



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

Finding of No Significant Impact

2021 First Competitive Lease Sale DOI-BLM-WY-0000-2021-0002-EA

November 2020

The BLM's multiple-use mission is to sustain the health and productivity of the public lands for the use and enjoyment of present and future generations. The Bureau accomplishes this by managing such activities as outdoor recreation, livestock grazing, mineral development, and energy production, and by conserving natural, historical, cultural, and other resources on public lands.

DOI-BLM-WY-0000-2021-0002-EA

FINDING OF NO SIGNIFICANT IMPACT Environmental Assessment

2021 First Quarter Competitive Lease Sale

INTRODUCTION:

The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA) (DOI-BLM-WY-0000-2021-0002-EA) to address offering 61 383 parcels within the High Desert District (HDD), the High Plains District and the Wind River/Bighorn Basin at the First Quarter 2021 BLM Wyoming Competitive Oil and Gas Lease Sale (CLS) following the deletion of portions of two parcels.

Under the Proposed Action analyzed in the EA, the BLM would offer for sale 383 parcels, containing approximately 476,506.20 acres of Federal minerals. Standard terms and conditions as well as parcel specific timing limitation, no surface occupancy, and controlled surface use stipulations have been attached to the parcels as specified through the EA. Lease stipulations were added to each parcel consistent with the applicable Resource Management Plans (RMP) Records of Decision (ROD).

Under the Proposed Action, the BLM would defer 36 whole parcels and portions of 9 parcels, as detailed in the EA. In addition, BLM would delete portions of sixteen parcel and defer the remainder of 7, leading to a total of 43 whole parcels deferred. Forty-two of these deferrals are located wholly or partially within Greater Sage-Grouse (GSG) Priority Habitat Management Areas (PHMA) where Adaptive Management metrics indicate the need for further review prior to leasing.

The Proposed Action meets the EA's purpose and need (see the following excerpt from the EA):

It is the policy of the BLM as derived from various laws, including the Mineral Leasing Act of 1920, as amended (MLA) and the Federal Land Policy and Management Act of 1976 (FLPMA) to make mineral resources available for disposal and to encourage development of mineral resources to meet national, regional, and local needs. Continued sale and issuance of lease parcels in conformance with the approved Resource Management Plans (RMPs) would allow for continued production of oil and gas from public lands and reserves.

The need is to respond to Expressions of Interest, as established by the Federal Onshore Oil & Gas Leasing Reform Act of 1987 (FOOGLRA), MLA, and FLPMA

Decisions to be made based on this analysis include which parcels would be offered for lease and what stipulations will be placed on the parcels that would be offered for lease under this sale, in conformance with the approved RMPs.

In addition to the Proposed Action, a No Action Alternative was analyzed in the EA that would not offer any of the 426 parcels that are in areas open to oil and gas in the underlying RMPs. The EA for the First Quarter 2021 Competitive Lease Sale is attached, which includes as an

attachment a White Paper which discusses issues associated with the use of Hydraulic Fracturing (HF) which may be used in the oil and gas completion process. This HF White Paper was incorporated by reference into the EA, and subjected to public comment/review during the public comment period.

Four additional alternatives were considered but not analyzed in detail: offer all parcels subject to Standard Lease Terms and Conditions, offer all parcels subject to original Expression of Interest (EOI), offer all parcels subject to No Surface Occupancy stipulations; and defer all parcels located in Greater Sage-grouse habitats. These alternatives were not analyzed in detail because they would not be in conformance with the respective RMPs.

FINDING OF NO SIGNIFICANT IMPACT:

Based upon a review of the EA and the supporting documents, I have determined that the project 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.

No environmental effects meet the definition of significance in context or intensity as defined in 40 Code of Federal Regulations (CFR) 1508.27 and the impacts do not exceed those effects described in the applicable approved Resource Management Plans (RMPs) and their Final Environmental Impact Statements (FEISs). Therefore, an Environmental Impact Statement (EIS) is not required.

The context and intensity of the project are described below.

Context:

The proposed action would occur within the Buffalo, Casper, Newcastle, Kemmerer, Pinedale, Rawlins, Rock Springs, Cody, Lander, and Worland Field Office boundaries and would have local, regional or national impacts on the resources similar to and within the scope of those described and considered within the RMPs and their respective EISs.

The Proposed Action is an administrative action involving approximately 476,506 acres of BLM administered mineral estate. Energy development, and the products extracted from BLM Wyoming public lands, have state-wide, regional, and national importance. Development of specific well-sites on the parcels could occur in the future, resulting in direct and indirect impacts to surface resources, including greenhouse gas emissions. The EA discusses these direct and indirect impacts, to the extent they are reasonably foreseeable. Specific to direct and indirect emissions of greenhouse gases, the EA considers their relative contribution to state, regional, national, and global emissions, individually and cumulatively. The EA also describes the relationship between GHG emissions and climate change, as well as the impacts of climate change at various scales (local, regional and national).

Under the Department's regulations and the terms of the leases, BLM retains discretion to deny future lease development proposals that do not accord with the operating regulations in 43 CFR 3160, BLM's Onshore Orders, and other applicable Federal laws such as the Clean Air Act, Clean Water Act, and the Endangered Species Act.

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 Memoranda, statutes, regulations and Executive Orders.

The following have been considered in evaluating intensity for this proposal:

1. Impacts may be both beneficial and adverse.

The alternatives would affect resources as described in the EAs. Mitigating measures to reduce impacts to the various resources were incorporated in the design of the action alternatives. The beneficial effects of oil and gas production are discussed in the RMPs to which the EA tiers; these include the production of fossil fuels to contribute to the national, state, and local supply in response to public demand. In addition, issuance of leases and potential future development of the leases has economic impacts on local, state, regional and national economies, which may be perceived as either positive or negative, depending on the standpoint of a stakeholder. None of the environmental effects discussed in detail in the EA are considered significant, nor do the effects exceed those described in the applicable approved RMPs and their respective FEISs/RODs.

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

The Proposed Action addressed by this FONSI is to offer 383 lease parcels for sale.

Several parcels to be offered however do contain lands with private surface overlying federal minerals (i.e., split-estate). The private surface lands have the potential for development of private residences and associated facilities such as domestic water supply wells. Residences near active drilling and completion operations would likely experience increased traffic and noise, as well as night lighting. Traffic and drilling operations in close proximity to residences or public use areas may increase the potential for collisions with the public, the general workforce, pets, and livestock, as well as an increased potential for fire, hydrocarbon release, and explosion from well blow-out during drilling operations. Lease Notice No. 1 is applied to all parcels and restricts occupancy within ¼ mile of occupied dwellings for public safety.

The subject parcels are located distant from incorporated towns, are not located on agricultural lands, and exist in a rural landscape with limited developed recreation facilities but may be used for various dispersed recreational activities including but not limited to hiking, camping, and OHV uses. Noise, concentrated development activities and the potential emissions associated with development of the O&G resources may create a nuisance but the establishment of travel speeds, the imposition of timing limit and controlled surface use stipulations, compliance by the oil and gas companies with all OSHA related requirements, and the receipt of air quality emission permits from the Wyoming Department of Environmental Quality would mitigate impacts. As well, all proposals would be reviewed for their potential to impact sources of usable waters and would be denied if their operations would not be protective of the resources as defined in 43 CFR 3160 and Onshore Order No. 2.

In addition to BLM, local, State, and other Federal agencies regulate oil and gas exploration and drilling operations to protect health and safety. BLM continues to coordinate with the Wyoming Department of Environmental Quality in the

implementation of monitoring and mitigation, and the Wyoming Oil and Gas Commission on the approval APDs and general oil and gas issues. As a result, impacts to public health and safety are not expected to be significant.

No other aspect of the action alternative would have an effect on public health and safety. If the parcels are subsequently sold and the leases enter into a development stage, public health or safety would be addressed in more detail through additional site specific analysis and compliance with state and federal laws and regulations, as required.

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.

Unique characteristics present within the project area primarily include historic and cultural resources. These characteristics have been deemed to be not affected by the action alternatives with mitigating measures as attached to the lease parcels. No aspect of the action alternatives would have an effect on cultural resources at time of the lease sale. If actual operations are Page 4 of 5 eventually proposed on the leases in the future, cultural resources would be further addressed through site-specific NEPA.

4. The degree to which the effects on the quality of the human environment are likely to be highly controversial.

As a factor for determining whether or not to prepare a detailed environmental impact statement, “controversy,” within 40 CFR 1508.27(b)(4), is not “the existence of opposition to a use.” *Town of Cave Creek v. FAA*, 325 F.3d 320, 331 (D.C. Cir. 2003) (“controversial” refers to situations where “substantial dispute exists as to the size, nature, or effect of the major federal action”) (quoting *Found. for N. Am. Wild Sheep v. U.S. Dep’t of Agric.*, 681 F.2d 1172, 1182 (9th Cir.1982); see also *Fund for Animals v. Frizzell*, 530 F.2d 982, 988 n.15 (D.C. Cir. 1975) (per curiam) (“certainly something more is required” for a highly controversial finding “besides the fact that some people may be highly agitated and be willing to go to court over the matter.”

The lease sales, that is, the act of offering oil and gas parcels for lease, is not unique or unusual. Oil and gas leasing and post-lease development have been ongoing for many years. The BLM has experience implementing similar actions in similar areas. The environmental effects to the human environment are considered in the corresponding RMP FEISs. Gas exploration and drilling operations are regulated for health and safety through other agencies of local, State and Federal government. Should there be discovered risks, these agencies would act accordingly. The predicted effects on the human environment described in the EA, such as temperature and precipitation changes, are not highly uncertain, nor do they involve unique or unknown risks. To the extent that GHGs can influence changes in local climates, the EA has analyzed and disclosed those relationships. The Proposed Action is not expected to significantly affect the rate of change in those effects, bring forth impacts that are not already identified in existing literature, or cause a change in the magnitude of those impacts at the local, state, regional, national or global scale.

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.

As noted above, the act of offering oil and gas parcels for lease is not unique or unusual. Oil and gas leasing and post-lease development have been ongoing for many years, with development dating back to the early 1900's, and the BLM has experience implementing similar actions in similar areas.

While the administrative act of issuing a lease does not result in any direct greenhouse gas (GHG) emissions, the BLM considered in the EA those emissions that may be reasonably foreseeable from the future development of the resources, including any GHGs from the downstream combustion of products. While it is not possible to precisely quantify and assess potential impacts from the emission of GHGs in the affected areas as a result of making the proposed tracts available for development, BLM has made some general assumptions. For example, subsequent development and production of minerals from the parcels will result in additional emissions of GHGs, both direct and indirect. The total number of wells to be installed, and whether they will produce economic volumes of product cannot reasonably be estimated due to the variable geologic conditions across the parcels and ongoing exploratory work on Federal lands in Wyoming.

While GHG emissions are also associated with the use of produced substances, estimates of those emissions involve uncertainty including how produced substances are used, how the various GHG parameters are regulated by delegated agencies, and whether any Best Available Control Technologies are utilized at the upstream or downstream activity locations. Nevertheless the EA has provided estimates of the direct and indirect emissions of GHGs arising from these lease parcels should they be developed. The uncertainties surrounding estimates of direct and/or indirect GHG emissions are also described in the EA.

The environmental effects from direct GHG emissions to the human environment are considered in the corresponding RMP FEISs, as amended, and supplemented by the analysis in the attached EA. Should there be newly discovered risks that were previously unknown, BLM would cooperate with other Federal and state agencies to respond as appropriate. The predicted effects on the human environment from the GHG emissions resulting from the Proposed Action, in terms of climate change and the level of existing emissions, are not considered to be highly uncertain or involve unique or unknown risks.

Our ability to more precisely analyze the GHG emissions, and the potential impacts from site-specific drilling, completion, production or downstream combustion, is limited due to the aforementioned uncertainty, and the inability to translate a level of GHG emissions into specific effects at a scale of the Proposed Action.

When an Application for Permit to Drill (APD) has been submitted, specific information will be available that can further the assessment of precise emission estimates. Information that will be available or reviewed, when an APD is submitted includes the following:

- Target formation characteristics

- Well type
- Drilling and completion methods
- Expected types and volumes of products to be produced
- Production equipment
- Production accounting and measurement
- The degree to which there are any connected actions

Based on the foregoing, the degree of uncertainty and consideration of unknown or unique risks does not rise to the level of significance requiring an EIS.

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 project neither establishes a precedent nor represents a decision in principle about future actions; while the leases provide the opportunity to explore for fluid minerals, there is no guarantee that a lease operator will undertake future drilling activities. BLM considered the Proposed Action within the context of past, present, and reasonably foreseeable future actions. A decision to offer the lands would not limit later resource management decisions for areas open to development proposals, or preclude other uses of those lands in accordance with the Federal Land Policy and Management Act, and regulation at 43 CFR, Part 3000. The analysis did not reveal any interactions with future projects that will have significant impacts. A decision to offer the parcels for leases would not represent a decision regarding any future lease actions. Ultimately, the decision to lease, even without an NSO over the entire lease(s), does not prevent BLM from denying all development of the lease if an operator cannot submit a development proposal that complies with all federal laws, rules and/or regulations.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts - which include connected actions regardless of land ownership.

This EA is tiered to the information and analysis and conforms to the decisions contained in the applicable Record of Decisions (RODs) and RMPs for each planning area with lands considered in this EA, and associated FEISs. The RODs and RMPs are in compliance with all Federal laws, regulations, and policy. The direct, indirect, and cumulative effects of oil and gas leasing were considered at the appropriate scale for the full Reasonably Foreseeable Development Scenario (RFD) for the Field Offices in the FEISs for the RMPs. The decisions on what areas to not lease, lease with standard, moderate, or major stipulations is done at the RMP level in order to look at the larger picture of impacts (including cumulative impacts).

The EA did not reveal any cumulative effects beyond those already analyzed in the applicable RMPs/FEISs. The interdisciplinary team evaluated the possible actions in context of past, present and reasonably foreseeable actions. Significant cumulative effects are not expected.

There are no surface-disturbing activities authorized at the leasing stage. The Proposed Action by itself or in connection with other activities would not have significant impacts. In fact, data from BLM's Public Land Statistics indicates that of all the leases offered for

sale in Wyoming in the last 10 years, only 49% of leases are currently producing. If there is no subsequent development on a lease parcel, then there are no cumulative effects.

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 (NRHP) or may cause loss or destruction of significant scientific, cultural, or historical resources.

There are no features within the project area listed or eligible for listing in the NRHP that would be adversely affected by a decision to offer for sale the subject parcels. If the leases enter into a development stage, NRHP resources would be further addressed through site specific NEPA analysis. Significant known sites occurring in any the parcels that would be offered for sale are protected by either a controlled use or no surface occupancy stipulation.

All future projects are required to comply with the Federal law and regulation regarding the protection of eligible historic properties. Where tribal consultation has not been completed, those parcels have been deferred until that process is complete. Should lease development be proposed on any of the parcels considered in this EA, future environmental review will consider actual conditions, and the potential for site-specific or cumulative impacts, at that time.

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 the BLM sensitive species list.

Refer to the individual parcel descriptions and to the sensitive species controlled surface use stipulations in the EA (Appendix 5.4) for a listing of the various sensitive species found in various parcels. Although listed species, or those found to be warranted but precluded, may occupy habitat within a parcel, it has been determined that they will not be adversely affected because surface use restrictions, including timing limitation stipulations (TLS), no surface occupancy (NSO) stipulations, and controlled surface use (CSU) stipulations, will be applied to the lease parcels in conformance with the respective RMPs. Furthermore, post-lease actions/authorizations [i.e., Application for Permit to Drill (APDs), road/pipeline Right-of-Ways (ROWs)], would be encumbered seasonal and surface use restrictions on a case-by-case basis, as required through project-specific NEPA analysis or other environmental review, and consistent with our regulations (see 43 CFR § 3101.1-2).

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 non-federal requirements are consistent with federal requirements.

The Proposed Action does not violate, or threaten to violate federal, state, local or tribal laws or requirements imposed for the protection of the environment. In addition, the Proposed Action is consistent with applicable land management plans, policies, and programs, and development of the leases would be conditioned on compliance with all

applicable laws and regulations. The projected impacts from the Proposed Action are not expected to result in a significant change in the rate or magnitude of impacts in a way that would threaten a violation of any law or regulation. All Federal lease contracts are issued contingent upon compliance with all Federal laws and regulations.

Authorized Officer

Date