

U.S. Department of the Interior
Bureau of Land Management

Finding of No Significant Impact
DOI-BLM-NV-L000-2011-0003-EA
May 2011

September 2011 Competitive
Oil and Gas Lease Sale for the
Ely District, Nevada

Location:
Ely District Office, Nevada

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**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
ELY DISTRICT OFFICE**

INTRODUCTION

The Bureau of Land Management (BLM) prepared an Environmental Assessment (EA) (**DOI-BLM-NV-L000-2011-0003-EA**) that analyzed the effects of leasing over 315,000 acres of public lands throughout the Ely District, in Nevada. The EA considered a limited number of alternatives, including the Proposed Action and No Action Alternative. The EA is tiered to, and incorporates by reference, the *Ely Proposed Resource Management Plan/Final Environmental Impact Statement* (RMP/FEIS), released in November 2007 (BLM 2007).

I have reviewed Environmental Assessment (EA) **DOI-BLM-NV-L000-2011-0003-EA**, dated May 18, 2011. After consideration of the environmental effects of the Bureau of Land Management's (BLM's) Proposed Action described in the EA and supporting documentation, I have determined that the Proposed Action with the project design specifications identified in the EA will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as described in 40 CFR 1508.27. Therefore, preparation of an Environmental Impact Statement is not required as per section 102(2)(c) of the National Environmental Policy Act.

Context:

Interest was expressed in leasing 156 oil and gas lease parcels, including over 328,000 acres, for the September 2011 Competitive Oil and Gas Lease sale. The list of parcels was forwarded to the Ely District Office for environmental analysis.

During internal review of the current Ely RMP (2008), the interdisciplinary staff determined that there were 19 parcels that should be deferred because they were either wholly or partially located in areas that require further analysis. Each of the 19 parcels (in whole or in part) has been deferred until further analysis can be completed. These parcels are listed below:

NV-11-09-002	NV-11-09-014	NV-11-09-082	NV-11-09-142
NV-11-09-003	NV-11-09-017	NV-11-09-083	NV-11-09-143
NV-11-09-004	NV-11-09-019	NV-11-09-139	NV-11-09-144
NV-11-09-005	NV-11-09-063	NV-11-09-140	NV-11-09-145
NV-11-09-006	NV-11-09-064	NV-11-09-141	

The following three (3) parcels within the Sunshine Locality have been identified in the ELY RMP (2008) as closed to fluid mineral leasing and should be removed from the sale parcel list.

NN-11-09-037, NV-11-09-038, and NV-11-09-039

The Proposed Action is to offer 150 parcels within the Ely District for competitive oil and gas leasing. The parcels include approximately 315,000 acres of public land administered by the BLM, Ely District Office. Standard terms and conditions as well as special stipulations would apply. Lease stipulations (as required by Title 43 CFR 3131.3) would be added to the 150 parcels to address site-specific concerns or new information not identified in the land use planning process.

Once the parcels are sold, the lessee has the right to use as much of the leased lands as is reasonably necessary to explore and drill for oil and gas within the lease boundaries, subject to the stipulations attached to the lease (Title 43 CFR 3101.1-2). However, prior to any surface disturbing activities, additional NEPA analysis is required.

Oil and gas leases are issued for a 10-year period and continue for as long thereafter as oil or gas is produced in paying quantities. If a lessee fails to produce oil and gas, does not make annual rental payments, does not comply with the terms and conditions of the lease, or relinquishes the lease; ownership of the minerals revert back to the federal government and the lease can be resold.

Drilling of wells on a lease is not permitted until the lease owner or operator secures approval of a drilling permit and a surface use plan specified under Onshore Oil and Gas Orders, Notice to Lessee's (NTL's) listed in Title 43 CFR 3162.

The 150 parcels contain a special Cultural Resources Lease Notice stating that all development activities proposed under the authority of these leases are subject to compliance with Section 106 of the NHPA and Executive Order 13007. Standard terms and conditions as well as special stipulations listed in the RMP would also apply.

Many of the parcels have one or more of the following stipulations attached to the lease, as shown in **Appendix B** of the EA:

- **LEASE NOTICES**
 - NV-040-005-002 Cultural Sites
 - NV-040-005-003 Historic Sites
 - NV-040-005-001 Desert Tortoise Habitat
- **LEASE TIMING STIPULATIONS**
 - NV-040-002-007 Desert Tortoise Habitat
 - NV-040-002-002 Sage Grouse Nesting Habitat Associated with Leks
 - NV-040-002-001 Sage Grouse Winter Range
 - NV-040-002-003 Raptor Nest Sites
 - NV-040-002-004 Big Game Calving/Fawning/Kidding/Lambing Grounds
 - NV-040-002-005 Big Game Crucial Winter Range
 - NV-040-002-006 Desert Bighorn Sheep Habitat
- **LEASE – NO SURFACE OCCUPANCY STIPULATIONS**
 - NV-040-001-008 Desert Tortoise ACEC
 - NV-040-001-001 Sage Grouse Leks
 - NV-040-001-010 Threatened and Endangered, and Sensitive Species Sites
 - NV-040-001-002 Cultural Sites

NV-040-001-005 Paleontological Sites
NV-040-001-007 Natural, Scenic, and Recreation Sites
NV-040-001-006 BLM Facilities

No additional mitigation measures are necessary at this time; however, if parcels were developed in the future, site-specific mitigation measures and BMPs would be attached as Conditions of Approval (COA) for each proposed activity.

Approval of the Proposed Action will allow the BLM to lease 149 parcels for oil and gas on lands leased under the Leasing Law of 1920 as amended and the Federal Onshore Oil and Gas Leasing Reform Act of 1987. The determining factors weighed by the BLM in reaching a finding of no significant impact are provided below:

- There are no major issues involved.
- There are no unique characteristics within the project area to be affected (e.g., parklands or prime or unique farmlands).
- There are no adverse impacts to endangered or threatened plant or animal species or their habitats.
- The project and its potential effects on the quality of the human environment are neither controversial nor do they involve unique or unknown results.
- The proposal is in conformance with all federal, state, and local planning and laws, imposed for the protection of the environment.

Intensity:

1) *Impacts that may be both beneficial and adverse:*

The Proposed Action does not include any ground disturbing activities, such as exploration, development, or production of oil and gas resources.

Although there is no ground disturbance associated with leasing public lands for oil and gas activities, the EA did analyze cultural, wildlife, environmental justice, socioeconomics, wetlands/riparian areas, and visual resources. There were no adverse impacts from the proposed action. The money received from the lease sale would benefit the State of Nevada and BLM.

Continued exploration for additional petroleum reserves would help the United States become less dependent on foreign oil sources.

2) *The degree to which the Proposed Action affects public health or safety:*

The Proposed Action would not affect public health or safety. If exploration drilling or other oil and gas related activities occur, it would be later analyzed, authorized and conducted on the leased parcels.

- 3) *Unique characteristics of the geographic area such as proximity to historical or cultural resources, parks lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas:*

Certain parcels were identified within the proximity of the Sunshine Locality, Pony Express National Historic Trail, Lincoln Highway, and the Great Basin National Park. Stipulations are attached to parcels affecting these resource areas that help protect them during oil and gas development. There are no visual impacts around the national park that exceed the thresholds disclosed in the RMP/FEIS (BLM 2007).

Access construction, pad construction, well pad and facilities construction, and other infrastructure construction needed to develop parcels for operation and production may affect wetland and riparian resources. With proper siting, adherence to best management practices and BLM stipulations this risk can be minimized.

- 4) *The degree to which the effects on the quality of the human environment are likely to be highly controversial:*

The Proposed Action is not expected to be controversial. The BLM consulted with the Nevada Division of Wildlife (NDOW), 13 Native American tribes, Nevada State Clearinghouse, and the Great Basin National Park in writing the EA.

Although the possibility of disturbing Native American gravesites within the area of the nominated parcels is low, inadvertent discovery procedures must be noted. Under the Native American Graves Protection and Repatriation Act, section (3)(d)(1), it states that the discovering individual must notify the land manager (Rosemary Thomas, District Manager, HC 33, Box 33500, 702 N. Industrial Way, Ely, Nevada, 89301) in writing of such a discovery. If the discovery occurs in connection with an authorized use, the activity which caused the discovery is to cease and the site and materials are to be protected until the land manager can respond to the situation.

The Environmental Assessment has been available for public review and comment on the Ely District Office website from April 15, 2011 to May 17, 2011.

- 5) *The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks:*

There are no known effects of the Proposed Action identified in the EA that are considered uncertain or involve unique or unknown risks. This is demonstrated through the effects analysis in the EA.

- 6) *The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration:*

The proposed action will not establish a precedent for future actions with significant effects or represent a decision about future consideration. Completion of the EA does not

establish a precedent for other oil and gas competitive lease sales of similar size or scope. Any future leasing within the project area or in surrounding areas will be analyzed on their own merits and implemented, or not, independent of the actions currently selected.

7) Whether the action is related to other actions with individually insignificant, but cumulatively significant impacts:

Past, present and reasonably foreseeable future actions have been considered in the cumulative impacts analysis within the EA. The cumulative impacts analysis examined all of the other appropriate actions and determined that the proposed action would not incrementally contribute to significant impacts. In addition, for any actions that might be proposed in the future, further environmental analysis, including assessment of cumulative impacts, would be required prior to surface disturbing activities

8) The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing on the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historic resources:

At the time an Exploration Permit or Application for Permit to Drill is received, sight specific analysis and mitigation will minimize any risk to districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places.

9) The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973:

Endangered or threatened animal or plant species are not known to occur in the project area or areas adjacent to the Proposed Action.

10) Whether the action threatens a violation of federal, state, local, or tribal law or requirements imposed for the protection of the environment:

The Proposed Action will not violate or threaten to violate any federal, state, or local law or requirement imposed for the protection of the environment.

FINDING OF NO SIGNIFICANT IMPACT

I have determined that, with incorporation of the mitigation measures listed above, the Selected Alternative will not significantly affect the quality of the human environment and that preparation of an EIS is not required.

Rosemary Thomas
District Manager
Ely District Office

Date

LITERATURE CITED

43 CFR 2009. Title 43 Code of Federal Regulations, Part 1000 to End.

BLM. 2007. *Ely Proposed Resource Management Plan/Final Environmental Impact Statement* November 2007. USDI – BLM. Ely District Office.

BLM. 2008. *Ely District Record of Decision and Approved Resource Management Plan* August 2008. USDI – BLM. Ely District Office.