-5000. Any spills will be cleaned up to applicable standards.
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15. A Pesticide Use Proposal (PUP) will be approved prior to application of herbicides and/or other pesticides on Federal surface; contact the Little Snake Field Office to obtain a PUP form to request this authorization. Submit the PUP two (2) months in advance of planned application. In the event you elect to apply herbicide or other pesticide as

described and authorized on the approved PUP, you must report this use within 24 hours on Bureau of Land Management form titled Pesticide Application Record.

16. At least 90 days prior to the termination of the right-of-way, the holder will contact the authorized officer to arrange a joint inspection of the right-of-way. The inspection will result in the development of an acceptable termination and rehabilitation plan submitted by the holder. This plan will include, but is not limited to, removal of facilities, drainage structures, and surface material; recontouring; topsoiling; or seeding. The authorized officer must approve the plan in writing prior to the holder's commencement of any termination activities.
17. The holder will conduct all activities associated with the operation and termination of the right-of-way within the authorized limits of the right-of-way.

Compliance with Laws & Conformance with the Land Use Plan

This decision is in compliance with the Endangered Species Act and the National Historic Preservation Act. It is also in conformance with the Little Snake Record of Decision/Approved Resource Management Plan as amended by the Northwest Colorado Greater Sage-Grouse Approved Resource Management Plan Amendment.

Public Involvement

This project was posted on the LSFO's on-line National Environmental Policy Act (NEPA) register on 06/07/2016. No comments or inquiries have been received.

Rationale

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with 516 DM 11.9, E., (9) "Renewals and assignments of leases, permits or rights-of-way where no additional rights are conveyed beyond those granted by the original authorizations." This categorical exclusion is appropriate in this situation because there are no extraordinary circumstances potentially having effects that may significantly affect the environment. The Proposed Action has been reviewed, and none of the extraordinary circumstances described in 43 CFR 46.215 apply.

Monitoring and Compliance

On-going compliance inspections and monitoring will be conducted by the BLM Little Snake Field Office staff during and after construction. Specific mitigation developed in this document will be followed. The applicant will be notified of compliance related issues, and depending on the nature of the issue(s), will be provided 30 days to resolve such issues.

Administrative Remedies

This decision shall take effect immediately upon the date it is signed by the Authorized Officer and shall remain in effect while any appeal is pending unless the Interior Board of Land Appeals issues a stay (43 CFR 2801.10(b)).

Any appeal of this decision must follow the procedures set forth in 43 CFR Part 4. Within 30 days of the decision, a Notice of Appeal must be filed in the office of the Authorized Officer at Little Snake Field Office, 455 Emerson St., Craig, CO 81625 with copies sent to the Regional Solicitor, Rocky Mountain Region, 755 Parfet St., Suite 151, Lakewood, CO 80215, and to the Department of the Interior, Board of Land Appeals, 801 North Quincy St., MS300-QC, Arlington, VA, 22203. If a statement of reasons for the appeal is not included with the notice, it must be filed with the Interior Board of Land Appeals at the above address within 30 days after the Notice of Appeal is filed with the Authorized Officer.

Signature of Authorized Official

Kathy McKinstry

Field Manager

6/22/16

Date