

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

Finding of No Significant Impact

for the

July 2023 Competitive Oil and Gas Lease Sale

DOI-BLM-NV-L000-2023-0002-EA

July 21, 2023

PREPARING OFFICE

U.S. Department of the Interior
Bureau of Land Management
Ely District, Nevada



Introduction

The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA), DOI-BLM-NV-L000-2023-0002-EA, to address offering 4 parcels within the Ely District Office (EYDO), Bristlecone Field Office (BFO) at the July 2023 Competitive Oil and Gas Lease Sale. The EA analyzes two alternatives. Under the Proposed Action, the BLM would make 4 parcels containing 4,720 acres of Federal mineral estate available for lease. The No Action would not offer any of the 4 parcels that are in areas open to oil and gas leasing in the underlying Resource Management Plan (RMP). Consistent with the applicable RMP, standard terms and conditions, as well as parcel specific no surface occupancy, controlled surface use, and timing stipulations are attached to the parcels as specified in the EA.

It is the mandate of the BLM, as derived from the Mineral Leasing Act (MLA), the Mining and Minerals Policy Act, as amended, the Federal Onshore Oil and Gas Leasing Reform Act, as amended, and the Federal Land Policy and Management Act (FLPMA), as amended, to support the exploration and development of oil and gas owned by the Federal Government. All of the July 2023 Lease Sale parcels were nominated by the public. 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.

Background

The Secretary of the Interior has authority and discretion under the Minerals Leasing Act, Federal Onshore Oil and Gas Leasing Reform Act, and Federal Land Policy and Management Act to administer oil and gas leasing and lease operations on public lands. The BLM Nevada State Office conducts quarterly competitive oil and gas lease sales when eligible lands are available, as described in the EA and on the BLM oil and gas leasing website.

The offering and subsequent issuance of an oil and gas lease does not result in any surface disturbance. A lease does grant to the lessee the rights to occupy, explore for, and develop oil and gas resources from the leased lands consistent with applicable law and the lease terms, upon subsequent approval of a site-specific permit by the BLM authorized officer (43 CFR 3101-2). Such lease operations can result in surface disturbance and other impacts, as described in the EA.

If development operations are proposed for any lease, the BLM will complete additional environmental analysis before deciding whether to approve the operations and may require best management practices and other mitigation measures as conditions of approval in order to minimize adverse effects on resources. These measures would be identified in any subsequent decision approving a development project.

Oil and gas leases are issued for a 10-year period and continue for as long thereafter as oil or gas is produced in paying quantities. If a lessee fails to produce oil and gas, does not make annual rental payments, does not comply with the terms and conditions of the lease, or relinquishes the lease, ownership of the minerals revert back to the federal government and the lease can be resold.

Potentially Affected Environment

The oil and gas lease parcels are within White River and Railroad Valley, Nye County, Nevada. The parcels are in a rural setting, where activities include cattle grazing, and alfalfa production. Parcel NV-2023-07-6966 is located adjacent to leased lands within producing oil fields.

Finding of No Significant Impact (FONSI)

Under Alternative A the Proposed Action— 4 parcels covering 4,720 acres in the Bristlecone Field Office would be offered during the July 2023 Competitive Oil and Gas Lease Sale.

The leases would include the standard lease terms and conditions for development of the surface of oil and gas leases provided in 43 CFR 3100 (BLM Form 3100-11) along with all stipulations mandated by policy (such as the Competitive Leasing Handbook, H-3120-1) and by the governing Land Use Plan. Legal land descriptions along with corresponding stipulations as well as lease notices added to address resource issues found through review and analysis that would be attached to each parcel are located within the Stipulations Appendix of the EA (Appendix D). Areas offered for oil and gas leasing would be subject to measures necessary to mitigate adverse impacts, according to the categories, terms, conditions, and stipulations identified in the land use plans, as amended.

Based on review of the Alternatives in the EA and the supporting documents, I have determined that Alternative A would not have a significant effect on the quality of the human environment. No new foreseeable environmental effects meet the definition of significance in 40 CFR 1501.3, or exceed any significant effects described in the environmental impact statements (EIS) for the corresponding RMP; therefore, an EIS is not required. This finding is based on consideration of the potentially affected environment and the degree of the effects, as described below.

Degree of Effects

The following have been considered in evaluating the degree of the effects (40 CFR 501.3(b)(2)), as appropriate to the Proposed Action:

1. Short and long-term effects

Short- and long-term effects of oil and gas leasing and development are discussed in the RMP and EIS for the field office where the parcels are located. The EA considers short- and long-term effects of Alternative A. – the Proposed Action. Although there are no surface-disturbing activities authorized at the leasing stage, the EA recognizes that some level of effects may be reasonably foreseeable. If lease parcels go into production, effects may last until the wells are plugged and abandoned (e.g., well pads, road networks, powerlines, pipelines, etc.). The Reasonably Foreseeable Development Scenario (RFFD) for long-term projection of oil and gas exploration, development, production and reclamation were developed as part of the 2007 Ely Proposed Resource Management Plan/Final Environmental Impact Statement. The RFFD covers oil and gas activity in a defined area for a specified period of time and provides the basis for the analysis of the environmental effects in Chapter 3 of the EA. The RFFD scenario was developed based on past exploration activities and estimates of future exploration and development activity given the potential occurrence of resources.

Air quality and air pollutants are discussed in Section 3.2.0 of the EA. Air quality would decrease in the vicinity of oil and gas development over the short-term, but the effects would be temporary (within two to

five years). If lease parcels go into production, air quality effects may last more than five years. Substantial air resource effects are not anticipated from the development of the lease parcels based on emissions estimates being a small (less than 1%) increase to existing emissions, no new impacts were identified from those previously disclosed in the RMP or EIS for the field office where the parcels are located and the BLM Specialist Report on Annual Greenhouse Gas Emissions and Climate Trends (2020) (BLM, 2021). The Clean Air Act general conformity rules require the BLM to demonstrate at the APD stage that emissions will not prevent or delay attainment of National Ambient Air Quality Standards in nonattainment areas.

Greenhouse gas emissions are discussed in Section 3.2.0 of the EA. The 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 over the RFFD production lifetime for Alternative A is between 35% to 62% of Federal fossil fuel authorization emissions in Nevada and between 0.012% to 0.037% of Federal fossil fuel authorization emissions in the nation. In summary, potential GHG emissions from Alternative A could result in GHG emissions of 1.69 MT (megatonnes) CO₂e over the RFFD production life. Using these figures, therefore, the SC-GHG from Alternative A estimated to range from \$23,337,000 to \$244,235,000. There are no established thresholds for NEPA analysis of the quantifiable greenhouse gas emissions or social cost of an action in terms of the action's effect on the climate, incrementally or otherwise. However, projected average annual GHG emissions from RFFD development of the subject leases are equivalent to 15,160 gasoline-fueled passenger vehicles driven for one year, or the emissions that could be avoided by operating 19 wind turbines as an alternative energy source or offset by the carbon sequestration of 83,743 acres of forest land. 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. Due to the cumulative and global nature of climate change, it is not possible for the BLM to determine whether the emissions associated with Alternative A or B would have a “significant” or “non-significant” effect on the human environment. However, preparation of an EIS solely for the sake of analysis of the issue of climate change is not warranted as any disclosure in such an EIS would be the same as that prepared for this EA and would not better inform decision makers or the public.

In addition to the air quality and greenhouse gas emissions discussed above, twelve additional resources were analyzed in detail based on the RFFD scenario. Resource analysis for fish and wildlife, cultural resources, environmental justice and water quality, along with the remaining resources can be found in Chapter 3 of the EA.

2. Beneficial and adverse effects

Effects of oil and gas leasing and future exploration and development may be beneficial when considering the revenues for the State of Nevada (49% is retained to the state), opportunity for improved or added infrastructure (powerlines, pipelines, roads), and jobs to the local communities. Oil and gas leasing and subsequent development could result in adverse effects when considering the associated surface disturbance and resource use, including sand and gravel use (road building), water use (drilling), air quality degradation and emissions (travel on roads, equipment operation, and drilling).

The stipulations and lease notices provide adequate protection for all site-specific resources of concern that were identified via the EA process, including scoping comments, public comments, and input from various agencies and organizations. None of the environmental effects, including reasonably foreseeable, associated with offering the proposed lease parcels for sale, approach significance when considering the effects to the potentially affected environment. Nor do the effects, both beneficial and/or adverse, exceed those described in the applicable approved RMP and/or their respective Final Environmental Impact Statements or Records of Decisions.

3. Effects on public health and safety.

If the parcels are sold, leases issued, and development authorized, public health and safety would be protected by lease stipulations, and health and safety regulations. Future subsequent exploration and development is expected to continue on public land, according to the Reasonably Foreseeable Development Scenario (RFD) found in Section 2.4 of the EA.

Future oil and gas exploration and development, including well pad and road construction, water handling, and plugging and abandonment, would be conducted in accordance with The Gold Book: Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development (United States Department of the Interior and United States Department of Agriculture, 2007) (The Gold Book). The Gold Book provides operators with a combination of guidance and standard procedures for ensuring compliance with agency policies and operating requirements, such as those found in 43 CFR Subpart 3160, the Onshore Orders, and notices to lessees. The Gold Book also includes best management practices designed to encourage safe and efficient operations while minimizing undesirable impacts to the environment. As a result, impacts to public health and safety are not expected to be significant. In addition to BLM, local, State, and other Federal agencies regulate oil and gas exploration and drilling operations to protect health and safety.

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

Alternative A does not violate any known Federal, State, Tribal, or local law or requirement imposed for the protection of the environment. In addition, Alternative A 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.

Additionally, pursuant to BLM Handbook 3120-1 – Competitive Leases (P) (H-3120), the following stipulation is attached to all of the lease parcels:

This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. 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 NHPA and other authorities. The BLM may require modification to exploration or development proposals to protect such properties, or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized or mitigated. (H-3120 at 35).

As determined during the lease parcel review process and documented in the EA (Section 3.2.5) and the administrative record, leasing of the parcels is not likely to adversely affect any species, or the critical

habitat of any species, listed as threatened or endangered under the Endangered Species Act (hereafter “ESA”), 16 U.S.C. §§ 1531 et seq.

The effects of Oil and Gas leasing development on threatened and endangered (T&E) species were analyzed through Endangered Species Act Section 7 consultation for the RMP and EIS where parcels are located. BLM resource specialists also consulted informally with the US Fish and Wildlife Service and Nevada Department of Wildlife during the writing of the EA for this lease sale and consultation is ongoing. It is BLM policy to conserve special status species and their habitats, and to ensure that actions authorized by the BLM do not contribute to the need for the species to become listed as T&E by the USFWS. Lease Notices inform the potential lessees of the potential that T&E species may be affected by oil and gas activities were developed and have been attached to parcels as appropriate.

As determined during the lease parcel review process and documented in the EA, leasing of the parcels is not likely to result in impacts beyond those analyzed and consulted on for the relevant Land Use Plan for any species listed as threatened or endangered under the Endangered Species Act (hereafter “ESA”), 16 U.S.C. §§ 1531 et seq. Nor is the project likely to adversely affect any species, or the habitat of any species, that is proposed or a candidate for listing as threatened or endangered under the ESA. Leasing of the parcels is also not expected to have an adverse impact on sensitive species, including those species that are neither listed nor proposed/candidates for listing under the ESA (see EA 3.2.5).

Additionally, pursuant to BLM Handbook 3120-1 – Competitive Leases (P) (H-3120), the following stipulation is attached to all of the lease parcels:

The lease may now and hereafter contain plants, animals, and their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objectives to avoid BLM approved activity that will contribute to a need to list such a species or their habitat. BLM may require modification to or disapprove a proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligation under requirements of the Endangered Species Act, as amended, 16 U. S. C. § 1531 et seq., including completion of any required procedure for conference or consultation.

The July 2023 Oil and Gas Lease Sale EA, which tiers to the RMP and EIS, demonstrate conformance to Federal, State, Tribal, or local law or requirement imposed for the protection of the environment. Details are found in multiple places within the EA, including Sections 1.5 and 1.7.

Finding of No Significant Impact Determination

Based on my review of environmental assessment: DOI-BLM-NV-L000-2023-0002-EA, and supporting documents, I have determined that the proposed action (Alternative A) as described in the EA will not significantly impact the quality of the human environment. No environmental effects meet the definition of significance in 40 CFR 1501.3, and do not exceed those effects described in the Ely RMP or Final EIS and Record of Decision. An environmental impact statement is not needed. This finding is based on the Potentially Affected Environment and Degree of Effects factors of the project as described above.

Signed

Acting for
Robbie J. McAboy
District Manager
Ely District Office

July 21, 2023
Date
