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

Decision Record

April 2016

February 2016 Oil and Gas Lease Sale
(Moab Parcels)

Environmental Assessment
DOI-BLM-UT-Y010-2015-0186 (Moab Field Office)

Location:
Moab Field Office, Grand County, Utah

Applicant/Address:
U.S. Department of the Interior
Bureau of Land Management
Utah State Office

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EXECUTIVE SUMMARY

The February 2016 oil and gas lease sale was a combined sale of the originally scheduled February 2016 lease sale with the postponed August 2015 and November 2015 lease sales. The February 2016 lease sale included parcels from four Bureau of Land Management (BLM) Field Offices (Fillmore, Price, Vernal and Moab) and parcels from the Fishlake National Forest.

The Fillmore Field Office parcels that were included in the February 2016 lease sale were originally scheduled to be offered at the August 2015 lease sale and an environmental assessment was prepared with that intent. However, due to the number of parcels that the BLM intended to offer at the August 2015 lease sale, the BLM decided to postpone that sale and include those parcels in the next scheduled sale, the November 2015 lease sale. The effect of the postponement was that the November 2015 lease sale would include parcels from the Fillmore, Price, and Vernal Field Offices. Environmental assessments covering the Price and Vernal Field Offices parcels were prepared consistent with that intent.

Due to unforeseen security issues on the day of the November 2015 lease sale, the sale was postponed until the security issues could be adequately addressed. The BLM determined it would be best to hold the next oil and gas lease sale at an off-site location away from the BLM Utah State Office. At the time of the postponement, the next regularly scheduled oil and gas lease sale was the February 2016 sale, at which lease parcels in the Moab Field Office were to be offered. As a result, the parcels intended to be offered at the two previously scheduled lease sales (August and November 2015) were included in the February 2016 lease sale, which was held at the Salt Palace Convention Center. To ensure that the public received adequate pre-lease sale notice concerning the parcels to be offered at the February 2016 sale and to provide enough time for adequate review of the relevant analyses completed in connection with the respective sale dates, a new protest period was opened in December 2015, and it covered all of the previously prepared environmental assessments in addition to the one prepared for the Moab Field Office.

The BLM considered all of the comments received during the December 2015/January 2016 protest period, and all the environmental assessments were revised to final versions. Based on the respective analyses in those documents, the BLM prepared a Finding of No Significant Impact and Decision Record for each group of parcels offered at the February 2016 lease sale.

DECISION RECORD

Note to Reader

The February 2016 Lease Sale contained parcels from the Fillmore, Vernal, Price and Moab Bureau of Land Management ("BLM") Field Offices and the Fishlake National Forest. This Decision Record ("DR") is written only as it pertains to the parcels in the Moab Field Office.

DECISION

It is my decision to select and implement the "Alternative A- Proposed Action" alternative from Environmental Assessment ("EA") DOI-BLM-UT-Y010-2015-0186 prepared by the Moab Field Office ("MFO") for the competitive oil and gas lease sale held on February 16, 2016 ("Lease Sale").[1] More specifically, it is my decision to issue oil and gas leases for seven parcels of land ("lease parcels") located in the MFO, with the stipulations and notices (i.e. protective measures) provided for in the Notice of Competitive Oil and Gas Lease Sale ("NCLS") issued by this office on December 8, 2015, as modified by the errata sheet issued February 9, 2016.[2] This DR addresses oil and gas leasing, as previously described, for the following seven lease parcels:

UT0216–001 (UTU91478)
UT0216–002 (UTU91479)
UT0216–003 (UTU91480)
UT0216–004 (UTU91481)
UT0216–005 (UTU91482)
UT0216–063 (UTU91483)
UT0216–064 (UTU91484)

This decision was made in reliance upon and incorporates the documented results and rationale presented in the Finding of No Significant Impacts ("FONSI") for the lease sale. Considering the criteria for significance described at 40 CFR § 1508.27, the FONSI determined that leasing of the parcels, as provided for by the Proposed Action (Alternative A) of the EA, the NCLS and the errata sheet, does not constitute a major Federal action that will have a significant effect on the quality of the human environment, individually or cumulatively with other actions in the general project area.

As documented in Section 1.5 of the EA, the Proposed Action alternative was reviewed and found to be in conformance with the Moab Field Office Record of Decision and Approved Resource Management Plan (2008) as amended. Detailed information regarding the conformance and consistency of the Proposed Action alternative with specific management decisions within the applicable land use plan is provided in the EA.

[1] A copy of the EA may be obtained by accessing the BLM-Utah oil and gas lease sale website (http://www.blm.gov/ut/st/en/prog/energy/oil_and_gas/oil_and_gas_lease.html).

[2] A copy of the NCLS may be obtained by accessing the BLM-Utah oil and gas lease sale website (http://www.blm.gov/style/medialib/blm/ut/lands_and_minerals/oil_and_gas/february_2016.Par.89417.File.dat/CombinedNoticeOfSale12-7-15Final.pdf).

ALTERNATIVES CONSIDERED AND RATIONAL FOR DECISION

Pursuant to requirements of the Mineral Leasing Act ("MLA"), 30 U.S.C. §§ 181 *et seq.*, as amended by the Federal Onshore Oil and Gas Leasing Reform Act of 1987, Pub. L. No. 100-203, BLM-Utah holds competitive oil and gas lease sales, on a quarterly basis, in order to respond to public requests for "nominated" federal lands to be made available for oil and gas leasing. *See* 30 U.S.C. § 226(b)(1)(A); 43 C.F.R. § 3120.1-1. As provided in sections 102(a)(12) and 103(l) of the Federal Land Policy and Management Act ("FLPMA") 43 U.S.C. §§ 1701(a)(12), 1702(l), oil and gas leasing is a "principal use" for the public lands. The BLM issues oil and gas leases on the public lands in order to provide for the orderly development of the fluid mineral resources under its jurisdiction in a manner that is consistent with the multiple use management provided for by FLPMA. *E.g.*, 43 U.S.C. § 1702(c). For example, Section 102 of FLPMA, 43 U.S.C. § 1701(a)(12) imposes upon the BLM a responsibility to manage the public lands in a manner that "recognizes the Nation's need for domestic sources of minerals." In most instances, before oil and/or gas, which could assist in meeting the Nation's needs for domestic sources of minerals, can be produced from public lands, an oil and gas lease must be issued for the lands. As such, the offering and issuance of oil and gas leases through the Lease Sale meets the purpose and need for action relevant to the responsibilities placed upon the BLM pursuant to the MLA and FLPMA. *See generally* 43 U.S.C. §§ 1701 *et seq.*; *see also* 42 U.S.C. §§ 4321 *et seq*.

Before federal lands are offered for oil and gas leasing at a competitive lease sale, the BLM considers the potential consequences of issuing oil and gas leases for any such lands during a "lease parcel review process." The BLM has engaged in such a lease parcel review process for the specific purpose of considering the potential consequences of issuing oil and gas leases for certain federal lands in the MFO, which were nominated by the public for oil and gas leasing at the Lease Sale. This review process, which was conducted in accordance with guidance provided by BLM Manual MS-3120, *Competitive Leases*, and BLM Handbook H-3120-1, *Competitive Leases*,[3] included the preparation of the EA.

The EA prepared for the lease sale considered two alternatives in detail: Alternative A – Proposed Action and Alternative B – No Action. The Proposed Action alternative provides for the offering for lease and subsequent issuance of leases for certain parcels with protective measures applied in accordance with the applicable land use plan and as identified in the EA. The No Action alternative, under which no lands would be offered for lease at the lease sale, was considered and analyzed to provide a baseline for comparing the Proposed Action alternative.

In reviewing the publicly submitted nominations, also known as "expressions of interest" ("EOIs") for the Lease Sale, BLM-Utah considered oil and gas leasing on approximately 105,593.74 acres of land under the jurisdiction of the Canyon Country District Office. During the lease parcel review process, the BLM Utah State Office determined that approximately 84,674.05 acres of the nominated lands should either be removed from consideration for oil and gas leasing or "deferred" from offering for oil and gas leasing for various reasons. For instance, certain nominated lands were removed from leasing consideration because these lands were either already leased, closed to oil and gas leasing or within a proposed Master Leasing Plan area.

[3] The Competitive Leasing Manual and Handbook partially incorporated the guidance from BLM Washington Office ("WO") Instruction Memorandum ("IM") No. 2010-117, *Oil and Gas Leasing Reform – Land Use Planning and Lease Parcel Reviews*

Thirteen parcels were sent to the Moab and Monticello Field Offices for review; six of the thirteen, including all those in the Monticello Field Office, were deferred from being offered for lease prior to preparation of the EA due to the parcels having conflicts, such as being within critical Gunnison Sage Grouse habitat or for cultural resources. Information regarding the nominated lands/parcels that were deferred is documented in the EA and on the "Deferred Lands List" which is maintained on the BLM-Utah oil and gas lease sale website.

Opportunities for public participation during the review process for the MFO lease parcels occurred when the preliminary EA was posted for a 30 day public comment period from September 15, 2015, to October 19, 2015. The BLM considered the public comments, along with other information from both external and internal sources, and made revisions to the EA, as appropriate. In revising the EA, the BLM noted the substantive public comments on the initial draft of the EA, as well as the BLM's responses to those comments, in Appendix F of the EA.

The NCLS for the November 2015 Lease Sale was posted for a protest period from August 15 to September 15, 2015. After the protest period ended, the Greenhouse Gas/Climate Change section of the Moab EA was revised to address the protest (See Executive Summary). On December 8, 2015, the BLM posted the revised version of the Moab FO EA and the NCLS for the February 2016 Lease Sale, which initiated another 30 day public protest period. The BLM received two substantive protests to the NCLS.[4] The protest letters, submitted by WildEarth Guardians and the Center for Biological Diversity/Living Rivers, protested all parcels listed in the NCLS.

On February 12, 2016, the BLM issued two decisions ("the Protest Responses") that collectively addressed and responded to all of the substantive assertions contained within the protest letters submitted by WildEarth Guardians and the Center for Biological Diversity/Living Rivers.[5] More specifically, the Protest Responses collectively dismissed or denied the protests in their entirety due to lack of specificity and other reasons. As a result, none of the parcels offered for oil and gas leasing at the Lease Sale are subject to an unresolved protest.

The EA was prepared in full compliance with the requirements of NEPA, and its implementing regulations at 40 C.F.R. §§ 1500 to 1508, and BLM Manual 3120, which included the posting of drafts of the EA and unsigned FONSI for public review and comment as previously described. Additional consultation, coordination and environmental analysis will be required during the review and approval of site-specific proposals for oil and gas exploration and development on the lease parcels.

The seven MFO parcels proposed for lease in the NCLS were offered for oil and gas leasing during the competitive oral auction conducted on February 16, 2016. Of the seven MFO parcels offered for lease, none received bids at the sale. The lease parcels that were not sold became available for noncompetitive leasing for a two-year period that commenced on February 17, 2016.

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[4] Copies of all protest letters submitted may be obtained by accessing the BLM-Utah oil and gas lease sale website (https://eplanning.blm.gov/epl-front-office/eplanning/planAndProjectSite.do?methodName=dispatchToPatternPage&currentPageId=73177).

[5] Copies of the Protest Responses may be obtained by accessing the BLM-Utah oil and gas lease sale website (https://eplanning.blm.gov/epl-front-office/eplanning/planAndProjectSite.do?methodName=dispatchToPatternPage&currentPageId=73177).

As described above, I have determined that the February 2016 Lease Sale was conducted in a manner that is consistent with the applicable land use plans, laws, regulations and policies. The offering of the parcels at the Lease Sale in accordance with the Proposed Action alternative serves to facilitate the orderly development of fluid mineral resources under the jurisdiction of the BLM in a manner that is consistent with the requirements of the FLMPA and National Environmental Policy Act of 1969 (NEPA) to manage the public lands for multiple uses while considering the potential impacts to the environment and other resources that may be present.

For the reasons previously stated, it is my decision to issue the oil and gas leases as previously described.

APPEALS

This decision may be appealed to the Interior Board of Land Appeals, (the "Board") Office of the Secretary, in accordance with the regulations contained in 43 C.F.R. Part 4 and the Form 1842-1.[6] If an appeal is taken, the notice of appeal must be filed in the BLM Utah State Office within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition for a stay, pursuant to 43 C.F.R. § 4.21, during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay must show sufficient justification based on the standards listed below. If a stay is requested the appellant has the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall be evaluated based on the following standards:

1. The relative harm to the parties if the stay is granted or denied,
2. The likelihood of the appellant's success on the merits,
3. The likelihood of immediate and irreparable harm if the stay is not granted, and
4. Whether the public interest favors granting the stay.

Copies of the notice of appeal, petition for stay, and statement of reasons also must be submitted to the party named in this decision and to the Office of the Solicitor, Intermountain Region, 125 South State Street, Suite 6201, Salt Lake City, Utah 84138, at the same time the original documents are filed in the Utah State Office.

Signed:

/s/Kent Hoffman 4/15/16

Kent Hoffman, Deputy State Director
Division of Lands and Minerals
BLM Utah State Office

Date

[6] A blank Form 1842–1 may be obtained by request using the contact information provided on the cover page of this document.