

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

Environmental Assessment - DOI-BLM-MT-C030-2015-086-EA

NDM 98943 Oil and Gas Class II Lease Reinstatement

Location: T151N-R91W
Sec. 6 E2SW, SE
Sec. 6 Lots 6,7
Mountrail County, ND
304.22 acres

Applicant/Address: Bureau of Land Management
99 23rd Avenue West, Suite A
Dickinson, ND 58601



U.S. Department of the Interior
Bureau of Land Management
North Dakota Field Office

1.0 Purpose and Need

1.1 Introduction

It is the policy of the Bureau of Land Management (BLM) to make mineral resources available for use and to encourage development of mineral resources to meet national, regional, and local needs. This policy is based on various laws, including the Mineral Leasing Act of 1920 and the Federal Land Policy and Management Act of 1976. The Federal Onshore Oil and Gas Leasing Reform Act of 1987 Sec. 5102(a)(b)(1)(A) directs the BLM to conduct quarterly oil and gas lease sales in each state whenever eligible lands are available for leasing. The Montana State Office conducts mineral estate lease auctions for lands managed by the Federal Government, whether the surface is managed by the Department of the Interior (BLM or Bureau of Reclamation), United States Forest Service, or other departments and agencies. In some cases the BLM holds subsurface mineral rights on split estate lands where the surface estate is owned by another party, other than the Federal Government. Federal mineral leases can be sold on such lands as well. The Montana State Office is directed by the Mineral Leasing Act to conduct four lease sales per year.

Members of the public file Expressions of Interest (EOI) to nominate parcels for leasing by the BLM. From these EOIs, the Montana State Office provides draft parcel lists to the appropriate field offices for review. The BLM field offices then review legal descriptions of nominated parcels to determine: if they are in areas open to leasing; if new information has come to light which might change previous analyses conducted during the land use planning process; if there are special resource conditions of which potential bidders should be made aware; and which stipulations should be identified and included as part of a lease. Ultimately, all of the lands in proposed lease sales are nominated by private individuals, companies, or the BLM, and therefore represent areas of high interest.

This EA considers the Class II oil and gas lease reinstatement of one lease consisting of 304.22 acres of split estate lands. These lands were previously leased, but the leases terminated, and the lessee filed a timely request for reinstatement.

This EA documents the review of the parcel proposed for reinstatement under the administration of the North Dakota Field Office. It serves to verify conformance with the approved land use plan, and provides the rationale for the field office to approve or deny the reinstatement of the lease.

1.2 PURPOSE AND NEED FOR THE PROPOSED ACTION

The purpose of the Proposed Action is to consider the reinstatement of one lease on a previously leased parcel.

The need for the action is to respond to the request for lease reinstatement, consistent with the BLM's responsibility under the Mineral Leasing Act (MLA), as amended, to promote the development of oil and gas on the public domain. Parcels may be nominated by the public, the BLM or other agencies. The MLA establishes that deposits of oil and gas owned by the United States are subject to disposition in the form and manner provided by the MLA under

the rules and regulations prescribed by the Secretary of the Interior, where consistent with FLPMA and other applicable laws, regulations, and policies.

1.3 CONFORMANCE WITH BLM LAND USE PLAN(S)

This EA is tiered to and conforms with the information and analysis contained in the North Dakota RMP (April 1988), as amended September 21, 2015 and its associated Environmental Impact Statement (EIS), the governing land use plan for the NDFO. An electronic copy of the North Dakota RMP and its associated EIS can be located via the internet on the BLM home page, www.blm.gov/mt. On the home page, locate the heading titled “Montana/Dakotas,” then select “What We Do”, then click on the “Planning” link.

This EA is also incorporating by reference Environmental Assessment [DOI-BLM-MT-C030-2010-142-EA](#), which analyzed the leasing of approximately 1,837 acres of federal minerals. Included in that environmental assessment was Parcel NDM79010-EZ, which is approximately ½ mile south of the parcel proposed for lease reinstatement. The topography, resource areas, and resource concerns are sufficiently similar to the proposed lease reinstatement.

This EA also incorporates by reference Environmental Assessment [DOI-BLM-MT-C030-2014-059-EA](#), which analyzed the leasing of approximately 740.48 acres of federal minerals. Parcels in Mountrail, Williams, and McKenzie Counties were included in the sale. Resource areas and resource concerns are sufficiently similar to the proposed lease reinstatement.

A more complete description of activities and impacts related to oil and gas leasing, development, production, etc. can be found at pages 9-10 in Chapter 2 of the RMP/EIS. Analysis of the one parcel is documented in this EA, and was conducted by NDFO resource specialists who relied on professional knowledge of the areas involved, review of current databases, file information, and site visits to ensure that appropriate stipulations were recommended for a specific parcel. Reinstatement of the parcel would not be in conflict with any local, county, or state laws or plans.

1.4 RELATIONSHIPS TO STATUTES, REGULATIONS AND OTHER PLANS

The authority for this decision is contained in 43 CFR 3108.2-3 Reinstatement at higher rental and royalty rates: Class II reinstatements. Instruction Memorandum WO IM No. 2013-177, dated August 13, 2013, states all pending and new reinstatement actions (Class I and Class II) will require the field office to: 1) ensure Land Use Plan (LUP) conformance; 2) evaluate the adequacy of existing National Environmental Policy Act (NEPA) analysis and documentation; and 3) complete any necessary new or supplemental NEPA analysis and documentation. All decisions to reinstate or not reinstate a terminated oil and gas lease must be supported through NEPA review.

1.5 Public Scoping and Identification of Issues

The project was posted on the Montana/Dakotas BLM webpage on 12/1/14. No issues were brought forth by the public. This EA analyzes the proposed action and discloses potential impacts based upon existing data.

[DOI-BLM-MT-C030-2010-142-EA](#) and [DOI-BLM-MT-C030-2014-059-EA](#) also received public scoping through 15 day scoping periods. Issues identified from scoping of those projects included: addressing greenhouse gas emissions, conservation of riparian,

aquatic wildlife and water resources, preserving cultural resources, and minimizing impacts from operations.

The BLM focuses its analysis on issues that are truly significant to the action in question rather than “amassing needless detail” (40 CFR 1500.1(b)). Issues have a relationship with the proposed action; are within the scope of analysis; and are amenable to scientific analysis.

The issues carried forward through analysis in this EA include:

- Air resources, climate change and greenhouse gas emissions;
- Cultural resources
- Special Status and Sensitive Species
- Conservation or riparian and aquatic wildlife and water resources
- Paleontology

2.0 Description of Alternatives, Including Proposed Action

2.1 Alternative A – No Action

Under the No Action Alternative, the BLM would not reinstate the one lease on a previously leased parcel.

2.2 Alternative B – Proposed Action

The proposed action is to approve a Class II Lease Reinstatement petition for lease NDM 98943 described below with the addition of several stipulations that were not in the original lease. This lease was terminated by operation of law for failure to pay rental timely when the rental was not paid or tendered within 20 days of the termination. After the Lessee was notified of the termination, they satisfied the fees owed and submitted a petition for reinstatement.

Proposed lease for reinstatement:

NDM 98943

T151N-R91W

Sec. 6 E2SW, SE

Sec. 6 Lots 6, 7

Mountrail County, ND

304.22 acres

The Lease Notice/Stipulations described below and in Appendix A would be applied to the lease.

The following Lease Notice (LN) and Stipulations were originally added to the lease:

CR 16-1

NSO 11-39

Standard 16-3

TES 16-2

COE 18-1

COE 18-2

COE IN 18-7

The following LN will be added to the lease as a result of this analysis.

LN 14-2

LN 14-12

The following Stipulation will replace COE 18-7, as COE 18-7 was revised and renamed by the Army Corps of Engineers since the April 2009 Competitive Oil and Gas Lease Sale.

COE 18-8

3.0 Affected Environment

3.1 Introduction

This chapter describes the existing conditions and issue-related elements of the human environment (i.e., the physical, biological, social, and economic values and resources) within the analysis area, which includes the parcel in Mountrail county (Map 1), that could be affected by implementation of the alternatives described in Chapter 2.

Unless otherwise stated, resource analysis in this chapter, and Chapter 4, will be described in approximate acres due to the scaling and precision parameters associated with the Geographic Information System (GIS), in addition to being referenced to a different land survey.

The parcel is located in western North Dakota, which is located in the Northern Mixed Grass Prairie, known for its high diversity of vegetation types and topography. Vegetation is comprised of both tall and short grass as well as both warm and cool season grasses. A variety of grass-like plants, forbs, shrubs, and trees also add to the vegetation diversity of this rangeland type. The public lands are rich in natural resources, such as wildlife and livestock forage, minerals, cultural resources, paleontological resources, recreation opportunities, and watershed values.

Western North Dakota is comprised of gently rolling hills, buttes, badlands, wetlands, riparian areas, and river breaks. Lands in North Dakota are primarily privately owned and are mainly utilized for agricultural uses. Lands that are not restricted by topography or soil constraints generally have been cultivated for crop production. Lands that have limitations from crop production are generally rangelands or pasture lands. Rangelands and pasture lands can be native, but can also be improved or rehabilitated croplands. Rehabilitated croplands are usually evident due to their near monoculture of introduced cool season grasses such as crested wheatgrass or smooth brome.

Temperatures throughout North Dakota fluctuate widely on an annual, seasonal, and daily basis. Annual mean temperatures range from 37°F in the northeast to about 43°F in the southwest. Temperature extremes can range from below -40°F to over 110°F. Average July temperature is about 69°F, and average January temperature is 10°F. Average annual precipitation varies from 13 inches in the northwest to about 20 inches in the east with up to 70 percent of the precipitation falling as rain between May and July. Precipitation is mainly derived from air masses originating from the Gulf of Mexico. Winters are long and cold with snow accumulations from November or December

through March. Windy conditions are common due to the greatly fluctuating temperatures and lack of physical barriers. Prevailing winds are from the north-northwest at an average speed of 12 miles per hour (mph). Winds of 25-30 mph will often last for six hours and can last as long as 15 hours. Winds in excess of 30 mph have lasted more than six hours. Severe weather may occur almost any time during the year. Blizzards are a common occurrence during winter and early spring. High winds and hail frequently occur in connection with summer thunderstorms (NDFO RMP, 1988).

3.2 Air Resources

Air resources include air quality, air quality related values (AQRVs), and climate change. As part of the planning and decision making process, BLM considers and analyzes the potential effects of BLM and BLM authorized activities on air resources.

The U.S. Environmental Protection Agency (USEPA) has the primary responsibility for regulating air quality, including seven criteria air pollutants subject to National Ambient Air Quality Standards (NAAQS). Pollutants regulated under NAAQS include carbon monoxide (CO), lead, nitrogen dioxide (NO₂), ozone, particulate matter with a diameter less than or equal to 10 microns (PM₁₀), particulate matter with a diameter less than or equal to 2.5 microns (PM_{2.5}), and sulfur dioxide (SO₂). Two additional pollutants, nitrogen oxides (NO_x) and volatile organic compounds (VOCs), are regulated because they form ozone in the atmosphere. Air quality is determined by pollutant emissions and emission characteristics, atmospheric chemistry, dispersion meteorology, and terrain. AQRVs include effects on soil and water, such as sulfur and nitrogen deposition and lake acidification, and aesthetic effects, such as visibility.

In addition to USEPA federal regulations, air quality is also regulated by the North Dakota Department of Health, Division of Air Quality. This agency develops state-specific regulations and issues air quality permits to emission sources.

Climate is the composite of generally prevailing weather conditions of a particular region throughout the year, averaged over a series of years. Climate change includes both historic and predicted climate shifts that are beyond normal weather variations

3.2.1 Air Quality

Air quality is monitored at State and Local Air Monitoring Systems (SLAMS) monitors within the following counties near the parcel: Burke, Dunn, and McKenzie. The USEPA air quality index (AQI) is an index used for reporting daily air quality (http://www.epa.gov/airquality/airdata/ad_rep_aqi.html) to the public. The index tells how clean or polluted an area's air is and whether associated health effects might be a concern. The USEPA calculates the AQI for five criteria air pollutants regulated by the Clean Air Act (CAA): ground-level ozone, particulate matter, carbon monoxide, sulfur dioxide, and nitrogen dioxide. For each of these pollutants, USEPA has established NAAQS to protect public health. An AQI value of 100 generally corresponds to the primary NAAQS for the pollutant. The following terms help interpret the AQI information:

- **Good** – The AQI value is between 0 and 50. Air quality is considered satisfactory and air pollution poses little or no risk.
- **Moderate** – The AQI is between 51 and 100. Air quality is acceptable; however, for some pollutants there may be a moderate health concern for a very small number of

- people. For example, people who are unusually sensitive to ozone may experience respiratory symptoms.
- **Unhealthy for Sensitive Groups** – When AQI values are between 101 and 150, members of “sensitive groups” may experience health effects. These groups are likely to be affected at lower levels than the general public. For example, people with lung disease are at greater risk from exposure to ozone, while people with either lung disease or heart disease are at greater risk from exposure to particle pollution. The general public is not likely to be affected when the AQI is in this range.
 - **Unhealthy** – The AQI is between 151 and 200. Everyone may begin to experience some adverse health effects, and members of the sensitive groups may experience more serious effects.
 - **Very Unhealthy** – The AQI is between 201 and 300. This index level would trigger a health alert signifying that everyone may experience more serious health effects.

The AQI data for the counties near the proposed parcel is fully described in [DOI-BLM-MT-C030-2014-059-EA](#) and incorporated here as reference. Section 3.2.1 on page 9 describes the AQI from 2010-2012 as at least 94 percent of the days rated as “good” with three-year median daily AQI data ranging from 33.0-35.2 for the Billings, Burke, Dunn, and McKenzie county monitors.

The area managed by the NDFO is in compliance with all National Ambient Air Quality Standards (NAAQS). [DOI-BLM-MT-C030-2014-059-EA](#) describes and summarizes maximum concentrations as percent of NAAQS on page 10 and 11.

Visibility trends are described on page 11 of the referenced EA with figures on page 12. Visibility at monitors has been improving. Emissions estimates for counties in the vicinity of the proposed parcel are also described on page 11. Oil and gas production accounting for approximately 56% of SO² and VOC emissions.

3.2.2 Climate Change

Climate change is defined by the Intergovernmental Panel on Climate Change (IPCC) as “a change in the state of the climate that can be identified (e.g., by using statistical tests) by changes in the mean and/or the variability of its properties, and persist for an extended period, typically decades or longer. It refers to any change in climate over time, whether due to natural variability or as a result of human activity.” (IPCC 2007a). Climate change and climate science are discussed in detail in the *Climate Change Supplementary Information Report for Montana, North Dakota, and South Dakota*, Bureau of Land Management (Climate Change SIR, 2010). This document is incorporated by reference into this EA.

[DOI-BLM-MT-C030-2014-059-EA](#) describes on pages 12-14 climate change, greenhouse gases, and activities contributing to climate change. Page 13-14 within the referenced EA describe the projected impacts expected to occur where the proposed parcel and activities would likely occur. These portions of the referenced EA that describe the affected environment are incorporated here by reference.

3.3 Fish and Wildlife

The proposed parcel is inundated by Lake Sakakawea and is classified as a valuable fishery and a large recreational destination for North Dakota. Game fish include a variety

of warm water and cool water species such a walleye, perch, paddlefish, Chinook salmon, crappie, catfish, bluegill, sauger, northern pike, bass, sturgeon and trout (NDGF 2013).

Wildlife use would be limited due to the lack of terrestrial habitat. Many species of both ducks and geese could potentially utilize the lake as a staging area for migration.

3.4 Special Status Species

A number of animal species are priority species for BLM and could be directly or indirectly associated with habitats tied to the proposed lease nomination. Special status species (SSS) are species that are limited in number or have observed a steady decline in their numbers across their range.

The **Special Status Species** designation includes **sensitive** and state listed as well as federally **proposed, listed, and candidate** species. **Sensitive** species are those designated as sensitive by a BLM state director, usually in cooperation with the state agency responsible for managing the species and the state natural heritage programs. They are those species that: (1) could become endangered in or extirpated from a state or within a significant portion of its distribution; (2) are under status review by the U.S. Fish and Wildlife Service (FWS); (3) are undergoing significant current or predicted downward trends in habitat capability that would reduce a species' existing distribution; (4) are undergoing significant current or predicted downward trends in population or density such that federal listed, proposed, candidate, or state-listed status may become necessary; (5) typically have small and widely dispersed populations; (6) inhabit ecological refugia or other specialized or unique habitats; or (7) are state-listed but which may be better conserved through application of the BLM Sensitive Species Status.

State Listed (or Species of Conservation Priority) this designation includes species in decline at the state level whose population levels are not well known but are thought to be in decline.

Proposed species are species that have been officially proposed for listing as threatened or endangered by the Secretary of the Interior, and a proposed rule has been published in the Federal Register.

Listed species are designated as threatened or endangered by the Secretary of the Interior under the provisions of the Endangered Species Act, and a final rule for the listing has been published in the Federal Register.

Candidate species are designated as candidates for listing as threatened or endangered by the FWS, and listings have been published in the Federal Register.

The U.S. Fish and Wildlife Service lists eight species for Mountrail county; four bird species, one fish species, 2 mammals and one invertebrate species.

Interior Least Tern-- <i>Sterna antillarum athalassos</i>	(Endangered)
Whooping Crane-- <i>Grus Americana</i>	(Endangered)
Piping Plover -- <i>Charadrius melodus</i>	(Endangered)

Rufa Red Knot-- <i>Calidris canutus</i>	(Threatened)
Pallid Sturgeon-- <i>Scaphirhynchus albus</i>	(Endangered)
Gray Wolf-- <i>Canus lupus</i>	(Endangered)
Northern Long-Eared Bat -- <i>Myotis septentrionalis</i>	(Threatened)
Dakota Skipper Butterfly-- <i>Hesperia dacotae</i>	(Threatened)

Only one species, the Pallid Sturgeon (*Scaphirhynchus albus*) is directly associated with this lease parcel since the parcel completely under Lake Sakakawea. Should the nominated parcel be leased, the remaining species listed above will have a “no effect” determination as a result of the lease and lack of association with the parcel.

Pallid Sturgeon

Pallid sturgeons are found in the upper reaches of the Missouri River in North Dakota near the confluence with the Yellowstone River and in the Yellowstone River proper. However, the confluence is continuous with Lake Sakakawea, and this species may be found throughout the entire system. The pallid sturgeon is adapted for living close to the bottom of large, silty rivers with swift currents. They prefer habitat consisting of sand flats and gravel bars.

3.5 Cultural Resources

The Bureau of Land Management is responsible for identifying and evaluating cultural resources located within the area of potential effects, in accordance with the National Historic Preservation Act (NHPA) of 1966, as amended. The procedures for compliance with the NHPA are codified in 36 CFR 800. Cultural resources are defined as districts, sites, buildings, structures, and objects significant in American history, architecture, archeology, engineering, and culture (36 CFR 60.1). Cultural Resources also refer to artifacts, records, remains, and properties of traditional religious and cultural importance to an Indian tribe (36 CFR 800.16(1)(1)).

Cultural resources that meet the National Register Criteria for Evaluation and possess integrity of location, design, setting, materials, workmanship, feeling, or association are defined as historic properties (36 CFR 60.4; 36 CFR 800.16(1)(1)). Each resource is considered on a case-by-case basis. Common prehistoric resource types in North Dakota include stone circles, stone cairns, rock art, lithic artifacts, pottery remains, earthlodge villages, rock alignments, bone concentrations, eagle-trapping pits, and lithic material procurement areas. Common historic site types in North Dakota consist of material remains of human life or activity over 50 years in age including homesteads, farmsteads, dumps, schools, churches, roads, railroad grades, trails, trading posts, and military forts.

To identify all known cultural resources and historic properties located within the nominated lease parcels, a BLM cultural resource specialist reviewed spatial data obtained from the North Dakota State Historical Society on February 13, 2014 (NDSHPO Ref Number 15-0728). The data included all previously recorded cultural resources within the immediate vicinity of lease parcel NDM 098943. To gather information on resources that may be of religious and cultural significance to an Indian tribe, the North Dakota Field Office requested information from the Tribal Historic Preservation Officers of the Turtle Mountain Band of Chippewa, the Standing Rock

Sioux Tribe, the Spirit Lake Sioux Tribe, the Northern Cheyenne Tribe, the Lower Sioux Indian Community, and the Mandan, Hidatsa, and Arikara Nation.

Lease Parcel NDM 098943 is located within Section 6 of Township 151N and Range 91W, which lies under the Van Hook Arm of Lake Sakakawea. Lake Sakakawea is the largest man-made lake in North Dakota. The US Army Corps of Engineers developed Lake Sakakawea by completing construction of the Garrison Dam in 1956. The development of Lake Sakakawea resulted in the forcible relocation of 325 families, which caused significant grief and loss for the Mandan, Hidatsa, and Arikara Nation (Murray et al 2011). The Mandan, Hidatsa, and Arikara Nation attaches religious and cultural significance to Lake Sakakawea and the Lake is a historic property.

3.6 Paleontology

The affected environment is adequately described in [DOI-BLM-MT-C030-2010-142-EA](#) on page 29 and is incorporated by reference here. “The geologic formations in western part North Dakota extend into several of the neighboring states and Canada, with only minor sedimentary or depositional differences. The formations encompass the last of the dinosaurs in the Cretaceous Period to the rapid development of early mammals in the Paleocene and Eocene Epochs of the Tertiary Period. These formations are found in eastern Montana, northeastern Wyoming, northwestern Nebraska, western South Dakota and North Dakota, and southernmost Saskatchewan and Manitoba. The late Cretaceous/early Tertiary formations in the northern Great Plains region are world renowned for their dinosaur and early mammal fossils; most of the major museums in the United States have fossils from this region. Historically, most of the research and collecting occurred in Montana and Wyoming; however, recent finds have shown that similar fossils are preserved in equivalent formations in North and South Dakota. The Eocene/Oligocene/Miocene formations have also produced a huge number of significant mammal fossils over the last 130 years. Most paleontologic localities recorded with BLM offices resulted from researchers performing field work. A few localities have been found during BLM-required mitigation of surface disturbing activities. Some localities are simply local knowledge. The investigation of illegal collecting activities has revealed the location of some fossils.”

The referenced EA assesses impacts to resources from leasing a parcel that is approximately ½ mile south of the proposed parcel. No known localities or previous research areas for fossil or paleontological resources occur inside the proposed parcel.

4.0 Environmental Impacts

4.1 Assumptions

At this stage of the process, the act of reinstating a lease parcels would not result in any activity that might affect various resources. Even if lease parcel is reinstated, it remains unknown whether development would actually occur, and if so, where specific wells would be drilled and where facilities would be placed. This would not be determined until the BLM receives an APD in which detailed information about proposed wells and facilities would be provided for particular leases. Therefore, this EA discusses potential effects that could occur in the event of development.

Upon receipt of an APD, the BLM would initiate a more site-specific NEPA analysis to more fully analyze and disclose site-specific effects of specifically identified activities. In all potential exploration and development scenarios, the BLM would require the use of BMPs

documented in “Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development” (USDI and USDA 2007), also known as the “Gold Book.” The BLM could also identify APD COAs, based on site-specific analysis that could include moving the well location, restrict timing of the project, or require other reasonable measures to minimize adverse impacts (43 CFR 3101.1-2 Surface use rights; Lease Form 3100-11, Section 6) to protect sensitive resources, and to ensure compliance with laws, regulations, and land use plans.

For split-estate leases, the BLM would notify the private landowners that oil and gas exploration or development activities are proposed on their lands and they are encouraged to attend the onsite inspection to discuss the proposed activities. In the event of activity on such split estate leases, the lessee and/or operator would be responsible for adhering to BLM requirements as well as reaching an agreement with the private surface landowners regarding access, surface disturbance, and reclamation.

Environmental consequences are discussed below by alternative to the extent possible at this time for the resources described in Chapter 3. As per NEPA regulations at 40 CFR 1502.14(f), 40 CFR 1502.16(h), and 40 CFR 1508.20, mitigation measures to reduce, avoid, or minimize potential impacts are identified by resource below.

Alternative A (No Action Alternative)

Under the No Action Alternative, the proposed lease would not be reinstated. There would be no new impacts from oil and gas production on the parcel lands. No additional natural gas or crude oil would enter the public markets, and no royalties would accrue to the federal or state treasuries. The No Action Alternative would result in the continuation of the current land and resource uses on the parcels.

Unless specifically indicated by resource area, no further analysis of the No Action Alternative is presented in the following sections.

4.2 PROPOSED ACTION

By itself, the act of reinstatement of the lease would have no impact on any natural resources in the area administered by the NDFO. Standard terms and conditions as well as special stipulations would apply to the lease. All impacts would link to as yet undetermined future levels of lease development.

If the reinstated lease parcel is developed, short-term impacts would be stabilized or mitigated rapidly (within two to five years). Long-term impacts are those that would substantially remain for more than five years. The 1 lease is located in Mountrail County.

4.2.1 Air Resources

4.2.1.1 Air Quality

Direct and Indirect Effects

Reinstating the proposed lease parcel would have no direct impacts on air quality. Any potential effects on air quality from activities on the lease parcels would occur if and when the lease is developed.

Potential impacts of development in the vicinity of the proposed parcel are described in [DOI-BLM-MT-C030-2014-059-EA](#) on page 49 and incorporated by reference here. Current data show that criteria pollutant concentrations are below air quality standards, indicating good air quality. The level of air quality is expected to be maintained by limiting emissions through the potential level of development and mitigation as described in the referenced EA. State-issued air quality permits or air quality registration processes developed to maintain air quality would also regulate pollutants.

4.2.1.2 Climate Change

[DOI-BLM-MT-C030-2014-059-EA](#) describes climate change impacts and emissions associated with the development in the vicinity of the proposed lease parcel on page 49-51 and are incorporated by reference here. The current proposed activity is to reinstatement a lease parcel. No specific activities are currently proposed. Potential development activities would be analyzed if the BLM receives an APD.

While it is not possible to predict effects on climate change of potential GHG emissions discussed in the referenced EA in the event of lease parcel development, the act of leasing does not produce any GHG emissions in and of itself. Releases of GHGs could occur at the exploration/development stage.

Cumulative Impacts

The cumulative effects analysis area is the NDFO, with additional discussion at state-wide, national, and global scales for GHG emissions and climate change. [DOI-BLM-MT-C030-2014-059-EA](#) discusses the contributions of lease development to GHG emissions in the vicinity of the proposed lease parcel on page 71-73 and is incorporated here by reference. Projected GHG emissions and the NDFO Reasonable Foreseeable Development (RFD) scenario are compared with available data at the state, national, and global levels. Potential emissions of GHGs from development of fluid minerals on this parcel would be minor in the context of projected GHG contributions from the entire RFD for the NDFO. Potential annual emissions would amount to approximately .0000001 percent of the global total. If development occurs on this lease parcel potential GHG emissions would incrementally contribute to the total GHG volume emitted and ultimately to climate change.

As discussed in the Climate Change section of Chapter 4 of [DOI-BLM-MT-C030-2014-059-EA](#) and incorporated by reference here, it is impossible to identify specific impacts of climate change related to BLM activities on specific resources within the analysis area. Existing models have difficulty reliably simulating and attributing observed temperature changes at small scales. On smaller scales, natural climate variability is relatively larger, making it harder to distinguish changes expected due to external forcings (such as contributions from local activities to GHGs). Effects of climate change on resources are described in Chapter 3 of the referenced EA.

4.2.2 Fish and Wildlife

Direct and Indirect Effects

At this stage (lease sale) there are no impacts to special status species. Impacts (both direct and indirect) could occur if and when the lease is developed in the future. The potential impacts would be analyzed on a site-specific basis prior to oil and gas development and during the APD stage of development.

4.2.3 Special Status Species

At this stage (lease sale) there are no impacts to special status species. Impacts (both direct and indirect) could occur if and when the lease is developed in the future. The potential impacts would be analyzed on a site-specific basis prior to oil and gas development and during the APD stage of development.

Direct and Indirect Effects

Should the nominated parcel be developed in the future, it is expected there would not be any significant impacts as stated in Section 4.2. However, listed below is the rationale utilized in the analysis.

Pallid Sturgeon - The pallid sturgeon has a slight potential to occur over the parcel which are inundated by Lake Sakakawea. Potential impacts are likely not to occur due to the NSO stipulation that would be applied. If developed the parcel would be developed utilizing horizontal drilling techniques which would limit any potential direct effects to the nominated parcel.

4.2.4 Cultural Resources

Direct and Indirect Effects

The transfer, lease, or sale of property can only affect significant cultural, scientific, or historic resources when the transfer out of Federal ownership or control occurs without adequate and legally enforceable restrictions or conditions. The purchaser of a lease is entitled to develop the parcel consistent with lease stipulations, but must have an approved Application for Permit to Drill (APD), before ground disturbing activities can begin. Leasing the parcels would have no direct or indirect impacts on cultural resources, because the BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the National Historic Preservation Act and other authorities (Lease Stipulation 16-1). In addition, Lease Notice 11-39 states that leasee cannot occupy lands within the floodplain of the Missouri River without a waiver.

Any potential effects from the sale of lease parcel NDM 098943 would occur at the time the lease is developed, which requires an Application for a Permit to Drill (APD). When an APD is received, the North Dakota Field Office (NDFO) defines the area of potential effects (APE) and assesses the proposed undertaking's effect on cultural resources and historic properties as per Section 106 of the National Historic Preservation Act (NHPA). NHPA requires the BLM to identify historic properties within the APE and make a "reasonable and good faith effort to carry out appropriate identification efforts, which may include background research, consultation, oral history interviews, sample field investigation, and field survey" (36 CFR 800.5(b)). If cultural resources are identified within the APE, the BLM will evaluate the resource's significance and determine if the resource is eligible for listing on the National Register of Historic Places. If a historic property will be adversely affected by the proposed undertaking, the NDFO and the participants in the Section 106 process would agree upon appropriate mitigation measures.

The potential impacts of approving an APD are caused by the surface disturbing activities associated with exploration and development. The construction of a well pad and the drilling of an oil well have the potential to alter the characteristics of a significant cultural or historic property by causing destruction, damage or alterations that diminish the integrity of the property's location, design, setting, materials, workmanship, feeling, or association. The permitted surface disturbing activities can also impact a historic property by introducing visual, atmospheric or audible elements that diminish the integrity of the property's significant historic features. The approval of an APD can indirectly impact a significant cultural resource or historic property by approving a project that increases soil erosion or causes change in traffic patterns which increase the likelihood of looting and vandalism.

Cumulative Impacts

The analysis includes reasonably foreseeable effects caused by the undertaking that may occur later in time, be farther removed in distance, or be cumulative. (36 C.F.R. § 800.5(a)(1)). Physical and chemical weathering gradually impacts significant cultural, scientific, and historical resources. Cumulative impacts that cause gradual changes in land-use, habitat, or the climate regime can increase the intensity and severity of the weathering processes. In addition, the maintenance of oil and gas extraction facilities has the potential to impact significant resources after the initial development.

Mitigation. To mitigate cumulative effects on cultural resources, the North Dakota Field Office will enforce the *Interim Requirements for Cultural Resource Investigations for Oil and Gas Projects*. The Interim Requirements state that avoidance of cultural resources, through project redesign or abandonment, is the preferred method of mitigation. The Interim Requirements also state that the NDFO generally requires all surface disturbing activities to avoid cultural resources by 100 feet.

4.2.5 Paleontology

Direct and Indirect Effects

Impacts on paleontological resources from leasing in the area of the proposed parcel are described on page 56 of [DOI-BLM-MT-C030-2010-142-EA](#) and are incorporated by reference here. No known localities or previous research areas for fossil or paleontological resources are inside or adjacent to the nominated parcels; therefore, there are no known direct or indirect affects to paleontological resources.

Specific mitigation could include site avoidance or excavation as determined when site-specific development applications are received. While the act of leasing a parcel would not impact paleontological resources

Cumulative Impacts

As described in [DOI-BLM-MT-C030-2010-142-EA](#), the Proposed Action, when considered in combination with other past, present and reasonably foreseeable activities occurring on federal, state, and private lands, would not significantly contribute to any cumulative impacts. The ability to assess the potential cumulative impacts at the leasing stage for this project is limited for many resources due to the lack of site-specific information for potential future activities. Upon receipt of an APD for any of the lease

parcels addressed in this document, more site-specific planning would be conducted in which the ability to assess contributions to cumulative impacts in a more detailed manner would be greater due to the availability of more refined site-specific information about proposed activities.

5.0 CONSULTATION AND COORDINATION:

5.1 Persons, Agencies, and Organizations Consulted

BLM coordinated with Army Corps of Engineers; U.S. Fish and Wildlife Service; North Dakota Game and Fish; Mandan, Hidatsa, and Arikara Nation Tribal Historic Preservation Officer (THPO) and Review and Compliance Officer; Turtle Mountain Band of Chippewa THPO; Standing Rock Sioux THPO; North Dakota State Auditor's Office; and North Dakota Office of Management and Budget during the completion of the lease sale EA, [DOI-BLM-MT-C030-2010-142-EA](#), incorporated and referenced throughout the document in order to prepare analysis, identify protective measures, and apply stipulations associated with the lease parcel being analyzed at the time. Page 68 of that EA summarizes the consultation efforts.

5.2 Summary of Public Participation

Page 68 and 69 of lease sale EA, [DOI-BLM-MT-C030-2010-142-EA](#), describes the previous public participation for this parcel and is incorporated by reference here. The leasing of the proposed parcel was originally analyzed in that EA. Public scoping for the lease parcel was conducted through a 15-day scoping period advertised on the BLM Montana State Office website and posting on the NDFO website NEPA notification log. Scoping was initiated May 25, 2010; however, scoping comments were received through June 21, 2010. Surface owner notification letters were also distributed briefly explaining the oil and gas leasing process and planning process. The surface owner notification letter requested written comments regarding any issues or concerns that should be addressed in the environmental analysis. On August 12, 2010, the reference EA along with an unsigned finding of no significant impact, was made available for a 30-day public comment period.

Additionally, this project to reinstate one lease parcel was posted on the Montana/Dakotas BLM webpage on 12/1/14. No issues have been brought forth by the public.

Table 5.0 List of Preparers

Name (and agency, if other than BLM)	Title	Responsible for the Following Section(s) of this Document	Initials and Date
Tim Zachmeier	Wildlife Biologist	Fish and Wildlife	TPZ 8/31/15
Paul Kelley	Natural Resource Specialist	Air Resources, Paleontology, Project Lead, NEPA	PWK 2/2/16
Sean Berry	Archeologist	Cultural Resources	SB 8/31/15

Kathy Bockness
Environmental Coordinator

2/5/2016
Date

6.0 References

Murray, Wendy Field; Maria Nieves Zedeno, Kacy L. Hollenback, Calvin Grinnel and Elgin Crows Breast

2011 The Remaking of Lake Sakakawea: Locating Cultural Viability in Negative Heritage on the Missouri River. American Ethnologist, Vol. 38, No. 3:468-483.

APPENDICES

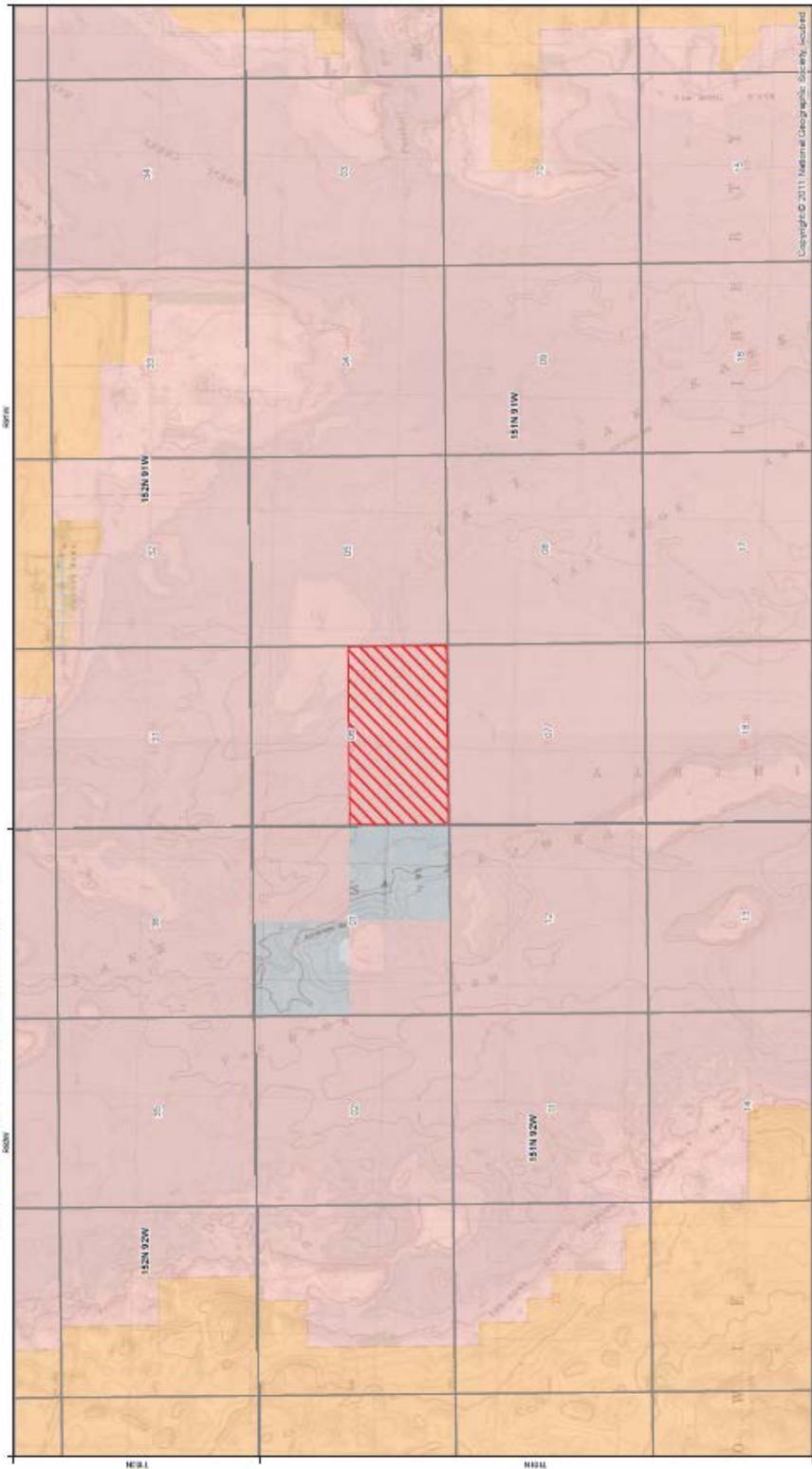
Appendix A – Parcel Description

PARCEL NUMBER	PARCEL DESCRIPTION	STIPULATIONS
NDM 98943	T151N-R91W Sec. 6 E2SW, SE Sec. 6 Lots 6, 7 Mountrail County, ND 304.22 acres	CR 16-1 (ALL LANDS) LN 14-2 (ALL LANDS) LN 14-12 (ALL LANDS) NSO 11-33 (ALL LANDS) NSO 11-39 (ALL LANDS) Standard 16-3 (ALL LANDS) TES 16-2 (ALL LANDS) COE 18-1 (ALL LANDS) COE 18-2 (ALL LANDS) COE 18-8 (ALL LANDS)

Appendix B – Parcel map

User Name: jhazer
Date: 2/13/2014

North Dakota Oil and Gas Class II Lease Reinstatement Map for NEPA# DOI-BLM-MT-C030-2015-088-EA



Copyright © 2011 National Geographic Society, Inc.

North Dakota State Plane, NAD 83 Data
Copyright © 2008 Esri, Inc. All rights reserved.
Scale: 1:30,110

0 0.10 0.20 0.30 Miles

- BIA
- BLM
- DOD/COE/DOE

NDM 098943



**U.S. Department of the Interior
Bureau of Land Management
North Dakota Field Office
99 23rd Avenue W, Suite A
Dickinson, ND 58601**

**Finding of No Significant Impact
Environmental Assessment DOI-BLM-MT-C030-2015-086-EA**

INTRODUCTION:

The Bureau of Land Management (BLM) has conducted an Environmental Analysis (EA) (DOI-BLM-MT-C030-2015-086-EA) to analyze the potential effects of a Class II oil and gas lease reinstatement of one lease consisting of 304.22 acres of split estate lands. These lands were previously leased, but the lease terminated, and the lessee filed a timely request for reinstatement.

Impact identification and analysis of the No Action Alternative and the Proposed Action Alternative has been completed. The No Action Alternative would be to not reinstate the one lease on a previously leased parcel. The Proposed Action (Preferred Alternative) would approve a Class II Lease Reinstatement petition for lease NDM 98943 described below with the addition of several stipulations that were not in the original lease. This lease was terminated by operation of law for failure to pay rental timely when the rental was not paid or tendered within 20 days of the termination. After the Lessee was notified of the termination, they satisfied the fees owed and submitted a petition for reinstatement.

Proposed lease for reinstatement:

NDM 98943
T151N-R91W
Sec. 6 E2SW, SE
Sec. 6 Lots 6, 7
Mountrail County, ND
304.22 acres

The following Lease Notice (LN) and Stipulations were originally added to the lease:

CR 16-1
NSO 11-39
Standard 16-3
TES 16-2
COE 18-1
COE 18-2
COE IN 18-7

The following LN will be added to the lease as a result of this analysis.

LN 14-2
LN 14-12

The following Stipulation will replace COE 18-7, as COE 18-7 was revised and renamed by the Army Corps of Engineers since the April 2009 Competitive Oil and Gas Lease Sale.

COE 18-8

PLAN CONFORMANCE AND CONSISTENCY:

The proposed action and alternatives have been reviewed and found to be in conformance with the following BLM plans and associated Record of Decision(s): North Dakota Resource Management Plan (RMP) (April 1988) and accompanying Environmental Impact Statement (EIS).

FINDING OF NO SIGNIFICANT IMPACT:

Based on my review of the EA and all other available information, I have determined that the BLM Preferred Alternative, is not a major federal action and will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area (as defined by 40 CFR 1508.27). Therefore, an Environmental Impact Statement (EIS) is not required. Any future proposed development on lease parcels would be subject to additional site-specific National Environmental Policy Act (NEPA) analysis and documentation.

This determination is based on the context and intensity of the project as described:

Context:

The BLM Preferred Alternative would occur within the North Dakota Field Office boundary and would have local impacts on the resources similar to and within the scope of those described and considered in the North Dakota RMP/FEIS (April 1988). The project is a site-specific action directly involving approximately 304.22 surveyed acres of Federal minerals administered by the BLM, by itself does not have international, national, regional, or state-wide importance.

Intensity:

The following discussion is organized around the Ten Significance Criteria described in 40 CFR 1508.27 and incorporated into resources and issues considered (includes supplemental authorities Appendix 1 H-1790-1) and supplemental Instruction Memorandum, Acts, regulations and Executive Orders. The following have been considered in evaluating intensity for this proposal:

1. Impacts may be both beneficial and adverse: Beneficial, adverse, direct, indirect and cumulative environmental impacts have been disclosed in the EA. Mitigating measures and stipulations to reduce impacts to the various resources and land uses were incorporated in the design of the BLM Preferred Alternative. The analysis indicated no significant impacts on society as a whole, the affected region, the affected interests or the locality. The physical and biological effects typically would be limited to the leased Federal minerals managed by BLM and adjacent land.

2. The degree to which the selected alternative will affect public health or safety:

The selected alternative does not authorize any lease exploration or development activities and is designed to minimize impacts to other resources as well as to public health and safety. An EA will be conducted for proposed exploration and development projects. The analysis will identify potential impacts to public health and safety as well as measures designed to minimize or eliminate impacts to public health and safety.

3. Unique characteristics of the geographic area such as proximity to historic or cultural resources, park lands, prime farm lands, wetlands, wilderness, wild and scenic rivers, or ecologically critical areas: All historic and cultural resources of the analysis area have been reviewed by BLM. These characteristics have been deemed to be not affected by the BLM Preferred Alternative with mitigating measures attached to each parcel. There are no impacts to park lands, prime farmlands, wilderness, 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: No anticipated effects have been identified that are controversial. The BLM Preferred Alternative conforms with current land use plan guidance which allocated Federal mineral estate administered by the BLM as either available or administratively unavailable for oil and gas leasing.

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks: The BLM Preferred Alternative of reinstating one oil and gas lease is not unique or unusual. The State and private mineral owners also offer and issue oil and gas leases. The EA describes and discloses impacts from typical exploration and development activities that could occur on a Federal lease, as well as identifies stipulations and/or mitigation measures designed to minimize or eliminate impacts. Sufficient information on risk is available based on information in the EA and other past actions of a similar nature. There are no predicted effects on the human environment that are considered to be highly uncertain or involve unique or unknown risks.

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: This proposed action neither establishes a precedent nor represents a decision in principle about future actions. A Federal oil and gas lease does not authorize any exploration or development activities; however, the lease provides the lessee with the opportunity to explore for and develop oil and gas resources after receipt of necessary approvals. Any future proposed exploration and development on lease parcels would be subject to additional site-specific NEPA analysis and documentation. The actions considered in the selected alternative were considered within the context of past, present, and reasonably foreseeable future actions.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts – which include connected actions regardless of land ownership: The BLM Preferred Alternative by itself or in connection with other

activities would not have significant impacts. Exploration and development projects will be analyzed to determine the significance of cumulative impacts.

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

The BLM Preferred Alternative will not adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places. Based on previous and ongoing cultural surveys, and through mitigation by avoidance, no adverse impacts to cultural resources were identified or anticipated. There are no features within the analysis area listed or eligible for listing in the National Register of Historic Places that would be adversely affected by the BLM Preferred Alternative.

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, or the degree to which the action may adversely affect: 1) a proposed to be listed endangered or threatened species or its habitat, or 2) a species on BLM's sensitive species list: Stipulations designed to minimize impacts to listed or proposed to be listed threatened or endangered species or their habitat have been included with the BLM Preferred Alternative. No adverse impacts to any threatened or endangered species or their habitat that was determined to be critical under the Endangered Species Act were identified.

10. Whether the action threatens a violation of a Federal, State, local, or tribal law, regulation or policy imposed for the protection of the environment, where on-Federal requirements are consistent with Federal requirements: The BLM Preferred Alternative does not violate any known Federal, State, local or tribal law or requirements imposed for the protection of the environment. State, local and tribal interests were given the opportunity to participate in the EA process. Furthermore, the project is consistent with applicable land management plans, policies and programs.

/s/ Loren Wickstrom
Loren Wickstrom
Field Manager

2/5/16
Date

**U.S. Department of the Interior
Bureau of Land Management
North Dakota Field Office
99 23rd Avenue W, Suite A
Dickinson, ND 58601**

**Decision Record and Leasing Recommendation
Environmental Assessment DOI-BLM-MT-C030-2015-0086-EA**

Decision:

It is my decision to implement the Proposed Action as identified in the North Dakota Field Office (NDFO) Oil and Gas Leasing Environmental Assessment (EA), DOI-BLM-MT-C030-2015-0086-EA, to approve a Class II Lease Reinstatement petition for lease NDM 98943 with the addition of several stipulations that were not in the original lease.

Authorities:

The authority for this decision is contained in 43 CFR 3100.

Compliance and Monitoring:

Should the parcels be developed, monitoring may be required and would be addressed and analyzed under future NEPA documentation.

Terms, Conditions, and Stipulations:

Standard terms and conditions, as well as the lease notices and stipulations identified in Appendix A of the EA, would apply and be attached to the lease parcel(s).

Plan Conformance and Consistency:

The proposed action and no action alternative have been reviewed and found to be in conformance with the following BLM plans and associated Record of Decision(s): North Dakota RMP (April 1988) as amended and its associated Environmental Impact Statement (EIS), the governing land use plan for the NDFO.

Alternatives Considered:

Alternative A – Under the No Action Alternative, the BLM would not reinstate the one lease on a previously leased parcel.

Alternative B –The proposed action is to approve a Class II Lease Reinstatement petition for lease NDM 98943 described below with the addition of several stipulations that were not in the original lease. This lease was terminated by operation of law for failure to pay rental timely when the rental was not paid or tendered within 20 days of the termination. After the Lessee was notified of the termination, they satisfied the fees owed and submitted a petition for reinstatement.

Proposed lease for reinstatement:

NDM 98943

T151N-R91W
Sec. 6 E2SW, SE
Sec. 6 Lots 6, 7
Mountrail County, ND
304.22 acres

The Lease Notice/Stipulations described below and in Appendix A would be applied to the lease.

The following Lease Notice (LN) and Stipulations were originally added to the lease:

CR 16-1
NSO 11-39
Standard 16-3
TES 16-2
COE 18-1
COE 18-2
COE IN 18-7

The following LN will be added to the lease as a result of this analysis.

LN 14-2
LN 14-12

The following Stipulation will replace COE 18-7, as COE 18-7 was revised and renamed by the Army Corps of Engineers since the April 2009 Competitive Oil and Gas Lease Sale.

COE 18-8

Public Comments:

Public scoping for the lease parcel was conducted through a 15-day scoping period advertised on the BLM Montana State Office website and posting on the NDFO website NEPA notification log. Scoping was initiated May 25, 2010; however, scoping comments were received through June 21, 2010 during the initial analysis of leasing the parcel. Surface owner notification letters were also distributed briefly explaining the oil and gas leasing process and planning process. The surface owner notification letter requested written comments regarding any issues or concerns that should be addressed in the environmental analysis. On August 12, 2010, a comment period was conducted for leasing the particular parcel.

Additionally, this project to reinstate one lease parcel was posted on the Montana/Dakotas BLM webpage on 12/1/14. No new issues have been brought forth by the public.

Rationale for the Decision:

The decision to approve the Proposed Action, is based on the following: 1) consistency with resource management and land use plans; 2) national policy; 3) agency statutory requirements; 4) relevant resource issues; and 5) application of measures to avoid or minimize environmental impacts.

1. The decision is in conformance with the North Dakota RMP (April 1988) as amended and its associated Environmental Impact Statement (EIS), the governing land use plan for the NDFO.

2. It is the policy of the Bureau of Land Management (BLM) as derived from various laws, including the Mineral Leasing Act of 1920, as amended [30 U.S.C. 181 *et seq.*] and the Federal Land Policy and Management Act of 1976, to make mineral resources available for disposal and to encourage development of mineral resources to meet national, regional, and local needs.

3. The decision is consistent with all federal, state, and county authorizing actions required for implementation of the Preferred Alternative.

4. Standard terms and conditions as well as special stipulations would apply. Lease stipulations (as required by Title 43 Code of Federal Regulations 3101.1-3) were added to each parcel as identified by the NDFO to address site specific resource concerns or new information not identified in the planning process.

/s/ Loren Wickstrom
Loren Wickstrom
Field Manager

2/5/16
Date