



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

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# Finding of No Significant Impact

June 2022 Competitive Lease Sale

DOI-BLM-WY-0000-2021-0003-EA

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June 2022

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-0000-2021-0003-EA**

**FINDING OF NO SIGNIFICANT IMPACT**  
**Environmental Assessment**

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**2022 June Competitive Lease Sale**

**INTRODUCTION:**

The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA) (DOI-BLM-WY-0000-2021-0003-EA) to address offering 129 parcels within the High Desert District (HDD), the High Plains District (HPD) and the Wind River/Bighorn Basin District (WRBBD) at the June 2022 BLM Wyoming Competitive Oil and Gas Lease Sale (CLS) following the deletion of four whole parcels and portions of 27 others. In addition, further review and adjudication identified one parcel located with an existing federal oil and gas unit. This parcel was split into separate parcels. The EA addresses this parcel prior to splitting.

Under Alternative 3 (Modified Proposed Action) analyzed in the EA, the BLM would offer for sale 130 parcels, containing approximately 131,391 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 described in the EA. Lease stipulations were added to each parcel in conformance with the applicable Resource Management Plans' (RMP's) Records of Decision (RODs). 40 CFR § 1508.9 requires BLM to include a discussion of possible mitigation measures in the Draft EA. At the proposed development stage, the BLM can consider mitigations measures that comply with regulations, such as Environmental Protection Agency (EPA)'s draft regulation on methane emissions in the oil and gas industry and align with climate policies enacted at that time. Lease notices identifying that a lessee may be required to complete additional analysis and apply mitigation measures is sufficient at the leasing stage.

The subject EA analyzes emissions and the social cost thereof for informational purposes only, and BLM has not determined to lease individual parcels (or not) based on greenhouse gas emissions. Under Alternative 3, of the 455 parcels analyzed within the EA, 239 whole parcels would not be offered as detailed in the EA. BLM would delete four whole parcels, delete portions of twenty- seven parcels, and not offer the remaining portions of 21 parcels. A total of 260 whole parcels deferred. All of these deferrals are located wholly or partially within Greater Sage-Grouse (GSG) Priority Habitat Management Areas (PHMA). Through further review and adjudication, the BLM identified five parcels analyzed within the EA and lot listed in the National Fluid Lease Sale System (NFLSS), nor in Appendix 4.1, which were removed from the EA. Additionally in November 2021, the Department of the Interior released a Report on the Federal Oil and Gas Leasing Program (Report). The Report made specific recommendations to address documented deficiencies in the program to meet programmatic goals. As a result of public comments received on the sale and consistent with recommendations in the November 2021 report, BLM undertook additional review and is deferring an additional 61 parcels under State Director discretion, as discussed in Appendix 6.3 of the EA. For consistency of analysis, BLM has not updated its analysis of the alternatives as these additional deferrals are within the range of alternatives analyzed. As a result, by not offering 260 PHMA parcels, 61 parcels under State Director discretion and removal of 5 parcels not in NFLSS. One parcel was split, creating an additional parcel; therefore, BLM proposes to offer 130 parcels under Alternative 3.

Further review of the EA and Protests identified an additional seven whole parcels (WY-2022-06-

0870, 0878, 0882, 6976, 6981, 6995, and 7000) and a portion of another (0904; T28N, R111W, Sections 13 and 14, Section 23, N1/2 and NWSW) would be deferred for Lands with Wilderness Characteristics (LWC). Based on our review, prior NEPA analysis for these parcels has not been completed regarding the impacts from reasonably foreseeable oil and gas development on the wilderness characteristics these lands contain. Deferral of these additional parcels modifies Alternative 3 and proposes to offer 123 parcels.

Alternative 3 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 Alternative 3, two other alternatives were analyzed. Alternative 1 (No Action Alternative) would not offer any of the nominated 459 parcels, while Alternative 2 (Proposed Action) would offer 455 parcels nominated in areas open to oil and gas in the underlying RMPs. The EA for the June 2022 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 subject to public comment/review during the EA's public comment period.

Three 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), and offer all parcels subject to No Surface Occupancy stipulations. 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 attached EA and the supporting documents, I have determined that offering 123 parcels under a modified Alternative 3 will not significantly affect the quality of the human environment. BLM is selecting a modified Alternative 3 that defers an additional seven whole parcels (WY-2022-06-0870, 0878, 0882, 6976, 6981, 6995, and 7000) and a portion of 0904, Lands with Wilderness Characteristics (LWC). The inventories for these parcels post-date the Pinedale RMP, which based on our review lacks specific management direction for LWCs and contains no prior NEPA analysis of the impacts from reasonably foreseeable oil and gas development on the wilderness characteristics these lands contain. As such, these inventories are new information that should have been considered in the lease sale EA. Based upon these deferrals, Alternative 3 would offer 123 parcels containing approximately 119,493 acres.

The environmental effects are not significant as described at 40 CFR 1501.3(b). Therefore, an

Environmental Impact Statement (EIS) is not required. This finding is based on the potentially affected environment and degree of effects of the action, as described below.

**Potentially Affected Environment (40 CFR 1501.3(b)(1)):**

A Modified Alternative 3 would occur within the Buffalo, Casper, Newcastle, 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.

Alternative 3, as modified by the protest decision, is an administrative action involving approximately 131,391 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, if leased, resulting in impacts to resources and resource issues.

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

**Degree of Effects (40 CFR 1501.3(b)(2)):**

**1. Both short- and long-term effects.**

This EA has disclosed potential adverse effects to climate change through several methods such as quantifying, as far as practicable, the reasonably foreseeable GHG emissions and social cost of GHG emissions (SC-GHG) as a proxy for assessing climate impacts. Compared to emissions from other existing and estimated foreseeable Federal oil and gas development, the estimated emissions for the life of the leases in the Proposed Action is between 0.153% to 0.389% of Federal fossil fuel authorization emissions in the state and between 0.086% to 0.217% of Federal fossil fuel authorization emissions in the nation. In summary, potential GHG emissions from the Proposed Action could result in GHG emissions of 30.667 MT CO<sub>2</sub>e over the life of the leases. Using these figures, therefore, the SC-GHG from the Proposed Action is estimated to range from \$357,602,000 to \$4,116,251,000.

As detailed in the Annual GHG Report (BLM, 2022), which BLM has incorporated by reference, the BLM also looked at other tools to inform its analysis, including the MAGICC model (see Section 7.0 of the Annual GHG Report). This model run suggests that "30-plus years of projected federal emissions would raise average global surface temperatures by approximately 0.0158 °C., or 1% of the lower carbon budget temperature target."

There are no established thresholds for NEPA analysis to contextualize the quantifiable greenhouse gas emissions or social cost of an action in terms of the action's effect on the climate, incrementally or otherwise. The BLM acknowledges that all GHGs contribute incrementally to climate change and has displayed the greenhouse gas emissions and social cost of greenhouse gas in the EA in comparison to a variety of emissions sources and metrics. As of the publication of this FONSI, there is no scientific data in the record, including scientific data submitted during the comment period for these lease sales, that would allow the BLM, in the absence of an agency carbon budget or similar standard, to

evaluate the significance of the greenhouse gas emissions from this proposed lease sale.

Although future potential development of proposed lease parcels could add incrementally to the oil and gas development, the EA did not identify any significant effects beyond those already analyzed in the RMPs and their EISs. The interdisciplinary team evaluated the lease sale in the context of the affected environment and, as appropriate, reasonably foreseeable trends and planned actions.

## **2. Both beneficial and adverse effects.**

The alternatives would affect resources as described in the EA. 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.

## **3. Effects on public health and safety.**

Several parcels to be offered 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 associate 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 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.

**4. Effects that would violate a Federal, State, Tribal, or local law protecting the environment.**

Alternative 3 as modified by the protest decision, does not violate Federal, State, Tribal, or local laws protecting the environment. In addition, this alternative 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 a modified Alternative 3 are not expected to result in a significant change in the rate or magnitude of impacts in a way that would violate any applicable law. All Federal lease contracts are issued contingent upon compliance with all Federal laws and regulations.

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Authorized Officer

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Date