

5. Are the direct and indirect impacts of the current proposed action substantially unchanged for those identified in the existing NEPA document(s)? Does the existing NEPA document sufficiently analyze site-specific impacts related to the current proposed action? Yes.
6. Can you conclude without additional analysis or information that the cumulative impacts that would result from the implementation of the current proposed action are substantially unchanged from those analyzed in the existing NEPA document(s)? Yes.
7. Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action? Yes.

D. Interdisciplinary Analysis: Identify those team members conducting or participating in the preparation of this worksheet. See attached DNA Checklist.

E. Mitigation Measure:

The provisions for the approval of the DNA include the Roswell Field Office requirements as defined in the following exhibits; **Exhibit A** - Location Map, **Exhibit B** - Well Drilling Requirements, **Exhibit C** - Conditions of Approval, **Exhibit D** - Permanent Resource Road Requirements, **Exhibit E** - Surface Restoration/Reclamation Requirements, of the approved APD.

Conclusion:

Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the existing NEPA documentation fully covers the proposed action. This constitutes BLM's compliance with the requirement of NEPA.

/s/Larry D. Bray

Larry D. Bray, Assistant Field Manager,
Lands and Minerals

2/26/07

Date

**Four Mile Draw "C" Federal #8H will be drilled from the
Lookout "B" Federal #3 well pad**

3-11-05

ENVIRONMENTAL ASSESSMENT CHECKLIST

2005

EA NUMBER: NM-510-05-39A SERIAL NO: NM-36192 PREPARER: RICHARD G. HILL - EPS			ACTION TYPE: Application For Permit To Drill PROJECT NAMES: Lookout "B" Federal #3 APPLICANT: McKay Oil Corporation		
ENVIRONMENTAL RESOURCES/ELEMENTS	NOT PRESENT	NOT AFFECTED	**MAY BE AFFECTED	REVIEWER NAME	DATE
Vegetation			✓	Rangeland Management Specialist /s/ Joseph M. Navarro	05/04/05
Invasive & Noxious Weeds*			✓	Rangeland Management Specialist /s/ Joseph M. Navarro	05/04/05
Air Quality*			✓	Hydrologist /s/ Michael McGee	5/18/05
Wetlands/Riparian Zones*	✓				
Floodplains*	✓				
Soils/Watershed			✓		
Lands/Realty/ROW		X		Realty Specialist	
Prime/Unique Farmlands*	X			/s/ Judy Yslas	3/15/05
Water Quality Drinking /Ground*		X		Geologist /s/ John S. Simitz	5/9/05
Mineral Materials		✓		Geologist	
Mining Claims	✓			/s/ Jerry Dutchover	03/25/05
Threatened or Endangered Species*	X			Wildlife Biologist	
Areas of Critical Environmental Concern*	X			/s/ D Baggao	5/10/05
Wildlife Habitat			X		
Native American Religious Concerns*		X		Archaeologist Pat Flanary	
Cultural Resources*		X		05-R-047-A	5/17/05
Wild/Scenic Rivers*	X			Outdoor Recreation Planner Bill Murry	5/16/05
Wilderness*	X				
Cave/Karst Resources			X		
Outdoor Recreation			X		
Visual Resources			X		
Minority/Low- Income Populations/Comm.*		X		Environmental Protection Specialist /s/ Richard G. Hill	3/15/05
Access/Transportation		X			
Wastes, Hazardous/Solid		X		Link Lacewell - Haz-mat Coordinator	CFO-Zone

- "Critical Element": Must be addressed in all NEPA documents. ** "Affected Element": Must be addressed in the attached EA.

ENVIRONMENTAL ASSESSMENT
EA# NM-510-05-39A

BLM Serial #: NM-36192

WELL NAME & NO.: Lookout “B” Federal #3
Section 10, 810' FSL & 660' FWL, Unit Letter M
T. 6 S., R. 22 E., NMPM,

Chaves County, New Mexico

OPERATOR: McKay Oil Corporation

ACTION: Applications for Permit to Drill

SURFACE/MINERAL ESTATE: Federal Minerals/Surface

I. Introduction

A. Need for the Proposed Action:

McKay Oil Corporation proposes to drill and complete a natural gas well at the location described above. The proposed actions are needed to develop the mineral lease.

A-1. APD Proposed Action (On-lease Buried Pipeline):

The APD process was used to the extent possible for a proposed on-lease action. McKay Oil Corporation is utilizing the APD process in combination with an on-lease action to construct a buried pipeline. McKay Oil Corporation proposes to construct, operate, and maintain, a buried 2⁷/₈ inch natural gas steel pipeline. The pipeline is approximately 1188.7 feet (0.23 mile) in length and would be buried across country (See Exhibit A). The pipeline would have related appurtenance that would consist of meter station, gas separator, valves, and cathodic protection.

The proposed action would consist of connecting the **Lookout “B” Federal #3** gas well to an existing pipeline. The tie-in point of the pipeline will be in the SW¹/₄NW¹/₄SW¹/₄ of Section 10, T. 6 S., R. 22 E..

B. Conformance with Land Use Plan:

Oil and gas lease development is in conformance with the Roswell Approved Resource Management Plan and Record of Decision, October 1997.

The APD was utilized as an application for an on-lease buried pipeline proposed action and the proposal is also in conformance with RFO-RMP.

C. Relationship to Statutes, Regulations, or other Plans:

The proposed actions do not conflict with any known State or local planning, ordinance or zoning.

II. Proposed Action and Alternatives

A. Background of the proposed action:

The beginning of the access road was rerouted because the proposed new reroute road could be utilized by another proposed well (Four Mile Draw "B" Federal #8) and would minimize multiple road construction. The new road route would access two wells and would be shorter in length with less road construction. The new road route would also be utilized for an on-lease pipeline corridor.

B. Proposed Action:

McKay Oil Corporation submitted an Application for Permit to Drill the Lookout "B" Federal #3 gas well on 5/6/05. A Notice of Staking was submitted on 3-11-05.

The proposed action would include:

1. The proposed road is approximately 1550 feet in length, beginning from the Stargrass County road and would access the southwest corner of the proposed well pad. The entire length of 1550 feet is new access road construction, and about 1300 feet of road would cross public land. The road would have a driving surface (travelway) of 14 feet, with a maximum 30-foot wide surface disturbance area for the road construction. The proposed access road would be constructed and maintained in accordance with the New Mexico Road Policy. All other existing access roads would be maintained in as good or better condition than those existing at the commencement of operations. A cattleguard would be constructed and installed at the fence crossing in the 1/64 of Sec. 10 - T. 6 S. -R. 22 E.. No Right-of-Way is required.
2. The construction of the proposed well pad would be 220 feet long by 210 feet wide. The construction of the reserve pit would be about 50 feet by 100 feet and dug 4 feet below ground level. The reserve pit would be located on the **NORTH** side of the well pad. The well will be drilled to a depth of 4,300 feet.
3. **On-Lease Pipeline** - The APD process was utilized by the operator for the on-lease buried pipeline construction and for the related appurtenance for the **Lookout "B" Federal #3** gas well. The pipeline construction would include; digging a trench 36 inches deep, constructing a trench within a maximum disturbance limit of 20 feet, and the pipeline will be buried across country (SEE EXHIBIT A) within the archaeological survey corridor. The pipeline would also be buried 48 inches deep under all road crossings. A trencher is a kind of ditch digging machine that would be used to construct the pipeline trench.
4. Standard oilfield construction equipment consisting of; track-type tractors, motor graders, dump trucks, and water trucks would be used to construct the access road and well pad. A rotary drilling rig would be used to drill the well. Associated production facilities (e.g., pipeline, separator, storage tanks, etc.) would be installed during the production phase of these wells. Topsoil would be stockpiled for future use over the disturbed areas of the well.

B. Alternatives:

1. Relocate the Proposed Actions:

The well locations are determined on the basis of subsurface geologic formation and to some extent, by spacing regulations imposed by the New Mexico Oil Conservation District II. No other alternative locations would have significantly fewer impacts than, or have a clear advantage over, the projected locations. Therefore, each alternative for changing the locations involved in these actions are not analyzed further in this EA.

2.) Change the Alignment--Reroute the Project (Buried Pipeline)

The proposed buried pipeline would go across country. The pipeline would be confined within the parameters of the archaeological survey that was done on the pipeline route until it reaches the tie-in point in the SW¹/₄NW¹/₄SW¹/₄ of Section 10, T. 6 S., R. 22 E.. No other route for the pipeline would reduce soil disturbance by minimizing width requirements and maximizing multiple occupancy as directed in the RFO-RMP. The on-lease pipeline route is consistent with the policy of utilizing an approved corridor(s) that would be acceptable for pipeline construction, such as; new and/or existing road routes, two-track roads, utilization of other previously disturbed pipeline routes, and across country if no other option is feasible, etc.. There are no alternate routes which would have substantially less impacts than or any clear advantages over the proposed action. Therefore the alternative of changing the pipeline route is not analyzed any further.

2. No Action:

Under this alternative, the applications would be rejected. None of the environmental impacts associated with the proposed actions or alternate locations would occur. Additionally, economic benefits of the proposed actions would not be realized, and the existing environment, including the developments in place, would remain unchanged.

A-1. No Action (On-Lease Buried Pipeline):

Under this alternative the proposal to construct an on-lease pipeline, submitted in combination with the APD process, would be rejected.

III. Description of the Affected Environment

A. General Setting:

The proposed access roads and well pads are located on federal minerals and surface about 45 miles **NE** of Roswell, N.M. Historical and present use of the land has been limited to livestock grazing and energy development.

B. Rights of Record:

An inspection of the Master Title Plats and other Bureau records revealed the following title information pertaining to valid existing prior rights on the subject land:

- Oil and gas leases: NM-36192 - covers lease actions.
- No federally administered rights-of-way would be affected in the project area.
- No mining claims are recorded within Sec. 9 & Sec. 10, T. 6 S., R. 22 E., NMPM.

C. Affected Resources:

The following critical resources have been evaluated and are either not present or are not affected by the proposed action or the alternatives in this EA:

Areas of Critical Environmental Concern (ACEC's)
Cultural Resources (05-R-047-A [access road, pad, & pipeline])
Farmlands, Prime/Unique
Floodplains
Native American Religious Concerns
Wastes, Hazardous/Solid
Wetlands and Riparian Zones
Wild & Scenic Rivers
Wilderness

1. Air Quality:

The areas of the proposed actions are considered Class II air quality areas. Class II areas allow moderate amounts air quality degradation. The primary sources of air pollution are dust from blowing wind on disturbed or exposed soils and exhaust emissions from motorized equipment.

2. Soil:

The *Soil Survey of Chaves County, New Mexico, Northern Part (USDA Soil Conservation Service 1980)* was used to describe and analyze impacts to soils from the proposed action. The soil map units represented in the project area are:

Ector very cobbly loam, 3 to 15 percent slopes (EaC) Permeability of the unit soil is moderate. Runoff of the unit soil is rapid and the hazard of water erosion is high and the hazard of soil blowing is slight.

Hogadero-Pena association, moderately rolling, 1 to 15 percent slopes (HGC) Permeability of the Hogadero soil is slow. Runoff is slow to medium and the hazard of water erosion is slight to moderate and the hazard of soil blowing is moderate. Permeability of the Pena Soil is moderate. Runoff is medium and the hazard of water erosion is moderate and soil blowing is moderate.

3. Vegetation: GRASSLAND COMMUNITY

This lease is within the grassland vegetative community as identified in the Roswell Resource Management Plan/Environmental Impact Statement (RMP/EIS). Appendix 11 of the Draft RMP/EIS describes the Desired Plant Community (DPC) concept and identifies the components of each community. The distinguishing feature for the grassland community is that grass species typically comprises 75% or more of the potential plant community. Short-grass, mid-grass, and tall-grass species may be found within this community such as blue grama (*Bouteloua gracilis*), black grama (*Bouteloua eriopoda*), threeawn (*Aristida* spp.), burrograss (*Scleropogon brevifolius*), tobosa (*Pleuraphis mutica*) and dropseed (*Sporobolus* spp.) The community also includes shrub, half-shrub, and forb species such as snakeweed (*Gutierrezia sarothrae*), sumac (*Rhus* spp.) and others. The percentages of grasses, forbs, and shrubs actually found at a particular location will vary with recent weather factors and past resource uses.

The Ecological Site Description for the proposed well pad and access road for the Lookout Fed B #3 is [(CP-4 Very Shallow and CP-3 Gravelly respectively). Pecos-Canadian Plains & Valleys].

4. Invasive & Noxious Weeds:

There are no known populations of invasive or noxious weed species on the proposed access road and well pad.

Infestations of noxious weeds can have a disastrous impact on biodiversity and natural ecosystems. Noxious weeds affect native plant species by out-competing native vegetation for light, water and soil nutrients. Noxious weeds cause estimated losses to producers \$2 to \$3 billion annually. These losses are attributed to: (1) Decreased quality of agricultural products due to high levels of competition from noxious weeds; (2) decreased quantity of agricultural products due to noxious weed infestations; and (3) costs to control and/or prevent the noxious weeds.

Further, noxious weeds can negatively affect livestock and dairy producers by making forage either unpalatable or toxic to livestock, thus decreasing livestock productivity and potentially increasing producers' feed and animal health care costs. Increased costs to operators are eventually borne by consumers.

Noxious weeds also affect recreational uses, and reduce realty values of both the directly influenced and adjacent properties.

Recent federal legislation has been enacted requiring state and county agencies to implement noxious weed control programs. Monies would be made available for these activities from the federal government, generated from the federal tax base. Therefore, all citizens and taxpayers of the United States are directly affected when noxious weed control prevention is not exercised.

5. Ground Water Quality :

Fresh water sources are in the San Andres and Glorieta Formations and the Triassic Redbeds. Fresh water has been found as deep as 470' in section 2, T. 6 S., R. 22 E., approximately 625' in sec. 1, T. 6 S., R. 21 E, and approximately 650' in sec. 14, T. 7 S., R. 22 E. Inquires to the ranchers in the area with regard to the depth of their water wells found the deepest occurrence to be approximately 725 ft. NMOCD recommends setting surface casing at 800 to 850 ft. At this location the deepest expected useable water occurs at a depth of 725'.

6. Wildlife:

Wildlife species utilizing these areas for habitat include mule deer, pronghorn antelope, coyote, fox, rabbits, kangaroo rats, pocket gophers, herptile species, as well as a variety of songbirds, dove, quail, and raptors.

No known special status species (plant/animal) or critical habitat is present within the confines of the access road and well pad.

There are no known threatened or endangered species of plant or animals within the project areas. The list of federal threatened, endangered and candidate species reviewed for this EA can be found in Appendix 11 of the Roswell Approved RMP (AP11-2).

7. Range:

A. The access road and well pad are located on a BLM grazing allotment #64007, permitted to Cox-Bilberry Partnership, 1908 N. Montana, Roswell, N.M. 88201.

8. Visual Resources:

The proposed actions are located within a designated VRM Class IV area. The setting presents a winter gray setting and in warm months, with foliage, a gray to gray-green color pattern.

9. Recreation:

The areas around the proposed projects are primarily used by recreational visitors engaged in hunting, caving, off-highway vehicle use, and other recreational activities. Non-recreation visitors include oil and gas industrial workers and ranchers.

10. Cave/Karst:

While the proposed action is located in the *High Potential Karst Area*, no surface cave/karst features were observed in the immediate vicinity of the proposed actions.

11. Minority or Low-income Populations or Communities:

The proposed actions would not affect the minority or low-income populations or communities.

IV. ENVIRONMENTAL IMPACTS

A. Proposed Action Impacts:

The surface disturbance involved in the construction of the access road, well pad, and reserve pit would total about 1.6 acres, plus 0.55 acre for pipeline construction, 0.1 acre would be on private surface.

1. Air Quality:

Air quality would temporary be impacted with pollution from exhaust emissions, chemical odors, and dust that would be caused by the motorized equipment used to construct the access roads, well pads, and by the drilling rig that will be used to drill the wells. Dust dissemination would discontinue upon completion of the construction phase of the access roads and well pads. Air pollution from the motorized equipment would discontinue at the completion of the drilling phase of the operations. The winds that frequent the southeastern part of New Mexico generally disperse the odors and emissions. The impacts to air quality would be greatly reduced as the construction and drilling phases are completed.

2. Soil: Impacts on Nonsurfaced roads:

The impact from the construction of non-surfaced access roads would physically disturb 0.5 acres. A nonsurfaced road would have exposed topsoils and substratum soil that would be compacted by overweight vehicular traffic which would minimize some impacts from weathering. The exposed soil on the nonsurfaced road would be susceptible to wind blowing and water erosion and would be impacted by the weathering progression that would occur in the dry, windy, monsoon and other seasonal adversities within a long period in time or for the life of the well. Regular road maintenance on a non-surfaced road would alleviate potential impacts to the access road from wind and water erosion damage. The impact from maintenance on a nonsurfaced road would occur when regular grading of a nonsurfaced road to smooth out any irregularities on the nonsurfaced road would eventually create a trench road with 14 feet or less travelway graded below ground level. The impacts to the vegetation would be minimal when

upon reclamation of the nonsurfaced road the soil is not mixed with other soil that is not compatible with vegetation recovery which is the ultimate purpose for nonsurfaced roads.

3. Vegetation:

The construction of the access roads and well pads would remove about 2.25 acres of native vegetation. If the wells are producers, reclamation would not commence until the each individual well is a depleted producer and plugged and abandoned. Vegetation recovery on the access roads and well pads would depend on the life of the wells. Native vegetation would encroach on the well pads over time with only high traffic areas remaining unvegetated. If drilled as a dry holes and plugged, reclamation of the access roads and well pads would immediately follow. Vegetation impacts would be short-term when the access roads and well pads re-vegetate within a few years, and the reclamation of the access roads and well pads are successful.

4. Invasive & Noxious Weeds:

The construction of an access roads and well pads may unintentionally contribute to the establishment and spread of noxious weeds. Noxious weed seed could be carried to and from the project areas by construction equipment, the drilling rig and transport vehicles. The main mechanism for seed dispersion on the roads and well pads is by equipment and vehicles that were previously used and or driven across or through noxious weed infested areas. The potential for the dissemination of invasive and noxious weed seed may be elevated by the use of construction equipment typically contracted out to companies that may be from other geographic areas in the region. Washing and decontaminating the equipment prior to transporting onto and exiting the construction areas would minimize this impact.

Impacts by noxious weeds will be minimized due to requirements for the company to eradicate the weeds upon discovery. Multiple applications may be required to effectively control the identified populations.

5. Ground Water Quality:

The use of a plastic-lined reserve pit would reduce or eliminate seepage of drilling fluid into the soil and eventually reaching groundwater. Spills or produced fluids (e.g., saltwater, oil, and/or condensate in the event of a breach, overflow, or spill from storage tanks) could result in contamination of the soils onsite, or offsite, and may potentially impact groundwater resources in the long term. The casing and cementing requirements imposed on each proposed well would reduce or eliminate the potential for groundwater contamination from drilling muds and other surface sources.

6. Wildlife:

Some small wildlife species may be killed and their dens or nests destroyed during construction of the access roads, well pads, and buried pipeline. The construction of the access roads and well pads could cause fragmentation of wildlife habitat. The short-term negative impact to wildlife would occur during the construction phase of the operations due to noise and habitat destruction. In general, most wildlife species would become habituated to the new facilities. For other wildlife species with a low tolerance to activities, the operations on the well pads would continue to displace wildlife from the areas due to ongoing disturbances such as vehicle traffic and equipment maintenance. The conditions of approval would alleviate most losses of wildlife species, such as; fencing the reserve pits, netting storage tanks, installation or other modifications of cones on separator stacks, and timing stipulations. Upon abandonment of the wells, the areas would revegetate and wildlife would return to previous levels.

7. Range:

There would be some minor disruption of livestock grazing in the pasture, specifically on the well pads, during the construction and drilling phase of the wells. Vehicle traffic would increase in these areas, which may lead to conflicts with livestock.

8. Visual Resources:

Facilities, such as condensate and produced water or oil storage tanks that rise above eight feet, would provide a geometrically strong vertical and horizontal visual contrast in form and line to the characteristic landscape and vegetation, which have flat, horizontal to slightly rolling form and line. The construction of the access roads, well pads and other ancillary facilities would slightly modify the existing area visual resources. The proposed actions are located in an area designated VRM Class IV.

The objective of Class IV is to: "Provide for management activities which require major modification of the existing landscape character...Every attempt, however, should be made to reduce or eliminate activity impacts through careful location, minimal disturbance, and repeating the basic landscape elements."

Through color manipulation, by painting well facilities to blend with the rolling to flat vegetative and/or landform setting with a gray-green to brownish color, the view is expected to favorably blend with the form, line, color and texture of the existing landscape. The flat color Olive Drab from the supplemental environmental colors also closely approximates the brownish color of the setting. All facilities, including the meter buildings, would be painted this color.

Cumulative adverse visual impacts can be avoided by gradually moving into a more appropriate vegetative/landform setting color schemes.

9. Recreation:

Oil and gas activities would have little or no affect on recreational opportunities within these areas. Large blocks of public lands would allow recreationists to use public lands and avoid the oil and gas facilities within the proposed areas.

10. Cave/Karst:

While the proposed action is located in the *High Potential Karst Area*, no surface cave/karst features were observed in the immediate vicinity of the proposed actions.

11. Minority or Low-income Populations or Communities:

The proposed actions would not impact the minority or low-income populations or communities.

B. Alternatives:

1. Relocation Alternative:

The alternative of changing the locations involved in these actions were not analyzed further because no other alternative locations would have significantly fewer impacts than, or has a clear advantage over, the proposed locations.

2. No Action Alternative:

The no action alternative would constitute denial of the applications. This alternative would have no consequential results from the identified environmental impacts. There would, however, be an adverse economic impact to the applicant through the denial of the lessee's right to develop the mineral reserves or through increased costs of accessing those mineral reserves through other means. There have been no significant or unmitigatable impacts identified as a result of this analysis, which would warrant selection of the no action alternative.

C. Mitigation:

The Roswell Field Office; Well Location Map (Exhibit A), Well Drilling Requirements (Exhibit B), Conditions of Approval (Exhibit C), Permanent Resource Road Requirements (Exhibit D) and Cattleguard Diagram A & B (Exhibit E) for the Lookout Federal #3, BURIED PIPELINE STIPULATIONS FOR THE ROSWELL FIELD OFFICE, BLM (Exhibit G for the Lookout Federal #3). Surface Restoration/Reclamation Requirements (Exhibit F for the Lookout Federal #3 & Exhibit E for the Lookout Federal #5), and the special requirements derived from this EA, would be applied to each individual well to minimize the surface disturbance and conserve the surrounding landscape.

VRM:

The flat olive drab from the supplemental environmental colors also closely approximates the brownish color of the setting. All facilities, including the meter building, would be painted this color.

D. Cumulative Impacts:

While it is likely that there will be no significant cumulative impact from the proposed actions, continued oil and gas development, and other surface-disturbing activities in these areas, may potentially have negative cumulative impacts on vegetation, soil, water, livestock, wildlife, and visual resources.

V. Consultation and Coordination

An onsite inspection was conducted on the access roads and well pads on 3/22/05. In attendance was Mr. James Schulz, Independent Petroleum Landsman, Agent for McKay Oil Corporation and Richard Hill, Environmental Protection Specialist, BLM Roswell Field Office. Coordination and consultation has occurred with the applicant's agent. The comments and suggestions expressed during the onsite consultation have been incorporated into this EA.

Coordination and consultation has occurred with Roswell Field Office's Staff. The comments and suggestions expressed during the analytical review of the proposed actions have been incorporated into this Environmental Assessment. Roswell Field Office's Staff at on-site; Joseph Navarro & David Arthun.

Reviewed by:

Irene Gonzales, Realty Specialist

Date

**FINDING OF NO SIGNIFICANT IMPACT
AND DECISION RECORD
EA-NM-510-05-39A**

DECISION: It is my decision to authorize the Application For Permit To Drill Or Deepen (APD), for the Lookout "B" Federal #3 gas well, submitted by McKay Oil Corporation. The provisions for the approval of the APD will include the attachment of the Roswell Field Office requirements as defined in the following exhibits; **Exhibit A** - Location Map, **Exhibit B** - Well Drilling Requirements, **Exhibit C** - Conditions of Approval, **Exhibit D** - Permanent Resource Road Requirements & (**Exhibit E**) Cattleguard Diagram A & B, , **Exhibit F** -Surface Restoration/Reclamation Requirements, and any special mitigating measures developed in the environmental assessment for each individual well.

In the event the wells prove to be a dry holes, or when the wells are abandoned, I recommend that reclamation requirements be attached to each individual well abandonment, including additional requirements imperative for the complete reclamation of the disturbed areas. These actions are subject to 43 CFR 3160 regulations for Onshore Oil and Gas operations on federal lease NM-36192.

Authority for these actions is the Mineral Leasing Act of February 25, 1920, as amended.

These actions will affect public land described as: *New Mexico Principal Meridian*

**Section 10; SW¹/₄SW¹/₄, 810' FSL & 660' FWL,
T. 6 S., R. 22 E.**

FINDING OF NO SIGNIFICANT IMPACT: Based on the analysis of potential environmental impacts contained in the attached environmental assessment, I have determined that impacts resulting from the proposed actions are not expected to be significant and an environmental impact statement is not required.

RATIONALE FOR DECISION: The proposed actions would not result in any undue or unnecessary environmental degradation. Portions of the subject land and adjacent land have been used for similar purposes and all present and potential uses and users have been considered.

COMPLIANCE AND MONITORING: The construction phase of the proposed actions and subsequent operational phases will be monitored as per regulations.

**Larry D. Bray, Assistant Field Manager,
Lands and Minerals**

Date

