FINDING OF NO SIGNIFICANT IMPACT

September 2014 Competitive Oil and Gas Lease Sale
Environmental Assessment
DOI-BLM-NV-W010-2014-0013-EA

Based on the interdisciplinary analysis conducted in the September 2014 Competitive Oil and Gas Lease Sale Environmental Assessment (EA) DOI-BLM-NV-W010-2014-0013-EA, dated May 2014, for the Proposed Action, a review of the Proposed Action and my consideration of the Council of Environmental Quality's (CEQ) criteria for significance (40 CFR 1508.27), both with regard to the context and the intensity of impacts, and with the lease stipulations and monitoring identified in the EA (refer to Section 5.0 of the EA), I have determined that there are no significant impacts associated with the Proposed Action. Therefore, preparation of an Environmental Impact Statement pursuant to Section 102(C) of the National Environmental Policy Act (NEPA) is not required.

The Proposed Action is in conformance with the approved Sonoma-Gerlach Management Framework Plan (July 1982) and is consistent with other Federal Agency, State, and local plans to the maximum extent consistent with Federal law and the Federal Land Policy Management Act (FLPMA) provisions.

Context

Interest was expressed by the public in offering eight oil and gas (O&G) lease parcels for the September 2014 Competitive O&G Lease sale. A list of parcels was forwarded to the Winnemucca District (WD), Humboldt River Field Office for an environmental analysis. The EA documents the review of the eight nominated parcels. As a result of the analysis, the eight nominated parcels have been identified as eligible for leasing. None of the eight nominated parcels would be deferred due to resource concerns or land use conflicts.

The Proposed Action is to offer eight parcels within the WD for competitive O&G leasing. The parcels include approximately 15,831 acres of public land administered by the WD. Standard terms and conditions as well as lease stipulations and monitoring would apply.

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 O&G within the lease boundaries, subject to the stipulations attached to the lease (43 CFR 3101.1-2). However, prior to any surface-disturbing activities, additional NEPA analysis would be required.

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 O&G Orders and Notice to Lessee's listed in 43 CFR 3162.

As summarized in Section 5.0 of the EA, each of the eight parcels have one or more of the following stipulations or notices associated with the lease:

- Controlled or Limited Surface Use (Cultural Resources)

- Lease Notice (Invasive and Non-Native Species)
- Lease Notice (Migratory Birds and Wildlife)
- Controlled or Limited Surface Use (Native American Religious Concerns)
- Controlled or Limited Surface Use (Threatened, Endangered and Special Status Species)
- Lease Notice (Hazardous Materials, Waste and Solid Waste)
- Lease Notice (Water Quality (surface and ground))
- No Surface Occupancy (Wetlands and Riparian)
- Lease Notice (Geology and Minerals)
- Lease Notice (Lands and Realty)
- Lease Notice (Vegetation)
- Controlled or Limited Surface Use (Wild Horse and Burro)

No additional mitigation measures are necessary at this time; however, if parcels are developed in the future, conditions of approval (COAs) may be added to eliminate or minimize environmental impacts.

Intensity

1) *Impacts that may be both beneficial and adverse.*
The EA considered possible beneficial and adverse impacts of the Proposed Action. The Proposed Action does not include ground disturbing activities, such as exploration, development, or production of O&G resources. Although there is no ground disturbance associated with leasing public lands for O&G activities, the EA did provide a discussion of post-leasing Reasonably Foreseeable Development scenarios. As a result, multiple resources were analyzed for direct and indirect impacts. The impacts, which are described in detail in Chapters 3 and 4 of the EA, would be minimized by implementing the lease stipulations and notices outlined in Section 5.0 of the EA, and by site-specific mitigation measures and Best Management Practices (BMPs) which would be attached as COAs for future activities. None of the environmental impacts disclosed and discussed in detail in Chapters 3 and 4 of the EA are considered significant.

Continued exploration for additional O&G reserves would help the United States become less dependent on foreign sources. In addition, the funds generated from the lease sale would benefit the State of Nevada and the Bureau of Land Management (BLM).

2) *The degree to which the proposed action affects public health or safety.*
The Proposed Action would not adversely affect public health or safety. If exploration drilling or other O&G related activities are proposed, the proposed activities would be analyzed in a site-specific NEPA document.

3) *Unique characteristics of the geographic area such as proximity to historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.*
The Proposed Action does not include ground disturbing activities, such as exploration, development, or production of O&G resources. As a result, the Proposed Action would not affect

historical or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.

4) ***The degree to which the effects on the quality of the human environment are likely to be highly controversial.***
The Preliminary EA was made available for a 20-day public comment period through the WD ePlanning website. The comment period closed on April 17, 2014. Two comment letters were received. One was from the Pershing County Commissioners, another from the State Clearinghouse. Substantive comments were considered and incorporated into the EA. The number and content of the comments suggests a low level of controversy.

The BLM is mandated by the FLPMA to prevent unnecessary and undue degradation of the public lands and the Department of the Interior's regulations at 43 CFR 3160 defines a wide array of rules which govern the conduct of Onshore O&G operations. Adherence to these laws and regulations would prevent or minimize the impacts of concern, lessening the level of controversy.

In addition, a site-specific environmental evaluation would be conducted for each O&G exploration and development proposal submitted by industry. If the evaluation indicates that environmental impacts would be unacceptable, either mitigation measures would be implemented as COAs to reduce the impact, or the proposal could be denied to prevent unnecessary and undue degradation. The level of controversy would also be lessened by disclosing the results of these site-specific evaluations.

5) ***The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.***
At the leasing stage, there are no known direct or indirect 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. Effects of lease operations are not yet known because no lease development activities have been proposed. If and when they are proposed, site-specific environmental evaluation would be conducted and impacts would become known. If the evaluation indicates that environmental impacts would be unacceptable, either mitigation measures would be implemented as COAs to reduce the impact, or the proposal could be denied to prevent unnecessary and undue degradation.

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 would not establish a precedent for future actions with significant effects and does not represent a decision in principle about a future consideration. All future Proposed Actions will be subject to NEPA evaluation and independent decision making.

7) ***Whether the action is related to other actions with individually insignificant but cumulatively significant impacts.***
Based on the EA, no significant cumulative impacts are expected. The Proposed Action, when evaluated together with other past, present, or reasonable foreseeable activities in the area, would not result in cumulatively significant impacts at the local or watershed scale. 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 in the National Register of Historic Places (NRHP) or may cause loss or destruction of significant scientific, cultural, or historical resources.***
The action of leasing the nominated parcels would have no direct effect on cultural resources listed in or eligible for the NRHP. At the time an Exploration Permit or Application for Permit to Drill is received, site-specific analysis and mitigation would minimize any risk to districts, sites, highways, structures, or objects listed in or eligible for listing in the NRHP.

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 (ESA) of 1973.***
Based on communication with the Nevada Department of Wildlife and the BLM wildlife biologist, there will be no significant impacts to threatened or endangered species or habitat as a result of the Proposed Action. If and when future O&G exploration and/or development operations are proposed, a lease stipulation or notice would require prospective operators to survey for and protect and threatened and endangered species present in the proposed area of operations.

10) ***Whether the action threatens a violation of Federal, State, or local law or requirements imposed for the protection of the environment.***
The Proposed Action does not violate or threaten any known Federal, State, or local law or requirement imposed for the protection of the environment. Any site-specific actions that result from the lease sale, such as future O&G exploration and/or development operations would be subject to a more detailed NEPA analysis. This analysis along with incorporated mitigation measures and COAs and BMPs would ensure consistency with all appropriate laws and regulations.

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Gary Johnson Date
Deputy State Director, Minerals Management