

**Sagebrush Ecosystem Program**

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STEVE SISOLAK

*Governor*



**STATE OF NEVADA**  
**Sagebrush Ecosystem Program**

**Kelly McGowan**, Program Manager

**Dan Huser**, Forestry/Wildland Fire

**Katie Andrie**, Wildlife

**Kathleen Petter**, State Lands

**Ethan Mower**, Agriculture

September 29, 2020

James Franklin  
Exploration Manager  
Western Oil Exploration  
848 N. Rainbow Blvd., Ste. 2818  
Las Vegas, NV 89107

Dear Mr. Franklin,

We are pleased to inform you that Western Oil Exploration has fulfilled their compensatory mitigation obligation for Western Oil Exploration's Applications for Permits to Drill (APD) Scott Federal #35-1 under Environmental Assessment DOI-BLM-NV-L060-2020-0002-EA, and are in full compliance with State Mitigation Regulation NAC 232.400–232.480. While APD #25-1 and #35-1 were authorized under Environmental Assessment DOI-BLM-NV-L060-2020-0002-EA, our assessment of disturbance only included the activities associated with well pad #35-1 and the additional disturbance to existing roads during mobilization and set up. It is our understanding that the applicant had withdrawn the request to complete exploration activities on APD #25-1. If APD #25-1 or any other locations within the lease are planned for future exploration, we should be notified immediately to conduct an analysis for the potential of additional compensatory mitigation associated with planned exploration activities.

All components of the proposed anthropogenic disturbance have been analyzed using the Habitat Quantification Tool (HQT), and the calculation of total debits was approved during the Sagebrush Ecosystem Technical Team's (SETT) Quality Assurance review.

Western Oil Exploration's compliance is solely for the disturbances attributed to exploration of well pad #35-1 and associated roads. If an exploratory well goes into production, additional mitigation will be required and all components associated with oil production (i.e., well pad, access roads, etc.) will need to be analyzed using the HQT. As part of the full HQT analysis, field data would be collected in the spring to finalize the Debit calculation. In addition, completion of a mitigation plan or a phased credit purchase agreement in coordination with the SETT will be necessary to outline Western Oil's plan to acquire the appropriate number of Credits calculated from the project's anthropogenic disturbance.

Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kelly McGowan', with a stylized flourish at the end.

Kelly McGowan  
Program Manager  
Sagebrush Ecosystem Program

Cc:

Jared Bybee  
Bureau of Land Management  
Ely District Office