



Decision Record

Peregrine Exploration Program

Environmental Assessment: DOI-BLM-AK-R000-2022-0004-EA

Emerald House, LLC.

FF097644/AA093747

Prepared by

**U.S. Department of the Interior
Bureau of Land Management
Arctic District Office
Fairbanks, Alaska**

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Introduction

Emerald House has applied for permits and/or posted notices to access (ROW FF097644) and drill on a valid federal oil and gas lease (AA093747) for winter exploration in the National Petroleum Reserve in Alaska (NPR-A). Emerald House is proposing to amend their existing Right-of-Way to include access to one exploration well. The proposed operations would occur on oil and gas tracts leased by Emerald House.

The Bureau of Land Management (BLM) completed the Peregrine Exploration Program Environmental Analysis (DOI-BLM-AK-R000-2022-0004-EA) to evaluate the effects of access and exploratory drilling and testing of one well (Merlin 2) on BLM lands in the NPR-A. The project includes prepacking, construction and maintenance of 89 miles of snow road, construction and maintenance of six 6-acre ice pads, two support camps, water withdrawal from 29 lakes (19 on BLM lands and 10 on State of Alaska lands), fuel storage, and summer inspections and cleanup activities.

In accordance with 40 CFR 1501.11, 1501.12, and 43 CFR 46.140, the analysis for the Environmental Assessment (EA) is tiered off the 2020 NPR-A Integrated Activity Plan Environmental Impact Statement (2020 NPR-A IAP EIS) and associated Record of Decision (ROD), which are incorporated in their entirety by reference in accordance with 40 CFR 1501.12. The conditions and environmental effects described in the 2020 NPR-A IAP EIS are still valid.

Major Laws Pertinent to Decision

Major laws pertinent to the decision to accept the EA are the Endangered Species Act, the National Historic Preservation Act, the Sustainable Fisheries Act, the Alaska National Interest Lands Conservation Act, and the Naval Petroleum Reserves Production Act of 1976.

The 2020 NPR-A IAP EIS and associated ROD were completed to fulfill the BLM's responsibility to manage lands in the NPR-A under the authority of the Naval Petroleum Reserves Production Act of 1976, Federal Land Policy and Management Act of 1976, the National Environmental Policy Act, and the Alaska National Interest Lands Conservation Act.

Selected Alternative

The Proposed Action, as presented to the BLM and described in the EA, is the selected alternative. The Proposed Action meets the purpose and need of the EA. The No Action Alternative was not selected because it will not meet the requirements of the Department of the Interior and Related Agencies' Fiscal Year 1981 Appropriations Act amending the Naval Petroleum Reserves Production Act of 1976 and directing the Secretary to undertake "an expeditious program of competitive leasing of oil and gas" in the Petroleum Reserve and the contractual exploration rights for Emerald House to conduct exploratory drilling and testing on their federal oil and gas lease.

Finding of No New Significant Impacts (FONNSI)

Based on review of the EA and supporting documents to which this EA is tiered, a Finding of No New Significant Impacts (FONNSI) was determined for the Proposed Action. The FONNSI determined that the Proposed Action will not have any new significant effects on the quality of the human environment, individually or cumulatively with other actions in the general area beyond what have been previously described and analyzed in the 2020 NPR-A IAP EIS. See FONNSI for more information.

Public Involvement

Public notification of the Proposed Project and EA development was announced on November 24, 2021, on the BLM NEPA Register website (<https://eplanning.blm.gov/eplanning-ui/home>) (DOI-BLM-AK-R000-2022-0004-EA). No comments were received on the project.

Decision

I have determined that the Proposed Action, with required design features and protections, will not have any new significant impacts on the human environment (see FONNSI) and that the proposed project is in conformance with the approved 2020 NPR-A IAP and Naval Petroleum Reserves Production Act of 1976.

The decision will meet the contractual exploration rights for Emerald House to conduct exploratory drilling and testing on their federal oil and gas lease.

The selected action includes:

- Prepacking, construction, and maintenance of approximately 73 miles of conventional snow road and 16 miles of armored snow road (December 2021-April 2022).
- Prepacking, construction, and maintenance of six 6-acre ice pads (one for the well site and five support pads) (December 2021-April 2022).
- Withdraw of up to 13 million gallons of water from 29 lakes (19 on BLM lands) for construction and maintenance of snow roads, ice pads, drilling and testing, and camp operations.
- Operation of two 60-person temporary camps.
- Fuel and chemical storage.
- Drilling and testing of one oil and gas exploration well (Merlin 2).
- Summer inspections and cleanup activities (July 2022).
- Deviation from the 2020 NPR-A IAP ROP B-2 to allow withdrawal of up to 30 percent of water (per lake) from 4 lakes that are less than 7 feet deep (P6, P8, P22, and Dog Bone Lake).
- Following all required stipulations and required operating procedures described in Appendix A and Section 2.4 of the EA.

The Alaska National Interest Lands Conservation Act (ANILCA) Section 810 analysis found that there would be no reasonably foreseeable and significant decrease in the *abundance* of

harvestable resources (caribou and furbearers) and no reasonably foreseeable and significant limitations on harvester *access* (for caribou and furbearers) from the Proposed Action. Although there are relatively stable subsistence harvest rates and the area has historically low winter use for subsistence activities, the direct and indirect impacts of the Proposed Action along with the cumulative effects of other activities (primarily energy development) in the region could alter the *distribution and availability* of harvestable resources (primarily furbearers) but would not significantly restrict subsistence uses beyond what has been described and analyzed in the 2020 NPR-A IAP EIS.

Informal consultation between BLM and the U.S. Fish and Wildlife Service (USFWS) concluded November 5, 2020, covering a 5-year period (2020-2025) for the Emerald House Peregrine Exploration Program. The USFWS concurred with the BLM's determination that the proposed project would "*not likely adversely affect*" spectacled and Steller's eiders, polar bear, and polar bear critical habitat.

Given the time of year for the majority of this proposed activity (i.e., winter), environmental protection measures provided by the NPR-A IAP ROPs, project specific ROPs, and requirements by other regulatory agencies, effects on Essential Fish Habitat (EFH) are unlikely. The Proposed Action will have "*no adverse effect*" on essential fish habitats and no further EFH consultation is required. The deviation from ROP B-2 for lakes P6, P8, P22, and Dog Bone Lake will still meet the intent and objective of ROP B-2 to maintain the natural hydrologic regimes and protect fish species (Section 3.4 of the EA).

There will be no anticipated impacts to cultural or paleontological resources by the Proposed Action and the Proposed Action will not be expected to result in any adverse effects to Historic Properties.

Environmental protections provided by project specific ROPs described in the EA (Section 2.4), 2013 lease stipulations, and the appropriate ROPs from the 2020 NPR-A IAP Record of Decision found in Appendix A will be included in all authorizations for this project.

The decision to allow the Proposed Action is not expected to result in any undue or unnecessary environmental degradation of public lands. All practicable alternatives and measures to reduce or eliminate impacts to wetlands and floodplains in the project area have been taken and the Proposed Action is in compliance with Executive Orders 11990 and 11988. The action, as proposed, is not in conflict with other resources in the area and is in conformance with current policy of the BLM Arctic District Office.

I have reviewed the EA including the explanation and resolution of any environmental impacts. I have determined that the Proposed Action with the protections described therein will not have any new significant impacts on the human environment and that an EIS is not required.

The onetime Exception (2021/2022 winter season) from IAP ROP B-2 allowing water withdrawal of up to 30 percent of water volume (per lake) from 4 lakes (P6, P8, P22, and Dog Bone Lake) with unknown fish species, is approved. Emerald House will be required to collect information on fish species for these four lakes before future water withdrawal would be authorized.

Based on my review of the Emerald House Peregrine Exploration Program Environmental Analysis (DOI-BLM-AK-R000-2022-0004-EA), it is my decision to implement the activities as described in the Proposed Action (Section 2.1 of the EA) and the issuance of a Right-of-Way to Emerald House.

Appeal Provisions

This decision shall take effect immediately upon the date it is signed by the authorized officer(s) and shall remain in effect while any appeal is pending unless the Interior Board of Land Appeals issues a stay (43 CFR 2801.10(b)).

This decision may be appealed to the Interior Board of Land Appeals, Office of Hearings and Appeals in accordance with 43 CFR Part 4 and DOI Form 1842-1. The notice of appeal must be filed in the Bureau of Land Management Arctic District Office, 222 University Avenue, Fairbanks, Alaska 99709 or by e-mail to blm_ak_appeals@blm.gov within 30 days from receipt of this decision. Include the following in the subject line: "Notice of Appeal: Arctic District Office."

If you wish to file a petition for stay pursuant to 43 CFR Part 4.21(b), the petition for stay should accompany your notice of appeal and shall show sufficient justification based on the following standards: (1) The relative harm to the parties if the stay is granted or denied, (2) The likelihood of the appellant's success on the merits, (3) The likelihood of irreparable harm to the appellant or resources if the stay is not granted, and (4) Whether the public interest favors granting the stay. If a petition for stay is submitted with the notice of appeal, a copy of the notice of appeal and petition for stay must be served on each party named in the decision from which the appeal is taken, and with the IBLA at the same time it is filed with the authorized officer. A copy of the notice of appeal, any statement of reasons and all pertinent documents must be served on each adverse party named in the decision from which the appeal is taken and on the Office of the Solicitor, U.S. Department of the Interior, 4230 University Drive Suite 300, Anchorage, AK 99508, not later than 15 days after filing the document with the authorized officer and/or IBLA.

/s/ Sarah LaMarr
Sarah LaMarr acting for Nichelle Jones
Arctic District Manager

Date: December 20, 2021

/s/ Wayne Svejnoha
Wayne M. Svejnoha
Branch Chief Energy and Minerals

Date: December 20, 2021