



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Colorado River Valley Field Office  
2300 River Frontage Road  
Silt, Colorado 81652  
www.co.blm.gov

## CATEGORICAL EXCLUSION

NEPA LOG NUMBER: DOI-BLM-CO-N040-2015-0063-CX

### **Background**

**BUREAU OF LAND MANAGEMENT (BLM) OFFICE:** Colorado River Valley Field Office (CRVFO), Silt, Colorado

**CASE/LEASE FILE:** Federal Oil and Gas Leases

COC68496	COC68497	COC68498	COC68499	COC68500	COC68501
COC68502	COC68503	COC69392	COC69393	COC69394	COC69398
COC69399	COC69400	COC69401	COC69402	COC69403	COC69404
COC69405	COC69406	COC69407	COC69408		

**PROPOSED ACTION TITLE/TYPE:** Request to Suspend Operations and Production Requirements on the 22 Federal Oil and Gas Leases listed above.

**LOCATION OF THE PROPOSED ACTION:** Federal lands administered by the Bureau of Land Management (BLM), Mesa County, Colorado associated with the above lease numbers. The leased lands include all or portions of:

Sections 2-8, 10-11, and 15-20, Township 11S, Range 96W.  
Sections 1-33, Township 11S, Range 97W,  
Sixth Principal Meridian  
Mesa County, Colorado

**APPLICANT:** Genesis Gas and Oil, LLC, 1701 Walnut Street, 4<sup>th</sup> Floor, Kansas City, Missouri 64108

**DESCRIPTION OF PROPOSED ACTION:** Genesis Gas and Oil, LLC, (“Applicant”) has requested suspension of Federal Oil and Gas Leases COC68496, COC68497, COC68498, COC68499, COC68500, COC68501, COC68502, COC68503, COC69392, COC69393, COC69394, COC69398, COC69399, COC69400, COC69401, COC69402, COC69403, COC69404, COC69405, COC69406, COC69407, and COC69408. The Leases are currently in their primary term, with lease expiration dates ranging from June 30, 2015 to August 31, 2017.

BLM received two Applications to Permit to Drill (APDs) on April 8, 2015. The APDs have been determined to be complete. Although the 22 Federal leases are located within the Grand Junction Field Office (GJFO) jurisdictional boundary, preparation of the NEPA documentation, approval of APDs, and long-term administration of the affected leases would be provided by the CRVFO under a consolidated oil and gas program for the two offices.

The Applicant has pursued diligently the development of the project and completion of proposal by submitting a Draft Environmental Assessment to the GFJO and, in conjunction with preparation of the EA, by conducting multiple field site visits and resource surveys, moving and redrafting of locations based on input from the BLM, proposing alternative access proposals as requested by the BLM, preparing a detailed hydrologic analysis as requested by the BLM, participating in multiple public meetings, and preparing responses to public comments. The CRVFO is in the process of completing the EA using updated resource survey data to be submitted in early summer 2015. Because of the need to await update survey data, the BLM does not anticipate completion of the EA prior to September 1, 2015.

For the reasons described above, the Applicant is seeking a suspension of operations and production of the Leases as relief from the pending first occurring lease expiration date of June 30, 2015. The Applicant has asked that the suspensions be effective as of March 1, 2014, which is the first of the month that the draft EA (DOI-BLM-CO-N030-2012-0005-EA) was submitted to the GJFO for their review. However, the appropriate date for lease suspension approval is the first of the month that a valid suspension request is received. The Grand Junction Field Office received a request from Genesis in October 2014. Consequently, the approval date for the suspensions will be October 1, 2014.

### **Land Use Plan Conformance**

The proposed action is subject to and in conformance with Federal regulations at 43 CFR §1610.5.3, with the BLM Land Use Planning Handbook 1601-1, and with the following approved land use plan (LUP), including applicable oil and gas lease terms and stipulations.

Land Use Plan: Grand Junction Resource Management Plan (GJRMP).

Date Approved/Amended: January 29, 1987

GJRMP Decision Language: “To make federal oil and gas resources available for leasing, except where prohibited by law or where administrative action is justified in the national interest; to make public lands available for economically and environmentally sound exploration and development projects; to avoid health and safety hazards; to protect important sensitive resource values from unacceptable impacts; and to minimize impacts to lessees from sensitive resource protection and hazard avoidance.”

The subject leases were issued and administered under federal oil and gas regulations and the GJRMP.

The Mineral Leasing Act of 1920, as amended, 30 USC 209; and the implementing regulation at 43 CFR 3103.4-4 (Suspension of Operations and/or Production) expressly grant to BLM the authority to grant suspensions of operation and production in the “interest of conservation of natural resources.” Therefore, a determination by the BLM to grant the Applicant’s request for suspension of operations on the subject Leases is consistent with 43 CFR 3103.4-4 and thus in compliance with the current GJRMP.

### **Compliance with NEPA**

The proposed action is categorically excluded from further documentation under 43 CFR 46.205 and BLM Departmental Manual (DM) Part 516, and in accordance with 516 DM 11.9 (B) (Oil, Gas, and Geothermal Energy), section “Approval of suspensions of operations, *force majeure* suspensions, and suspensions of operations and production.”

This CX is correctly applied to the proposed action because BLM granting a lease suspension is an administrative action which does not authorize surface-disturbing activities or other operations with the potential to affect the environment. A lease suspension therefore creates no environmental impact.

As noted above, no surface-disturbing activities or initiation of drilling activities related to any federal oil and gas well on the Leases would be authorized by approval, except as analyzed and approved in subsequent project-specific NEPA analyses.

An action that is normally categorically excluded must be evaluated to determine whether it meets any “extraordinary circumstances” in which a normally excluded action may have a significant environmental impact (43 CFR 46.205(c), 46.215). The applicability of extraordinary circumstances is determined by the responsible official (*Id.* § 46.215). The proposed action has been reviewed; none of the extraordinary circumstances described in 43 CFR 46.215 and the BLM NEPA Handbook H-1790-1, App. 5 (Table 1) was found to apply. Any “Yes” answer in Table 1 would preclude use of the CX.

<b>Table 1. Extraordinary Circumstances</b>	<b>Yes</b>	<b>No</b>
1. May have significant impacts on public health and safety.		<b>No</b>
2. May have significant impacts on such natural resources and unique geographic characteristics as historic or cultural resources; park, recreation or refuge lands; wilderness areas; wild and scenic rivers; national natural landmarks; sole or principal drinking water aquifers; prime farmlands; wetlands (Executive Order 11990); floodplains (Executive Order 119880; national monument; migratory birds; and other ecologically significant or critical areas.		<b>No</b>
3. May have highly controversial environmental effects or involve unresolved conflicts concerning alternative uses of available resources (NEPA Section 102 (2) (E)).		<b>No</b>
4. May have highly uncertain and potentially significant environmental effects or involve unique or unknown environmental risks.		<b>No</b>
5. May establish a precedent for future action or represent a decision in principle about future actions with potentially significant environmental effects.		<b>No</b>
6. May have a direct relationship to other actions with individually insignificant but cumulatively significant environmental effects.		<b>No</b>
7. May have significant impacts on properties listed or eligible for listing, on the National Register of Historic Places as determined by either the bureau or office.		<b>No</b>
8. May have significant impacts on species listed or proposed to be listed, on the List of Endangered or Threatened Species, or have significant impacts on designated Critical Habitat for these species.		<b>No</b>
9. May violate a Federal law, or a state, local, or tribal law or requirement imposed for the protection of the environment.		<b>No</b>
10. May have a disproportionately high and adverse effect on low income or minority populations (Executive Order 12898).		<b>No</b>
11. May limit access to and ceremonial use of Indian sacred sites on Federal lands by Indian religious practitioners or significantly adversely affect the physical integrity of such sacred sites (Executive Order 13007).		<b>No</b>
12. May contribute to the introduction, continued existence, or spread of noxious weed or non-native invasive species known to occur in the area or actions that may promote the introduction, growth, or expansion of the range of such species (Federal Noxious Weed Control Act and Executive Order 13112).		<b>No</b>

Further analysis and an environmental document must be prepared for the action when extraordinary circumstances are present. Extraordinary circumstances exist only where a proposed action may have a significant environmental effect, per 43 CFR 46.205(c) and *Utah Envtl. Cong. v. Bosworth*, 443 F.3d 732, 742 (10th Cir. 2006). For the reasons previously noted, a grant of suspension creates no significant environmental impact, and therefore no extraordinary circumstances exist.

**BLM Review:**

Allen Crockett, Supervisory NRS, Colorado River Valley Field Office

Steve Ficklin, Program Manager, Colorado River Valley Field Office

**Remarks/Mitigation:** None

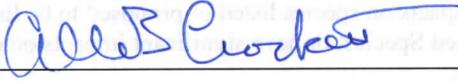
**Name of Preparer:** Bob Hartman, Petroleum Engineer

**Date:** May 7, 2015

**Decision and Rationale:** I have reviewed this categorical exclusion record and have decided to implement the proposed action.

I have reviewed the proposed action for Land Use Plan Conformance and Compliance with NEPA. I have determined that the proposal is in conformance with the applicable Land Use Plan and with Federal statutes and regulations. This action is listed in the BLM Departmental Manual as one that may be categorically excluded. The categorical exclusion is appropriate in this situation because there are no extraordinary circumstances potentially having effects that might significantly affect the environment. The proposed action has been reviewed; no extraordinary circumstances apply as described in 43 CFR 46.215 and the BLM NEPA Handbook H-1790-1, App. 5.

I considered the potential impacts from issuance of a suspension of operations and production and have determined that no impacts would result from approval of this action and that any future development proposals with the potential to create environmental impacts would require additional NEPA analysis.

**Signature of Authorized Official:** 

**Date Signed:** May 7, 2015