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## 1.0 INTRODUCTION

### 1.1 BACKGROUND

Newfield Exploration Company (Newfield) has notified the United States (U.S.) Bureau of Land Management's (BLM) Vernal Field Office (VFO) of its need to expand their ongoing oil and natural gas development within and in the vicinity of the Greater Monument Butte Unit (GMBU). Newfield has derived a plan that it proposes to implement in order to fulfill its obligations and responsibilities under federal leases to explore, develop, and produce commercial quantities of oil and natural gas. The Monument Butte Project Area (MBPA) is located in southeastern Duchesne County and southwestern Uintah County. The MBPA consists of approximately 119,743 acres located in Township 4 South, Range 1 East; Township 4 South, Range 1-3 West; Township 5 South, Range 1 and 2 East; Township 5 South, Range 3 West; Township 8 South, Range 15-19 East; Township 9 South, Range 15-19 East; and Township 10 South, Range 15-18 East (see **Figure 1.1-1 – Attachment 1**).

Surface ownership in the MBPA is approximately 87 percent federal (managed by the BLM), approximately 11 percent State of Utah (managed by State Institutional Trust Lands Administration [SITLA]), and approximately two percent private. Mineral interests are owned by the BLM (89 percent), the State of Utah (10 percent), and private interests (less than one percent). Lands with separate surface and mineral ownership, also known as “split estate lands,” comprise approximately 18 percent of land within the MBPA. Mineral and surface ownership rights are summarized in **Table 1.1-1**.

**Table 1.1-1. Surface and Oil and Gas Minerals Ownership within the MBPA**

Surface Owner	Surface Acres	Surface Percentage	Mineral Acres	Mineral Percentage
BLM	103,891	87	106,562	89
State of Utah	12,878	11	11,983	10
Private	2,974	2	1,198	1
<b>Totals</b>	<b>119,743</b>	<b>100</b>	<b>119,743</b>	<b>100</b>

Federal lands in the MBPA are under the jurisdiction of the BLM VFO. The VFO has determined that implementing the proposed development constitutes a federal action requiring the development of an Environmental Impact Statement (EIS). The EIS serves the purpose of disclosing and analyzing impacts from the Proposed Action, the No Action alternative, and the other developed alternatives.

Newfield's objective is to develop their leases and efficiently produce commercial and economic quantities of oil and gas in the MBPA. Newfield estimates that its plan could yield over 334.9 million barrels of oil (MMBO), 540,669 million cubic feet (MMCF) of natural gas, and 10,085 million barrels (Mbbbl) of natural gas liquids (NGLs) from the Green River formation, and 6.9 trillion cubic feet (Tcf) of natural gas from the deep gas development through 2035.

## 1.2 PURPOSE AND NEED

The purpose of this EIS is to facilitate the BLM decision-making process as to whether to approve, approve with modifications, or disapprove Newfield's proposed project and project components based on an evaluation of the expected impacts. Through this process, the BLM's purpose is to minimize or avoid environmental impacts to the extent possible, while allowing Newfield to exercise its valid lease rights. The need for a BLM action is to respond to this proposal and to evaluate action on future plans and applications related to this proposal. The Federal Land Policy and Management Act of 1976 (Public Law 94-579, 43 United States Code [U.S.C.] 1701 et seq.) recognizes oil and gas development as one of the "principal" uses of the public lands. Federal mineral leasing policies (Mineral Leasing Act of 1920, 30 U.S.C. 181 et seq.) and the regulations by which they are enforced recognize the statutory right of lease holders to develop federal mineral resources to meet continuing national needs and economic demands, subject to lease stipulations and reasonable measures that BLM may require to minimize adverse impacts.

Newfield, a private corporation, proposes development of their leases in the MBPA for the purpose of making a profit on the extraction and sale of oil and gas resources. In addition to developing the subsurface resources in the MBPA, Newfield's proposed project would increase the supply of domestic oil and natural gas and contribute to the economic vitality of local communities through increased employment opportunities and expanded tax bases. Newfield's proposed oil and natural gas development project is consistent with the Energy Policy Act of 2005 (Pub. L. No. 109-58) because it would provide a domestic source of oil and natural gas to meet rising national energy demand.

## 1.3 EIS DECISION FRAMEWORK

This EIS is prepared in accordance with the National Environmental Policy Act (NEPA) and in compliance with the Council of Environmental Quality (CEQ) regulations (40 Code of Federal Regulations [CFR] Parts 1500-1508), U.S. Department of Interior NEPA implementation regulations (40 CFR Part 36), and guidelines listed in the BLM NEPA Handbook (H-1790-1, BLM 2008). The BLM is the lead federal agency tasked with the preparation of the EIS.

## 1.4 DECISIONS TO BE MADE AND IMPLEMENTATION PROCESS

This EIS evaluates four alternatives. It is notable that the proposed surface locations for well pads, pipeline corridors, utility corridors, access roads, and other surface facilities under each alternative are conceptual at this point. These locations have been illustrated on the alternative-specific maps (**Figures 2-1 through 2-4 – Attachment 1**) for analytical and impact evaluation purposes only in this EIS. Actual locations for well pads, access roads, ROWs, and other surface facilities would be determined at the Project implementation phase.

The Record of Decision (ROD) associated with this EIS will approve an overall development plan for federal surface and minerals within the MBPA. The ROD could approve one of the alternatives or a combination of the alternatives. The ROD, however, would not be the final approval for all actions associated with the EIS. Individual components of the selected alternative involving surface disturbance to federal lands or development of federal minerals must be analyzed and approved on a site-specific basis by the BLM. The method used to evaluate each component of the selected alternative is the Application for Permit to Drill (APD), right-of-way (ROW) or Sundry Notice approval process. The APD and ROW grant processes are discussed further below.

An operator can initiate the APD process either by filing an APD or a Notice of Staking (NOS). The NOS consists of an overview of the operator's site-specific proposal, including a location map and a sketched site plan. The APD includes the site-specific Surface Use Plan of Operations (SUPO) and Drilling Plan. The detailed information required to be submitted for each APD is identified in *Onshore Oil and Gas Order No. 1* and 43 CFR 3162.3.

It is important to note that very few facilities in the MBPA require authorization under a ROW since much of the proposed development would occur within the Unit boundary. As most facilities would be within the Unit they are either authorized as either Unit facilities or as well facilities under an APD. Nonetheless, the ROW process is described below.

Operators are required to submit a ROW application to obtain approval to construct a pipeline, well pad, road, or ancillary facility located off-lease or off-unit on BLM-administered lands. A ROW<sup>1</sup> would also be necessary within the Unit if the action is proposed by a party other than the Unit operator. APDs are often acceptable as applications for ROW grants for off-lease facilities if they provide sufficient detail about the entire proposal. The detailed information required to be submitted for each ROW application is identified in 43 CFR 2800.

Operators are required to submit a Sundry Notice to obtain approval to construct additional on-Unit facilities (e.g. additional pipelines or ancillary facilities). Most of the proposed oil and gas expansion project would lie within Newfield's Unit and lease boundaries. However, site-specific project development may require that Newfield secure ROWs to facilitate access to the Unit by roads, power lines, or pipelines.

Prior to approving an APD, ROW, or Sundry Notice, the BLM must comply with NEPA and consider the environmental impacts of the proposed activity. The environmental review includes an onsite inspection of the proposed well location, access road, pipeline locations, and associated facilities to identify site-specific environmental impacts and mitigation measures. After the onsite inspection is performed, the operator would submit the APD or would revise the APD, if necessary. Through the site-specific NEPA process, additional mitigation measures (e.g., adjusting the proposed locations of well pads, access roads, and pipelines to avoid a sensitive resource; identifying specific construction methods to be employed; or identifying reclamation standards) may be added as Conditions of Approval (COAs) to APDs to protect affected resources.

## **1.5 CONFORMANCE WITH BLM MANAGEMENT PLANS AND OTHER LAWS AND POLICY CONSIDERATIONS**

Management objectives for lands under the authority of the VFO are contained within the Vernal ROD and approved Resource Management Plan (RMP) (BLM 2008a). The RMP allows for the exploration and development of oil and gas resources while protecting or mitigating impacts to other resource values.

The goals and objectives of the Minerals and Energy Resources management decisions of the Approved RMP are as follows:

- “Meet local and national non-renewable and renewable energy and other public mineral needs.

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<sup>1</sup> The term ROW is frequently used throughout this document when discussing a road or pipeline corridor, but does not necessarily mean that a BLM ROW would be needed.

- Support a viable long-term mineral industry related to energy development while providing reasonable and necessary protections to other resource.
- The following principles will be applied:
  - Encourage and facilitate the development by private industry of public land mineral resources in a manner that satisfies national and local needs and provides for economical and environmentally sound exploration, extraction and reclamation practices.
  - Process applications, permits, operating plans, mineral exchanges, leases, and other use authorizations for public lands in accordance with policy and guidance.
  - Monitor salable and leasable mineral operations to ensure proper resource recovery and evaluation, production verification, diligence, and inspection and enforcement of contract sales, common use areas, community pits, free use permits, leases and prospecting permits.
- This plan will recognize and be consistent with the National Energy Policy by:
  - Recognizing the need for diversity in obtaining energy supplies
  - Conserving sensitive resource values
  - Improving energy distribution opportunities” (BLM 2008a).

Most of the subject leases were issued prior to the completion of the Vernal ROD and Approved RMP, and with stipulations that were standard at that time. Development conducted under these leases that were issued prior the approval date of the Vernal ROD and Approved RMP are not subject to conformance with the Approved RMP if said conformance would conflict with valid existing rights afforded by the leases. For those leases issued after the approval date, the management decisions of the Approved RMP would apply.

In addition, some plans proposed in the Approved RMP, such as the comprehensive integrated activity plan described in the ACEC-11 decision, have not been finalized at the time the Proposed Action and related alternatives are analyzed (BLM 2008a).

The Proposed Action and related alternatives are deemed in conformance with management decisions made in the Vernal ROD and Approved RMP where applicable.

### **1.5.1 Consistency with Other Plans, Statutes, and Objectives**

Utah Code 63J-80105.5 established the Uinta Basin Energy Zone which includes the MBPA. The highest management priority for these lands is responsible development of energy resources. SITLA has leased all of the state lands within the MBPA and permits on-going oil and gas production. These actions are consistent with SITLA’s primary objective to fund the state school system. The Proposed Action and Alternatives C and D would allow for oil and gas production on federal leases and would be consistent with the objectives of Uinta Basin Energy Zone.

The Proposed Action and Alternatives C and D would be in compliance with the *Duchesne County General Plan*, as amended (Duchesne County 2005, 2007, 2012, 2013). The Plan supports responsible natural resource use and development and emphasizes the need to keep public lands open for oil and gas exploration and development under multiple-use and sustained yield principles.

The Proposed Action and Alternatives C and D would be in compliance with the *Uintah County General Plan 2005*, as amended (Uintah County 2005, 2012). The Plan supports oil and gas development, emphasizes responsible multiple-use of public lands, and optimizes utilization of public resources.

The Proposed Action and Alternatives C and D would be in compliance with Federal, State, and local laws and regulations. Increased development of oil and gas resources on public lands is consistent with FOOGLRA, Comprehensive National Energy Strategy announced by the U.S. Department of Energy in April 2008, the Energy Policy and Conservation Act (42 U.S.C. 6201), and the Energy Policy Act of 2005.

## **1.6 AUTHORIZING ACTIONS**

Newfield must obtain federal, state, and local permits and ROW grants, licenses, easement agreements, and other authorizing actions to proceed with all project-related development. Federal, state, county, and local regulatory and permitting actions required to implement any of the alternatives would generally be the same, regardless of which alternative is selected. A summary of the key permits, approvals, and authorizing actions that may apply to the action alternatives is provided in **Table 1.6-1**. This list is not comprehensive.

**Table 1.6-1. Key Federal, State, and Local Permits, Approvals, and Authorizing Actions for Construction, Operation, Maintenance, and Abandonment of the Proposed Project**

Issuing Agency	Name and Nature of Permit/Approval	Regulatory Authority (if appropriate)	Applicable Project Component
<b>Federal Permits, Approvals, and Authorizing Actions</b>			
U.S. Bureau of Land Management (BLM)	Permit to Drill, Deepen, or Plug Back (APD/Sundry Process); controls drilling and development of oil and gas on federal onshore leases.	MLA (30 USC 181 et seq.); 43 CFR 3162; National Mining and Minerals Policy Act of 1970, the FOGLRA of 1987, (Onshore Oil and Gas Orders #1 and #2 [43 CFR 3164])	Wells and production facilities
	ROW Grants and Temporary Use Permits; grants ROW use on BLM-managed lands.	MLA as amended (30 USC 185); 43 CFR 2880; FLPMA (43 USC 17611771); 43 CFR 2800	Oil and gas pipelines, roads, facilities, etc. on BLM-managed lands
	Antiquities, Cultural, and Historic Resource Permits; issue antiquities and cultural resources use permits to inventory, excavate, or remove cultural or historic resources from federal lands.	Antiquities Act of 1906 (16 USC Section 431-433); Archaeological Resources Protection Act of 1979 (ARPA) (16 USC Sections 470aa47011); 43 CFR Part 3; Section 106 of the National Historic Preservation Act (NHPA)	All surface-disturbing activities
	Approval to dispose of produced water; controls disposal of produced water from federal leases, except Underground Injection Control (UIC) permitting	MLA (30 USC 181 et seq.); 43 CFR 3164; Onshore Oil and Gas Order No. 7	Wells and production facilities
	Pesticide Use Permit and Daily Pesticide Application Record; control of pests.	BLM Authorization for Herbicide Applications on Federal Lands	Wells, roads, and ancillary facilities
	Paleontological Resource Use Permit; approval for surveys and potential data collection of paleontological resources on federal lands.	FLPMA (302[b])	All surface-disturbing activities
U.S. Army Corps of Engineers (USACE)	Section 404 permit (Nationwide and Individual); controls discharge of dredged or fill materials into waters of the U.S.	Section 404 of the Clean Water Act of 1972 (CWA) (33 USC 1344)	All surface disturbing activities affecting navigable waters of the U.S., and their tributaries or wetlands, such as road and pipeline crossings

Issuing Agency	Name and Nature of Permit/Approval	Regulatory Authority (if appropriate)	Applicable Project Component
U.S. Environmental Protection Agency (EPA)	EPA has responsibility for implementing environmental programs for Indian Country (as defined at 18 USC § 1151) until Tribal governments are formally authorized to implement these programs, including the Clean Air Act (CAA) and CWA permitting,	CAA, as amended, 42 USC Annotated (USCA) Section 7410-762 (PL 95-604, PL 95-95) Federal Water Pollution Control Act, as amended by the CWA, 33 USCA Section 1251-1376 (PL 92-500, PL 95-217) Safe Drinking Water Act, 452 USCA Section 300F-300J-10 (PL 93-523)	Oil and gas pipelines, roads, facilities, air quality permits, etc. in Indian Country
	Class II Underground Injection Control (UIC) permit. EPA is also responsible for responsible for permitting waterflood injection wells for enhanced oil recovery (EOR) within the exterior boundary of the U&O Reservation.	UIC (40 CFR 146.21 through 146.24), Safe Water Drinking Act, Area UIC Permit No. UT22197-0000	Underground disposal of deep waste water produced in conjunction with oil and gas production
U.S. Fish and Wildlife Service	ESA Section 7 consultation, coordination, and impact review on Federally listed threatened and endangered (T&E) species  Migratory Bird Treaty Act (MBTA) and Bald Eagle Protection Act (BEPA) consultations  Section 404 permit consultation	Endangered Species Act (ESA), MBTA, BEPA	Proposed construction, drilling, completion, and production
<b>State Permits, Approvals, and Authorizing Actions<sup>2</sup></b>			
Governor's Public Lands Policy Coordination Office (PLPCO)	Utah Principal Investigator Permit Antiquities Annual Permit; authorizes the holder to conduct archeological surveys on state and private lands.	Utah State Antiquities Act Utah Code § 9-8-305	Archaeological resource investigations on state and private lands

<sup>2</sup> Many of the State permits and regulatory authorities included in this list are for activities conducted outside of Indian Country.

Issuing Agency	Name and Nature of Permit/Approval	Regulatory Authority (if appropriate)	Applicable Project Component
	Utah Archaeological Data Recovery Permit; authorizes the principal investigator to recover data on state lands.	Utah State Antiquities Act Utah Code § 9-8-301-308	Archaeological excavation on state lands
Utah State Historical Preservation Office (SHPO)	Section 106 consultation for cultural resource clearances, inventories, evaluation, and mitigation	National Historic Preservation Act	Surface disturbing activities and other activities that have the potential to affect cultural resources
Utah Department of Transportation (UDOT)	Transport Permit; authorizes oversize, over length, and overweight load transportation on state highways.	Motor Carrier Rules Utah R909-1	Transportation of equipment and materials on state highways
Utah School and Institutional Trust Lands Administration (SITLA)	Issue a mineral lease, ROW grant/permit for construction and use activities on State Trust Lands.	SITLA Rights-of-Entry Rules Utah R850-21 and R850-41	Facilities on state lands
Utah Division of Oil, Gas & Mining (UDOGM)	Regulates activities associated with drilling of oil and gas wells in state, including bonding on state and private lands, permitting wells on federal, Indian trust, state and/or private minerals. Permits Class II injection wells outside of Indian Country. Sets well spacing on state and private minerals.	Permitting of Wells, Utah R649-3-4 et seq., R649-3-18; UIC Rules Utah R649-5 and R649-3-2	Wells (production and disposal); waste and disposal facilities; flaring of gas wells
Utah Division of Water Rights	Review and issuance of stream alteration permit that are not waters of the U.S.	Utah Code 73-3-29	Perennial stream crossings
	Approval to Appropriate Water; grants permit to appropriate water.	Utah Code 73-3-2	Non-consumptive and consumptive water uses
Utah Division of Water Resources	Determination of adequate water supply and cumulative impacts on water supply. Section 401, CWA Water Quality Certification Stream and Wetland Crossings	CWA as it pertains to state government (Section 401)	All surface disturbing activities affecting waters of the U.S. or wetlands, such as road and pipeline crossings outside of Indian Country

Issuing Agency	Name and Nature of Permit/Approval	Regulatory Authority (if appropriate)	Applicable Project Component
Utah Department of Environmental Quality (UDEQ)	Utah Pollutant Discharge Elimination System (UPDES) Permit; Authorizes discharge of pollutants to surface waters of the State.	Utah Code 19-5; UPDES Rules Utah R317-8	Any point-source surface discharge
	UPDES General Permit for Storm Water Discharges; controls discharge of storm water pollutants associated with industrial and construction activities	Utah Code 19-5; UPDES Rules Utah R317-8	Construction activities disturbing more than five (5) acres of land and oil and gas production facilities that have had a discharge of reportable quantity
	UPDES Construction Dewatering Permit; discharge of dewatering and hydrostatic test waters from property to U.S. waters.	Utah Code 19-5; UPDES Rules Utah R317-8	Natural gas pipelines
	Approval order; permit for operation of certain stationary emissions sources; Air Quality Permit to Construct.	Utah Code Stationary Source Rules Utah R307-210; Operating Permit Rules Utah R307-415	All pollutant emission sources and construction activities associated with the Proposed Action or alternatives
	New Source Review Permit; controls emissions from new or modified sources.	New and Modified Source Permit Rules Utah R307-401	All pollutant emission sources and construction activities associated with the Proposed Action or alternatives
	Fugitive Dust Control.	Fugitive Dust Rules Utah R307-205	Construction of facilities and vehicle traffic
<b>Local Permits, Approvals, and Authorizing Actions</b>			
Uintah and Duchesne Counties	Conditional Use Permit; authorizes extraction and processing on private lands	Uintah and Duchesne county codes	Any project activities in residential or private lands
	Road Use Permit; authorizes overweight and over-length loads on county roads	Uintah and Duchesne county codes	Transportation of equipment and materials on county roads
	Road Opening Permit; authorization of pipeline crossings, routing of pipelines parallel to county roads, and tying a project access road to a county road.	Uintah and Duchesne county codes	Pipelines or project roads that cross or intersect with a county road
	Road Encroachment Permit; authorizes construction, maintenance, repair, operation, or use of any pole line, surface, or subsurface line in the ROW on affected county roads.	Uintah and Duchesne county codes	Construction or other activities that may tie into county roads
	Building Permit; controls construction of all structures in the county.	Uintah and Duchesne county codes	Construction of all buildings

## 1.7 INTERNAL SCOPING AND ISSUE IDENTIFICATION

A BLM interdisciplinary team (IDT) reviewed the Proposed Action and identified a list of resources potentially impacted by implementation of the proposed Project. These resources represent issues considered in all EAs and EISs and are discussed and analyzed in Chapters 3, 4, and 5 of this EIS. A listing of these resources and their status within the MBPA is presented in **Appendix A**. The resources and issues identified in this appendix documents all resources considered, including those resources which were determined to be “Not Present” (NP) or “Not Impacted” (NI), with a rationale for that determination. Resources that would not be affected by the proposed Project are not carried forward for detailed analysis in Chapters 3, 4, and 5 of this EIS.

BLM also conducted public scoping to solicit input and identify environmental issues and concerns associated with the proposed project. The public scoping process was initiated on August 25, 2010, with the publication of a Notice of Intent (NOI) in the Federal Register. The BLM prepared a scoping information notice and provided copies to the public, other government agencies, and Tribes. These announcements included information on a public scoping meeting and open house, which was held at the County Commissioner’s Office in Duchesne, Utah, on September 13, 2010, and at the Western Park Convention Center in Vernal, Utah, on September 20, 2010. The scoping meetings included participants from the BLM, Ashley National Forest, Uintah County Public Lands, Newfield, El Paso County, consultants, as well as local landowners and other stakeholders. The official scoping period ended October 9, 2010.

Public response to the NOI and meetings included seven letters: two from federal agencies; one from a state agency; one from a county agency; and three from industry or private individuals. The following concerns were raised in the letters as issues to be addressed in the EIS and/or concerns related to the EIS:

- Comprehensive air-quality analyses and region-wide air-quality modeling;
- Direct and indirect effects of water injection and hydrogen sulfide on gilsonite mining operations;
- Incorporation of operational flexibility into the Record of Decision and Final EIS;
- Recognition of valid existing lease rights within the Project Area by BLM;
- Explanation of the positive air quality impacts and reduction in emissions that would result from electrification;
- Limited BLM statutory or regulatory authority to regulate air quality or enforce air quality laws;
- Economic benefits to the local and state economies and SITLA;
- Conformance of the proposed project to the Vernal RMP;
- Direct, indirect, and cumulative impacts to Waters of the U.S.;
- Direct, indirect, and cumulative air quality impacts with an emphasis on fine particulate matter (PM<sub>2.5</sub>), nitrogen dioxide (NO<sub>2</sub>), volatile organic compounds (VOC), and ozone;
- Protection of wetland, stream, and riparian resources;
- Alternatives for water treatment and produced water management;
- Protection of groundwater, drinking water, and irrigation water;
- Impacts of fugitive dust from construction and travel on unpaved roads;
- Impacts of noise from central facilities located near residences and wildlife in the MBPA;
- Analysis of proposed project development on water quality within Pariette Draw; and
- Potential introduction and expansion of noxious weeds in the MBPA.

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