

U.S. FISH AND WILDLIFE SERVICE  
Ouray National Wildlife Refuge

**ENVIRONMENTAL ACTION STATEMENT**

Within the spirit and intent of the Council on Environmental Quality's regulations for implementing the National Environmental Policy Act (NEPA), and other statutes, orders, and policies that protect fish and wildlife resources, I have established the following administrative record and determined that the action of requiring that specific protective measures and standards be followed during all phases of oil and gas exploration proposed by Thurston Energy Operating Company (Thurston):

\_\_\_\_\_ is a categorical exclusion as provided by 51 6 DM 2, Appendix I and 516 DM 6, Appendix 1. No further NEPA documentation will therefore be made.

X is found not to have significant environmental effects as determined by the attached environmental assessment and finding of no significant impact.

\_\_\_\_\_ is found to have significant effects and, therefore, further consideration of this action will require a notice of intent to be published in the *Federal Register* announcing the decision to prepare an EIS.

\_\_\_\_\_ is not approved because of unacceptable environmental damage, or violation of Fish and Wildlife Service mandates, policy, regulations, or procedures.

\_\_\_\_\_ is an emergency action within the context of 40 CFR 1506.11. Only those actions necessary to control the immediate impacts of the emergency will be taken. Other related actions remain subject to NEPA review.

Other supporting documents:

*U.S. Fish and Wildlife Service. 2019. Final Supplemental Environmental Assessment & Biological Opinion for Thurston Energy, LLC Proposed Ouray National Wildlife Refuge 2-Well Development Program in Uintah County, Utah. 73 pp. & Appendices.*

*U.S. Fish and Wildlife Service. 2015. Final Environmental Assessment & Biological Assessment for Thurston Energy, LLC Proposed Ouray National Wildlife Refuge 2-Well Development Program in Uintah County, Utah. 207 pp. & appendices.*

Signature Approval:

*Deputy*  
  
\_\_\_\_\_  
Regional Director  
Interior Regions 5 and 7  
U.S. Fish and Wildlife Service

10.17.19  
\_\_\_\_\_  
Date

U.S. FISH AND WILDLIFE SERVICE  
Ouray National Wildlife Refuge

**FINDING OF NO SIGNIFICANT IMPACT**

Thurston Energy Proposed Oil and Gas Exploration & Development

*Uintah County, Utah*

**BACKGROUND**

The Ouray National Wildlife Refuge (Refuge) is administered by the U.S. Fish and Wildlife Service (Service) as a unit of the National Wildlife Refuge System. Currently, the Refuge consists of 11,987 acres and includes 12 miles of the Green River. Most of the surface acreage is owned in fee title (5,032 acres), 2,692 acres are leased from the Ute Tribe, and 1,153 acres are leased from the State of Utah. The purpose of the Refuge is for "use as an inviolate sanctuary, or for any other management purpose, for migratory birds." According to the Comprehensive Conservation Plan (CCP) completed in 2000, the Refuge will focus on maintaining, restoring, and enhancing riparian and wetland habitat for waterfowl, other migratory birds, and endangered fish species.

In October 2011, Thurston Energy Operating Company (Thurston) announced its intent to explore for natural gas and/or oil beneath the Refuge. At that time, Thurston provided the Service with a lease document that indicated the State of Utah had leased them a significant acreage of mineral rights in the Leota Bottoms Unit of the Refuge. Thurston has provided sufficient evidence that it is an owner of outstanding / reserved minerals<sup>1</sup> and on February 2, 2015, an environmental assessment (EA) was completed to assist the agency in planning and decision making.<sup>2</sup>

During the 2015 Environmental Review, Alternative A, the proposed action, was selected for implementation, because it provided for maximum protection of the Refuge during exploration and development. This alternative required that in addition to existing Federal, State, and local regulations, a list of conservation measures (attached) that have been mutually agreed upon by the Service and Thurston would be followed during all phases of oil and gas exploration and development. We evaluated additional alternatives, including: (1) a no action alternative in which a Special Use Permit for access to construct and develop the two wells associated with the Proposed Action would be denied; and (2) seven alternatives that were considered but dismissed from analysis, such as a 4-well development, two alternative pipeline routes, directional drilling of both wells from a single pad, seasonal restrictions alternative, land exchange alternative, and a lease buyout alternative (see the Final SEA, Appendix A, for an explanation of why these alternatives were dismissed). The proposed action was approved on February 5, 2015 and a Special Use Permit was issued to Thurston to initiate exploration and development. Thurston chose not to pursue development at that time.

On August 8, 2018, Thurston submitted changes to their approved development plans, which required additional analysis. The substantive changes included a slight increase in well pad size to accommodate the relocation of the tank batteries, the use of gas powered instead of electric pumpjacks, and tanker truck access to the tank batteries using the Refuge/Hatchery Road. Through preparation of a Supplemental EA,

---

<sup>1</sup> The following document was evaluated by the Service to determine mineral ownership: Utah State Lease for Oil, Gas and Associated Hydrocarbons between the Utah School and Institutional Trust Lands Administration and Thurston Energy LCC, effective September 1, 2011.

<sup>2</sup> 40 CFR §1501.3(b) states that Agencies may prepare an environmental assessment on any action at any time in order to assist agency planning and decision making.

which analyzed these, and other impacts associated with Thurston's changes, the Service determined that the project continues to have no significant impacts on the human environment.

If Thurston discontinues or fails to perform any of the conservation measures that have been mutually agreed upon by the Service and Thurston, and the Refuge Manager believe such failure will lead to unreasonable damages to Refuge resources, the Service may assess penalties pursuant to Code of Federal Regulations.<sup>3</sup> The Service may require Thurston to cease exploration and development activities until the risk of damage to Refuge resources has been removed or mitigated at the sole discretion of the Service.

## ANTICIPATED ENVIRONMENTAL EFFECTS

The changes to the preferred alternative in the 2015 EA include:

- Construction of two (2) well pads, each 2.55 acres in size within an average disturbed area of 3.2 acres (versus two well pads, each 1.66 acres in size within an average disturbed area of 2.2 acres plus a produced fluid treatment and tank battery pad of 1.38 acres within a disturbed area of 1.81 acres on top of the bluff within the Ouray NWR under the Approved Action (AA). The increased size of well pads is needed to accommodate tank batteries, produced fluid treatment equipment, and turn around for tanker trucks;
- Construction of approximately 420 feet of new access road (versus 597.6 feet under AA);
- Installation of 7,216 feet of 3-inch surface, high-density polyethylene (HDPE) natural gas pipeline laid by hand from the nearest gas gathering trunk line on top of the bluff within the Ouray NWR to the well pads (versus 7,131 feet of bundled, 8-inch, surface, HDPE, heat-traced, 3-phase [mixed oil, gas, and water] production pipeline under AA). This change is mandated by lack of sufficient margin of safety for the long-term use of the bundled, 8-inch, heat traced, HDPE pipe product operated at its maximum allowable manufacturer-rated pressure for crude oil service due to the elevation difference between the wells and the produced fluid treatment and tank battery pad on top of the bluff;
- Elimination of approximately 9,768 feet of overhead electric power lines under AA;
- Tank Batteries and produced fluid treatment equipment would be placed on the well pads in accordance with Best Management Practices for the Three Rivers field (versus located on a separate produced fluid treatment and tank battery pad on top of the bluff within the Ouray NWR under AA);
- Approximately 1-4 tanker trucks on Refuge/NFH roadway daily during 30-40 year production phase generally declining with time (versus no tanker traffic following construction and development under AA).

The following is a summary of anticipated environmental effects from the implementation of the preferred alternative:

1. Minimal long-term impacts to soils are expected relative to construction of roads and drill pads. Prior to interim reclamation, short-term surface disturbance for the proposed pads, pipeline corridors, and new access roads would be approximately 11.68 acres. Those portions of the pads and access road right of way not needed for production operations would be reclaimed within one to two growing seasons. The remaining surface disturbance would be long-term disturbance of approximately 5.88 acres for the 33- to 43-year life of the project.

---

<sup>3</sup> The Service may assess penalties pursuant to 50 CFR Part 28 or any of the following 50 CFR § 25.13; 50 CFR § 25.72; 50 CFR § 26.22; 50 CFR § 27.21; 50 CFR § 27.31; 50 CFR § 27.41; 50 CFR § 27.42; 50 CFR § 27.51; 50 CFR § 27.52; 50 CFR § 27.62; 50 CFR § 27.63; 50 CFR § 27.81; 50 CFR § 27.82; 50 CFR § 27.84; 50 CFR § 27.92; 50 CFR § 27.94; 50 CFR § 27.95; 50 CFR § 28.42; 50 CFR § 28.43; and 50 CFR § 29.32.

2. Many aspects of oil and gas exploration and development will affect the air quality of the area. State of Utah and Federal ambient air quality standards exist and set maximum limits for pollutant concentrations.
3. The Service will require specific protective measures be followed during exploration and development to reduce impacts to surface waters to less than significant levels. A Stormwater Pollution Prevention Plan (SWPPP) and a Spill Prevention, Control, and Countermeasure (SPCC) Plan were developed to address potential impacts from the proposed exploration and development to surface water quality, include sedimentation due to runoff and erosion, and contamination of surface water from spills. Surface water will be protected from contamination by establishing protective measures such as buffers between surface water and surface activities. Proper handling of hazardous materials in accordance with applicable rules and regulations also would minimize potential impacts. The primary hazardous materials to be used are fuels (diesel and gasoline), drilling mud additives, and cement.
4. To protect water quality on the surface and in the unconfined and confined aquifers, several protective measures will be required by the Service. Impacts to surface water and the unconfined aquifer will be minimized through implementation of the SWPPP and SPCC Plan and Service protective measures. Usable water quality zones of the aquifers will be isolated to prevent communication between shallow and deeper aquifer layers. Thurston's proposed casing program will be designed and implemented to adequately protect usable quality groundwater such that impacts to groundwater from drilling and production are not anticipated. Cementing the production casing would prevent damage to the wellbore that could potentially occur from targeted formation pressure or corrosion, and would prohibit pressure communication or fluid migration between productive zones. This would provide protection to freshwater aquifers within the Project Area. Additionally, Thurston will install a 430-foot concrete Jersey barrier adjacent to the Green river to further reduce the possibility of vehicle accidents and resulting spills.
5. To mitigate surface impacts to terrestrial wildlife, aquatic species, and special status species within the project area, the Service developed a number of protective measures. However, there may be some unavoidable, non-significant, direct impacts to wildlife such as a reduction or alteration of vegetation, habitat fragmentation, and animal displacement. Additionally, there may be an increase in minor indirect impacts such as noise, human presence in sensitive habitats, and vehicle-related mortalities in areas with special status species. Impacts to wildlife and fisheries resources as a result of the proposed project will be minimized to negligible levels by Implementation of Service protective measures.
6. Protective measures required by the Service will minimize impacts to special status species. During construction and development, vehicle traffic would be restricted to the existing main Refuge Road, and new access roads to two well pads, thereby reducing habitat fragmentation and habitat loss by limiting the construction of new roads. Preconstruction surveys for wildlife species including special status species, will occur in areas where access roads and well pads will be built, and sensitive habitat (e.g., wet meadows and riparian areas) will be avoided.
7. Direct effects to historic properties and traditional Native American lands could occur during oil and gas exploration and development. These effects could include disturbance during road and well pad construction, vandalism, illegal collection, and inadvertent destruction of items by personnel. Section 106 of the National Historic Preservation Act will be followed in conjunction with exploration and development activities on the Refuge. During 2013 and 2014, cultural resource investigations were completed in the project area and no historic or culturally significant properties were discovered. All known historic properties identified within the area of potential effect would be avoided by project construction. Cultural resource monitors would be present during ground-disturbing activities in the event subsurface materials are discovered.
8. Proposed oil and gas exploration, development, and production will have some unavoidable impacts to recreation. Except for short periods of time associated with the construction of the proposed pads, access roads, and temporary disturbance during removal of produced fluids (i.e.,

truck traffic), most recreational activities on the Refuge would continue uninhibited in the Project Area. If the wells are productive over the operational life of the project, the presence of the pads, access roads, and surface pipeline likely will diminish the quality of the experience of recreational users in the Leota Bottom area. These potential impacts would occur because the relatively undisturbed character of the area would be altered by the presence of industrial facilities and light tanker truck traffic. Protective measures, such as limiting production tanker truck traffic to 10 mph or less, allowing tanker truck access to between 1:00 p.m. and 4:00 p.m. daily, installation of a concrete jersey barrier where the road comes near the Green river to reduce the possibility of vehicle accidents, implementation of noise abatement methods, using standard environmental paint color to blend with the natural landscape background, and artificial lighting controls are required to reduce or minimize impacts and not diminish recreational opportunities on the Refuge.

9. There will likely be a temporary impact to visual and sound resources from construction activities and hauling trucks associated with oil and gas exploration, and development that would last about 38 days per well during the construction of the access road and well pads and drilling operations. However, protective measures required by the Service will reduce impacts to both visual and sound resources during drilling operations to less than significant levels.
10. Proposed exploration and development activities are expected to employ varying numbers of personnel on-site at different phases (up to 3 for construction, 15 for drilling, 10 for completion and testing, 7 for well hook-up and pipeline construction, and 1 for production) for the duration of the project (about 38 days per well). The presence of project personnel will generate a small amount of additional income for local businesses; motels, dining establishments, gas stations, etc. However, additional room receipts and other personal expenditures would be of minor beneficial impact.
11. Diminishment of the viewshed may be a concern to local citizens. Implementation of required protective measures will reduce visual impacts to less than significant levels. The Service also will require mitigation measures to reduce the amount of nighttime artificial light emitted from the proposed drilling activities to less than significant levels.
12. Noise levels associated with the project will not exceed State and local standards, but there would be a significant increase over ambient conditions without additional protective measures. The Service is requiring specific protective measures to reduce noise levels associated with the proposed exploration activities including noise monitoring during construction and drilling activities. When gas-powered engines are used, noise abatement methods (e.g., acoustic barriers and mufflers) will be implemented to reduce noise impacts to levels at or below noise levels of an electrified system (i.e., 60 dB or less at 50 ft.).
13. Potential cumulative effects were identified from other current and future oil and gas development in the area; however, the protective measures required by the Service ensure that any impacts to the surface estate of the Refuge and associated cultural, socioeconomic, and aesthetic resources are less than significant.

Refuge officials will conduct an onsite meeting before rig-up with representatives of the operator, drilling contractor, subcontractors, suppliers, and service companies. The purpose of the meeting is to review and reiterate regulations and conditions that apply to planned activities and work crew conduct on the Refuge. Thurston will be responsible for ensuring that employees, representatives, consultants, contractors and subcontractors adhere to the Conditions of Approval, conservation measures, and Best Management Practices identified in the SUP.

## CONTEXT AND INTENSITY

In determining whether this project is a major action significantly<sup>4</sup> affecting the quality of the human environment, we must consider both the context and intensity of the action (40 CFR § 1508.27, 40 CFR § 1508.14) as required by NEPA. In terms of context, the proposed activity will occur on 11.68 acres in the Uintah Basin located in northeast Utah, however the assessment evaluated whether it may have effect to the human environment<sup>5</sup> on a broader scale. The project and this assessment cover oil and gas exploration and development. In evaluating the intensity of the activity, or severity of the impact of the proposed activity, the Service must evaluate the effects of this project as compared to other existing uses within the Uintah Basin. For example, within the Refuge boundary, as of April 2019, there were 7 well pads, 6 active wells, 48 planned wells on SITLA lands, and 9 wells proposed for development under an ongoing EA with the Service. As of October 2019, The Utah Division of Oil, Gas, and Minerals showed that there were currently 11,239 producing wells in the Uintah Basin (source UT DOGM web site). The Service recognizes public concern, but must evaluate the impacts of a project to the Refuge and within the larger context of the Uintah Basin. All beneficial impacts identified are minor and not significant.

## PUBLIC PARTICIPATION

Public scoping was an important component of the development of the environmental assessment and supplemental environmental assessment. The Service conducted public and internal scoping to solicit input from the public, interested organizations, and Federal, State, and local agencies to help inform the Service of concerns associated with the proposed project.

The formal scoping period for the original EA began on October 22, 2012, with the publication of a press release and a map of the proposed project on the Refuge website ([www.ouray.fws.gov](http://www.ouray.fws.gov)). The notice was also posted on the Refuge's information kiosk and published in the Vernal Express, a local weekly newspaper, on October 31, November 7, 14, and 21, 2012. The 30-day public scoping period closed on November 23, 2012. The Service received no response from the general public, special interest groups, or Federal and State agencies in response to the public scoping notice. As such, the resources carried forward for analysis in the EA were determined based on input received during internal scoping with the Service and Ouray NWR managers.

The Service released the draft EA for review and initiated a public comment period on March 10, 2014. The 30-day comment period, which was planned to close on April 8, 2014, was extended 15 days to April 22, 2014, to provide the public more time to formulate comments on the proposed development. The Service received seven letters during the comment period, which generated 79 substantive comments.

The Supplemental EA was released for public comment on May 18, 2019 and the Service received 34 letters and/or emails from 34 contributors generating 136 substantive comments. The SEA and supporting documents were available on the Ouray NWR web site for 30-day review and all commenters

---

<sup>4</sup> 40 CFR § 1508.27 "Significantly" as used in NEPA requires considerations of both context and intensity: (a) Context. This means that the significance of an action must be analyzed in several contexts such as a society as a whole (human, national), the affected region, the affected interests, and the locality. Significance varies with the setting of the proposed action. For instance, in the case of a site-specific action, significance would usually depend on the effects in the locale rather than in the world as a whole. Both short- and long term effects are relevant; and (b) Intensity. This refers to the severity of impact. Responsible officials must bear in mind that more than one agency may make decisions about partial aspects of a major action.

<sup>5</sup> 40 CFR § 1508.14 "Human environment" shall be interpreted comprehensively to include the natural and physical environment and the relationship of people with that environment. (See the definition of "effects" (40 CFR § 1508.8).) This means that economic or social effects are not intended by themselves to require preparation of an environmental impact statement. When an environmental impact statement is prepared and economic or social and natural or physical effects are interrelated, then the environmental impact statement will discuss all of these effects on the human environment.

to the original EA were contacted and notified of the documents availability. Additionally, an article was published in the Salt Lake Tribune on June 7, 2019. Comments were considered for incorporation into the environmental analysis and evaluated for their relevancy. In both the environmental assessment and supplement, the Service responded to individual comments that are substantive and made appropriate revisions. The Service considered all comments during the preparation of the supplemental environmental assessment.

#### **FINDING OF NO SIGNIFICANT IMPACT**

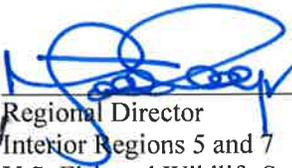
On the basis of information contained in the environmental assessment and supplemental EA, and other information available to me, my determination is that requiring specific protective measures and standards be followed during all phases of oil and gas exploration and development, the limited scale and duration (approximately 76 days) of the proposed construction, drilling, and completion, along with implementation of the preferred alternative, will not unreasonably degrade or result in significant impacts to the surface estate (including all surface and subsurface natural resources not considered to be minerals) of the Refuge and associated cultural, socioeconomic, and aesthetic resources. Therefore, I have determined that the two proposed oil and gas wells on Ouray National Wildlife Refuge is not a Federal action that would significantly affect the quality of the human environment within the meaning of Section 102(2)(C) of the National Environmental Policy Act of 1969.

The Finding of No Significant Impact (FONSI) and supporting assessment will be made available to the public on the Service's website. Copies of this FONSI and the associated environmental assessments are available upon request.

#### **SUPPORTING REFERENCE**

*U.S. Fish and Wildlife Service. 2019. Final Supplemental Environmental Assessment & Biological Assessment for Thurston Energy, LLC Proposed Ouray National Wildlife Refuge 2-Well Development Program in Uintah County, Utah. 73 pp. & appendices.*

*U.S. Fish and Wildlife Service. 2015. Final Environmental Assessment & Biological Assessment for Thurston Energy, LLC Proposed Ouray National Wildlife Refuge 2-Well Development Program in Uintah County, Utah. 207 pp. & appendices.*

  
\_\_\_\_\_  
Regional Director  
Interior Regions 5 and 7  
U.S. Fish and Wildlife Service

10.17.19  
\_\_\_\_\_  
Date

U.S. FISH AND WILDLIFE SERVICE

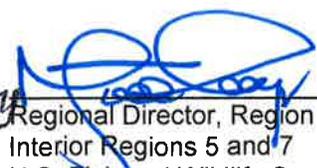
**ENVIRONMENTAL COMPLIANCE CERTIFICATE**

PROJECT: Proposed Oil and Gas Exploration and Development, Ouray National Wildlife Refuge  
STATE: Utah

<b>ACTION (indicate if not applicable)</b>	<b>DATE</b>
National Environmental Policy Act of 1969, as amended	
Categorical Exclusion	N/A
Environmental Assessment/Finding of No Significant Impact	October 16, 2019
Environmental Impact Statement/Record of Decision	N/A
Endangered Species Act, Section 7	10/07/2019
National Historic Preservation Act of 1966, as amended	January 2015
Wilderness Act of 1964	N/A
National Wildlife Refuge System Administration Act of 1966, as amended	January 2015
Executive Order 11593, Protection of Historical, Archaeological, and Scientific Properties	January 2015
Executive Order 11988, Floodplain Management	January 2015
Executive Order 11990, Protection of Wetlands	January 2015
Executive Order 12372, Intergovernmental Review of Federal Programs	January 2015
Executive Order 12898, Federal Actions to Address Environmental Justice in Minority and Low-Income Populations	January 2015
Executive Order 12996, Management and General Public Use of the National Wildlife Refuge System	January 2015
Executive Order 13186, Responsibilities of Federal Agencies to Protect Migratory Birds	

I hereby certify that all requirements of the law, rules, and Service regulations or policies applicable to the terms and conditions as described in the proposed action have met with compliance. On the basis of information contained in the environmental assessment, and other information available to me, my determination is that requiring that specific protective measures and standards be followed during all phases of oil and gas exploration and development, the limited scale and duration (~150 days) of the proposed construction, drilling, and completion, along with implementation of the preferred alternative, will not unreasonably degrade or result in significant impacts to the surface estate (including all surface and subsurface natural resources not considered to be minerals) of the Refuge and associated cultural, socioeconomic, and aesthetic resources.

Deputy

  
Regional Director, Region 6  
Interior Regions 5 and 7  
U.S. Fish and Wildlife Service

\_\_\_\_\_  
Date

10.17.19