Finding of No Significant Impact
2024 First Quarter Competitive Lease Sale
DOI-BLM-WY-0000-2023-0005-EA

First Quarter 2024
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.
The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA) (DOI-BLM-WY-0000-2023-0005-EA) to address offering 36 parcels within the High Desert District (HDD), the High Plains District (HPD) and the Wind River/Bighorn Basin District (WRBBD) at the First Quarter 2024 BLM Wyoming Competitive Oil and Gas Lease Sale (CLS).

Under Alternative 3 (Modified Proposed Action) analyzed in the EA, the BLM would offer for sale 30 parcels, containing approximately 13,416.94 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). The regulation at 40 CFR § 1508.9 require BLM to assess the environmental impacts of the proposed action and alternatives which includes mitigating measures. 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 30 parcels analyzed within the EA, 6 whole parcels would not be offered as detailed in the EA.

BLM deferred five (5) parcels located wholly or partially within Greater Sage-Grouse (GSG) Priority Habitat Management Areas (PHMA) based on GSG prioritization. On November 21, 2022, Instruction Memorandum (IM) 2023-007 titled Evaluating Competitive Oil and Gas Lease Sale Parcels for Future Lease Sales was issued. BLM evaluated all parcels based upon the five preference criteria. Based upon the evaluation the five (5) whole parcels that are deferred for GSG prioritization also meet criteria #2 (The presence of important fish and wildlife habitats or connectivity areas, giving preference to lands that would not impair the proper functioning of such habitats or corridors;). BLM also deferred one (1) whole parcel and portions of one (1) parcel located within active coal leases. As a result, BLM proposes to offer 30 parcels under Alternative 3.

In addition to Alternative 3, two other alternatives were analyzed. Alternative 1 (No Action
Alternative) would not offer any of the nominated 36 parcels, while Alternative 2 (Proposed Action) would offer 36 parcels nominated in areas open to oil and gas in the underlying RMPs. The EA for the First Quarter 2024 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.

Five additional alternatives were considered but not analyzed in detail: offer all parcels as originally submitted through the Expression of Interest (EOI), offer all nominated parcels subject to Standard Lease Terms and Conditions, offer all parcels subject to No Surface Occupancy stipulations, defer all priority Sage-grouse habitat parcels, and defer all Sage-grouse habitat parcels. 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 30 parcels, encompassing approximately 13,416.94 acres, under a modified Alternative 3 will not significantly affect the quality of the human environment.

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 Proposed Action, Alternative 3, would occur within six 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 is an administrative action involving approximately 13,416.94 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, 43 CFR 3170-3179, 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 average estimated emissions for the life of the leases under Alternative 3 (Modified Proposed Action) is 0.212% of Federal fossil fuel authorization emissions in the state and between 0.066% of Federal fossil fuel authorization emission in the nation. In summary, potential GHG emissions from the Modified Proposed Action could result in GHG emissions of 8.881 MT CO2e over the life of the leases. Using these figures, therefore, the SC-GHG from the Proposed Action is estimated to range from $113,230,000 to $1,247,165,000.

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 near 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 impact to usable waters and would be denied if their operations would not be protective of the resources as defined in 43 CFR 3160 and 43 CFR 3172.

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 Modified Proposed Action 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 Proposed Action, 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 and State laws and regulations.