



UNITED STATES DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 JICARILLA AGENCY
 P.O. BOX 167
 DULCE, NEW MEXICO 87528



IN REPLY REFER TO:
 Energy & Minerals Management

APR 7 2014

Mr. Jim Levato
 Bureau of Land Management
 Farmington Field Office
 6251 College Blvd., Ste. A
 Farmington, New Mexico 87402

Dear Mr. Levato:

On October 16, 2013, (1) proposed well pad and access road, was on-sited for *Elm Ridge Exploration Company, LLC*.

Location is as follows:

<u>Well Name & No.</u>	<u>Footages</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
Bonanza #15	2007' FSL, 2045' FEL 660' FSL, 660' FEL	11	22N	3W

Surface disturbance:

	<u>Length (ft)</u>	<u>Width (ft)</u>	<u>*Buffer (ft)</u>	<u>Total (acres)</u>
Well Pad	320	250	50	3.37
Access Road	1,061	40		0.97
Total New Disturbance				4.34

**NOTE: The indicated 50' buffer zone encompasses entire well pad to be utilized for construction activity and cut & fill. Area to be reclaimed after well is put into production.*

Proposed new well location is situated in Sandoval County, New Mexico, N.M.P.M., under Jicarilla Lease No. 360.

This letter is in conformity with the Bureau of Indian Affairs, Trust Responsibility, to promote, Self Determination and in accordance with the Code of Federal Regulations relevant to Oil and Gas is subject to 25 C.F.R. § 211.1(a) (b) (d), Purpose and Scope, §211.7 Environmental Studies, §211.48 Permission to Start Operations and §211.54, §211.55 Compliance and Penalties. National Environmental Policy Act (NEPA), National Historic Preservation Act, Section 106.


Compliance to all Federal Regulations pertaining to Oil and Gas Development on Indian Lands and the Stipulations set forth by the Jicarilla Apache Nation and Bureau of Indian

Affairs will be strictly adhered to, by all Lease Owners/Operators, Contractors and Sub-Contractors. Less the "Penalties of Non-Compliance" will be enforced.

Therefore, we support the Jicarilla Apache Nation, Oil and Gas Administration Conditions of Approval letter dated, *January 29, 2014*. Copies enclosed are: Bureau of Indian Affairs Finding of No Significant Impact (FONSI); Jicarilla Oil and Gas Administration Concurrence packet, and the Environmental Assessment.

If you have any questions, contact Mrs. Marlena Reval, Realty Specialist, at (575) 759-3983.

Sincerely,



Superintendent

Enclosures

**Finding of No Significant Impact (FONSI)
For
Elm Ridge Exploration Company, LLC**

This FONSI is issued in accordance with Section 102 (2) (C) of the National Environmental Policy Act of 1969 (NEPA), as amended, and the 30 BIAM Supplement 1, the Department of the Interior, Bureau of Indian Affairs NEPA Handbook.

Elm Ridge Exploration Company, LLC, a natural gas pipeline company proposes to build one well pad and access road on the Jicarilla Apache Indian Reservation and will encumber 4.34 acres. To connect the following well, Bonanza #15, in Section 11, Township 22 North, Range 3 West, N.M.P.M., Sandoval County, New Mexico.

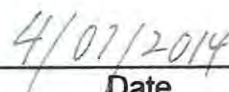
Based on the analysis of the Environmental Assessment (EA) for the *Bonanza #15; BIA EA #1412*. The well pad and access road was proposed for review for the Exploration and Development of Oil and Gas Resources on the Jicarilla Apache Indian Reservation, the Bureau of Indian Affairs, Jicarilla Agency, in accordance with 25 CFR §196.25, CFR §211.7 and CFR §262.1 thru §262.8 and in accordance with the National Environmental Act of 1969, has determined that the proposed action will not have a significant impact on the human environment therefore an Environmental Impact Statement is not required.

The reasons supporting this finding are as follows:

1. No significant impacts on water or quantity in the project area are anticipated.
2. No significant impacts on cultural resources in the project vicinity are expected to occur.
3. No significant impacts to fish and wildlife and sensitive habitat (e.g. potential nesting trees or raptor perches) are expected to occur.
4. No threatened or endangered plants and/or species in the project area.
5. The access roads or the proposed pipeline construction and locations will not affect any wetlands.



Superintendent, Jicarilla Agency



Date