



December 17, 2018

Submitted via eplanning.blm.gov

Sheri Wysong
Bureau of Land Management
Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101

Re: March 2019 Competitive Oil and Gas Lease Sale Environmental Assessment

Dear Ms. Wysong:

Western Energy Alliance appreciates the opportunity to submit comments on the Bureau of Land Management's (BLM) competitive oil and natural gas lease sale for parcels in the Vernal Field Office in March 2019. The Alliance urges BLM to proceed with leasing all the parcels considered in the Environmental Assessment (EA), although we request that BLM modify certain stipulations proposed to be attached to the parcels in Greater Sage-Grouse (GrSG) habitat.

Western Energy Alliance represents over 300 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas in Utah and across the West. The Alliance represents independents, the majority of which are small businesses with an average of fifteen employees.

First and foremost, the Alliance is pleased that BLM is moving forward with the lease sale following an extensive public comment period. Although some interest groups have urged BLM to indefinitely delay all leasing in GrSG habitat, BLM rightly determined that "The Proposed Action would allow for mineral development while protecting GRSG and their habitat through conservation measures and mitigation. The administrative action of offering the identified parcels for lease presents no direct impacts to GRSG or their habitat." EA at 45.

BLM is correct to proceed with leasing these parcels, and by deferring them from the fourth quarter 2018 sale into 2019 it has now afforded the public a full and extended opportunity to review and comment on the EA. No further delay is necessary, and all parcels evaluated in the EA should be offered for sale in the first quarter. The Alliance does, however, recommend BLM provide some flexibility regarding the GrSG stipulations as it proceeds to the leasing stage.

As BLM is aware, it has proposed to amend its resource management plans (RMPs) for the GrSG in Utah. With this proposed amendment, BLM seeks to "to further enhance its continued cooperation with western states by ensuring greater consistency between

individual state plans and the BLM’s multiple-use mission.” See Utah Greater Sage-Grouse Proposed RMP Amendment and Final Environmental Impact Statement at ES-1 (2018) (PRMPA/FEIS). Although the Alliance understands that BLM intends to issue a Record of Decision (ROD) for the RMP amendment in early 2019, the ROD may not issue before the March 2019 lease sale. Most likely, the ROD will not issue before BLM posts the sale parcel list that identifies the stipulations and lease notices to be attached to each parcel (anticipated by January 24, 2019).

In the PRMPA/FEIS, BLM proposed to modify numerous oil and gas leasing stipulations set forth in the 2015 Approved RMP Amendment Record of Decision (2015 RMP Amendments), some of which BLM has proposed to attach to parcels to be offered at the March 2019 lease sale. *Compare* EA, Attachment A with PRMPA/FEIS at 2-10 – 2-46. These proposed modifications will afford lessees flexibility in how they may conduct oil and gas operations on these leases. See PRMPA/FEIS at 2-10 – 2-46. At the same time, however, BLM has proposed to attach stipulations from the 2015 RMP Amendment to parcels to be sold at the March 2019 lease sale. These stipulations include:

- UT-S-347: No Surface Occupancy – Greater Sage-Grouse Priority Habitat Management Areas
 - In the PRMPA/FEIS, BLM has proposed to modify the criteria upon which it may issue an exception to this stipulation. See PRMPA/FEIS at 2-18 – 2-19 (MA-MR-3), App-G-2.
- UT-S-348: Controlled Surface Use/No Surface Occupancy – Disturbance Cap
 - In the PRMPA/FEIS, BLM has proposed to modify this lease stipulation to add exception, modification, and waiver criteria. See PRMPA/FEIS at 2-11 – 2-13 (MA-SSS-3B), App-G-2 – App-G-3.
- UT-S-349: Controlled Surface Use/No Surface Occupancy – Density Limitation
 - In the PRMPA/FEIS, BLM has proposed to modify this lease stipulation to add exception, modification, and waiver criteria. See PRMPA/FEIS at 2-13 – 2-14 (MA-SSS-3C), App-G-3 – App-G-4.

See EA, Attachment A (proposing to attach these stipulations to parcels UT1218 – 226, UT1218 – 227, UT1218 – 228, UT1218 – 229).

Similarly, BLM has proposed to attach the following lease notices to parcels to be sold at the March lease sale even though it has proposed to modify them in the PRMPA/FEIS:

- UT-LN-131: Greater Sage-Grouse – Net Conservation Gain
 - In the PRMPA/FEIS, BLM has proposed to eliminate this requirement in General Habitat Management Areas (“GHMA”) and modify it in Priority Habitat Management Areas (PHMA). See PRMPA/FEIS at 2-21 (MA-SSS-5), 2-36 – 2-38 (MA-SSS-3A).

- UT-LN-132: Greater Sage-Grouse – Required Design Features
 - In the PRMPA/FEIS, BLM has proposed to eliminate this requirement in GHMA. See PRMPA/FEIS at 2-22 (MA-SSS-5).
- UT-LN-133: Greater Sage-Grouse – Buffer
 - In the PRMPA/FEIS, BLM has proposed to eliminate this requirement in GHMA and modify it in PHMA. See PRMPA/FEIS at 2-21 – 2-22 (MA-SSS-5), 2-30 (MA-SSS-3H).

See EA, Attachment A (proposing to attach UT-LN-131 and UT-LN-132 to 94 parcels proposed for leasing and proposing to attached UT-LN-133 to parcels UT1218 – 106, UT1218 – 112, UT1218 – 127, UT1218 – 139, UT1218 – 226, UT1218 – 227, UT1218 – 228, UT1218 – 229, UT1218 – 261, UT1218 – 271, UT1218 – 381, UT1218 – 383).

Because BLM has proposed to modify these stipulations, the Alliance disagrees with BLM’s decision to offer parcels for lease with stipulations from the 2015 RMP Amendments that BLM has proposed to change. Oil and gas lessees should not be required to adhere to lease stipulations that BLM is reevaluating and may determine are not warranted or should be modified.

Although BLM has a regulatory process to modify lease stipulations, see 43 C.F.R. § 3101.1-4, this process would require a public comment period of at least 30 days, thus delaying development. Modification is unnecessary given the extensive public process that BLM is conducting to amend its RMPs. Furthermore, this process is inconsistent with Executive Order No. 13,783 (Mar. 28, 2017), which announced a “national interest” in “avoiding regulatory burdens that unnecessarily encumber energy production, constrain economic growth, and prevent job creation.”

To avoid subjecting oil and gas lessees to out of date and superseded lease stipulations, the Alliance requests that BLM include a provision in the GrSG lease stipulations attached to parcels offered at the March 2019 lease sale that allows the lessee to elect to adhere to the lease stipulation set forth in the RMP (1) in effect at the time the lease sale is held, (2) in effect at the time the lease is issued, or (3) in effect at the time of development. Specifically, the Alliance requests that the greater sage-grouse lease stipulations include the following language:

In lieu of adhering to the lease stipulation set forth above, the lessee may elect to implement the applicable stipulation for MA-__-__ under the Resource Management Plan in effect (1) at the time the lease sale is held; (2) either at the time the lease is issued; or (3) at the time BLM approves an Application for Permit to Drill a well on the lease.

Utah March 2019 Lease Sale Comments
December 17, 2018

Page 4 of 4

Such a provision would ensure the final permit to drill is issued in accordance with the most current stipulations in the RMPs. Providing this flexibility would give lessees greater confidence that the parcels they are bidding on will not have overly burdensome restrictions attached when they could otherwise be leased with fewer stipulations at a later date, and that flexibility will therefore increase interest in these parcels.

Thank you for the opportunity to provide these comments. Please feel free to contact me with any questions.

Sincerely,



Tripp Parks
Manager of Government Affairs



WESTERN ENERGY ALLIANCE