

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

New Mexico State Office

Quarter 3 2024 Competitive Oil and Gas Lease Sale

Environmental Assessment, DOI-BLM-NM-0040-2024-0002-EA

FINDING OF NO SIGNIFICANT IMPACT

BACKGROUND

The Bureau of Land Management (BLM) prepared an Environmental Assessment (EA) (DOI-BLM-NM-0040-2024-0002-EA) analyzing the effects of leasing four nominated oil and gas lease parcels (6,971.73 acres) in Live Oak and McMullen Counties, Texas, for sale in the Quarter 3 2024 Oklahoma Field Office (OFO) Competitive Oil and Gas Lease Sale (hereafter referred to as the “Lease Sale”).

Leasing the nominated lease parcels, with stipulations and lease notices derived from the 2020 Oklahoma, Kansas, and Texas BLM Record of Decision and Approved Resource Management Plan (RMP) (BLM 2020),¹ is analyzed in the EA under the Proposed Action. Under the Proposed Action, the BLM Authorized Officer also has the authority to lease the parcels, or to defer the parcels, based on the analysis of potential effects presented in this EA. A No Action Alternative was also analyzed in the EA, wherein no parcels would be offered for lease and current management would continue. Nineteen issues identified during the scoping process (see Section 1.5 of the EA) are analyzed and presented as “Issues Analyzed in Brief” (AIB) in Section 3.5 of the EA. Three issues concerning air quality pollutants and emissions, greenhouse gas (GHG) emissions, and surface water and groundwater quantity are carried forward as “Issues Analyzed in Detail” in Section 3.6 of the EA. The subject EA analyzes GHG emissions and the social cost thereof, and the BLM has not determined to lease individual parcels (or not) based solely on GHG emissions.

This Finding of No Significant Impact (FONSI) has been prepared for the Proposed Action.

FINDING OF NO SIGNIFICANT IMPACT

Based on the EA (DOI-BLM-NM-0040-2024-0002-EA), which analyzes potential impacts from the Lease Sale, and evaluating the criteria for considering the potentially affected area and degree of the effects of a specific action provided by the Council on Environmental Quality (CEQ) regulations,² 40 Code of Federal Regulations (C.F.R.) § 1501.3 (1) and (2) i-iv, I have determined that leasing the 6,971.73 acres of the nominated lease parcels does not constitute a major federal action that would have a significant effect on the quality of the human environment. Therefore, an environmental impact statement (EIS) is not required.

¹ Full citations for the literature cited in this FONSI are in Chapter 6 of the EA (DOI-BLM-NM-0040-2024-0002-EA).

² References to the CEQ regulations in the EA and FONSI are to the regulations in effect prior to July 1, 2024. The revised CEQ regulations effective as of July 1, 2024, are not referred to in the EA or FONSI because the National Environmental Policy Act (NEPA) process associated with the lease sale began prior to this date.

Any future proposed development of these leases, should they be sold and issued, would be subject to additional site-specific NEPA analysis and documentation.

The Proposed Action, to offer for lease four parcels for oil and gas development, and its effects have been evaluated in a manner consistent with the CEQ regulations for determining “significance.” Per the 2020 CEQ regulation, 40 C.F.R. § 1501.3(b), a determination of significance as used in the National Environmental Policy Act (NEPA) requires consideration of both “potentially affected environment” and “degree.” The affected area refers to the setting in which the action would occur (national, regional, or local) and its resources. Significance varies with the setting of the Proposed Action. The degree of the effects refers to the severity of the impact. The degree of the effects relates to four criteria outlined in 40 C.F.R. § 1501.3 (2)(i)-(iv). This FONSI is based on the affected area and degree of the effects of the Proposed Action.

AFFECTED AREA

Under the Proposed Action, the BLM would offer and subsequently issue a lease for four nominated lease parcels involving 6,971.73 acres of BLM-administered federal minerals. The nominated lease parcels consist of federal surface lands managed by the Bureau of Reclamation (BOR) as well as private and state surface lands (see Table 2.1 of the EA).

The nominated lease parcels are within an area designated as open to oil and gas leasing under standard terms and conditions and lease stipulations in the Oklahoma, Kansas, and Texas BLM RMP, with Record of Decision (BLM 2020). Lease stipulations and lease notices are attached to the nominated lease parcels, with the potential impacts of the Proposed Action analyzed accordingly, based on the best available information. Table 2.1 of the EA provides details regarding the nominated lease parcels and the applicable stipulations and notices.

Although the act of leasing the nominated lease parcels does not authorize development of the parcels, by leasing the parcels the BLM grants the lessee with the right to use so much of the leased land as is necessary to explore and potentially develop the parcel for oil and gas production, subject to applicable laws, terms, conditions, and stipulations attached to the lease. Therefore, under the Proposed Action, the BLM analyzes potential impacts associated with the anticipated future development of the nominated lease parcels for oil and gas exploration and development. Development of a parcel leased by the BLM is not permitted until the BLM approves a completed Application for Permit to Drill (APD) package (Form 3160-3) submitted by the lessee. APDs are subject to additional environmental review under NEPA and CEQ regulations. 43 C.F.R. § 1500.

In the EA, the future potential development of the nominated lease parcels is projected to result in four horizontal wells, approximately 32.24 acres of surface disturbance, and total production of an estimated 628,000 barrels of oil and 2,504,000 thousand cubic feet of gas (see Section 3.2 of the EA for the methodology used for estimating well numbers, potential production volumes, and surface disturbance associated with the future potential development of the nominated lease parcels).

Within Live Oak and McMullen Counties, there already exists oil and gas development and production. Oil and gas development and its attendant industry are identifying components of the economic and social fabric of the region.

DEGREE OF EFFECTS

The following discussion is organized around the four criteria described in 40 C.F.R. § 1501.3 (2)(i)-(iv). The following discussion focuses only on those issues for which additional analysis was determined to be necessary in the Quarter 3 2024 EA.

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

Both short- and long-term effects related to the Proposed Action are disclosed and analyzed in Section 3.5 (for the issues analyzed in brief) and Section 3.6 (for issues analyzed in detail) of the EA. Short-term effects are defined as those that cease after well construction and completion (30–60 days) or cease after interim reclamation (2–5 years). Long-term effects are those associated with the operation of the well (e.g., noise) or otherwise extend beyond the short-term time period (for example, surface disturbance subject to final reclamation). Table 1 summarizes the short- and long-term effects associated with the issues analyzed in detail (see Section 3.6 of the EA), and the incremental contribution of the Proposed Action to reasonably foreseeable environmental trends and planned actions.

Table 1. Summary of Duration of Effects and Associated Significance Conclusions

Issue (EA Section)	Short-Term Effects and Significance Conclusions	Long-Term Effects and Significance Conclusions
<p>Issue 1: How would future potential development of the nominated lease parcels affect air quality (particularly National Ambient Air Quality Standards and volatile organic compounds) in the analysis area? (EA Section 3.6.1)</p>	<p>Air quality effects are anticipated to be at their highest level during the 30- to 60-day well completion phase and are therefore short-term in nature.</p> <p>Emissions associated with the development of four wells would range from a 0.04% increase in particulate matter 10 microns or less in diameter (PM₁₀), carbon monoxide (CO), and sulfur dioxide (SO₂) to a 0.19% increase in nitrogen oxide(s) (NO_x) in the analysis area. Emissions are anticipated to be at their highest level during the well construction and completion phases of implementation (approximately 30–60 days in duration).</p> <p>Future potential development of the nominated lease parcels would also result in short-term, localized impacts to air quality at nearby residences due to ozone (O₃) precursors and hazardous air pollutant (HAP) emissions. Construction activities would be one of the primary sources of particulate matter emission; however, the use of best management practices can reduce off-site effects from fugitive dust.</p> <p>The increase in overall emission levels would be moderate, but current levels for the counties are far below the National Ambient Air Quality Standards (NAAQS); therefore, future potential development of the nominated lease parcels would not be expected to lead directly to NAAQS exceedances or result in a change to the air quality index for the analysis area.</p>	<p>Future potential development of the nominated lease parcels would increase criteria pollutant emissions in the analysis area by less than or equal to 0.19%. The most substantial criteria pollutants and O₃ precursors emitted by oil and gas development and production are volatile organic compounds (VOCs), particulate matter, and nitrogen dioxide. HAP emissions could include 0.31 and 0.06 ton per well per year for an oil well and gas well, respectively. Emissions are anticipated to decline during operations and maintenance as the need for earth-moving and heavy equipment decreases.</p> <p>Ongoing operations of well sites would be subject to state and federal permitting requirements, which ensure compliance with air quality emission standards.</p>

Issue (EA Section)	Short-Term Effects and Significance Conclusions	Long-Term Effects and Significance Conclusions
<p>Issue 2: How would future potential development of leases contribute to greenhouse gas (GHG) emissions and climate change? (EA Section 3.6.2)</p>	<p>All GHG emissions are considered long-term effects due to their long lifespan in the atmosphere and their contribution to long-term climate trends such as desertification, loss of biodiversity, and changes to freshwater availability.</p>	<p>The EA identifies potential adverse effects on climate change through several methods, such as quantifying, as far as practicable, the reasonably foreseeable GHG emissions and social cost of GHG (SC-GHG) emissions as a proxy for assessing climate impacts. Compared with 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 0.5% and 0.87% of federal fossil fuel authorization emissions in the state and between 0.003% and 0.008% of federal fossil fuel authorization emissions in the nation. In summary, potential GHG emissions from the Proposed Action could result in GHG emissions of 0.503 megatonnes carbon dioxide equivalent (Mt CO₂e) over the life of the leases. As detailed in the Annual GHG Report (BLM 2023b), which BLM has incorporated by reference, the BLM also examined other tools to inform its analysis, including the Model for the Assessment of Greenhouse Gas Induced Climate Change (MAGICC) model (see Chapter 7.0 of the Annual GHG Report). The model results show that regardless of the global climate change projection scenario and the pathway that federal fossil fuels emissions follow, federal minerals emissions (which includes emissions associated with the proposed action) are predicted to have minimal impacts to future global climate change through the end of the century. Using these figures, the SC-GHG from the Proposed Action is estimated to range from \$6.6 to \$73.2 million. As for GHG emissions, the BLM acknowledges that all GHGs contribute incrementally to climate change. The BLM must consider the effects of its onshore oil and gas lease sales on GHG emissions and climate change, and the Mineral Leasing Act provides the Secretary of the Interior with discretion to tailor those sales—including which parcels are offered for sale and the terms of leases—in light of climate effects. See, e.g., <i>Wilderness Soc’y v. Dept. of the Interior</i>, No. 22-cv-1871 (CRC), 2024 U.S. Dist. LEXIS 51011, at *91-92 (D.D.C. Mar. 22, 2024). For this sale, the BLM relied on its own specialist report (the Annual GHG Report) and other data to compare the sale’s potential emissions with national and global emissions, and to contextualize the GHG emissions by estimating the social cost of the GHGs produced by future development of the lease, displaying the GHG emissions in comparison to commonly understood emissions sources such as motor vehicles, analyzing the real-world effects of climate change based on current scientific literature, and considering the emissions against climate action goals. The BLM further explained that it lacks the data and tools to estimate specific, climate-related effects from the sale; see Section 3.6.2 of the EA, as well as the 2022 Annual GHG Report. As of the publication of this FONSI, there are no established thresholds, qualitative or quantitative, for NEPA analysis to assess the GHG emissions or social cost of an</p>

Issue (EA Section)	Short-Term Effects and Significance Conclusions	Long-Term Effects and Significance Conclusions
		<p>action in terms of the action's effect on the climate, incrementally or otherwise. There is also no scientific data in the record, including scientific data submitted during the comment period for this lease sale, that would allow the BLM, in the absence of an agency carbon budget or similar standard, to evaluate the significance of the GHG emissions from this proposed lease sale. These methodological shortcomings prevent BLM from qualitatively comparing alternatives, and BLM has therefore not exercised its discretion to tailor this lease sale to account for global climate change.</p>
<p>Issue 3: How would future potential development of the nominated lease parcels affect surface water and groundwater quantity? (EA Section 3.6.3)</p>	<p>While most of the water use associated with oil and gas development is expected to occur within the 30- to 60-day well construction and completion period, the effect of this use on groundwater aquifers and surface waters is expected to last until recharge occurs. Due to uncertainty about water sources and recharge rates, it is assumed that all water use associated with oil and gas development is likely to be a long-term effect. Additionally, the ability for aquifer recharge may be affected by drought conditions associated with climate change.</p>	<p>Water uses associated with development of the nominated lease parcels would occur during the 30- to 60-day well construction and completion period (e.g., hydraulic fracturing), during the 20-year operation period (e.g., water use associated with dust control, recompletion, workover), and during interim and final reclamation. Most water use occurs during the well construction and completion period, and water uses during operation and reclamation phases are negligible in comparison.</p> <p>Due to uncertainty about water sources and recharge rates, it is assumed that all water use associated with oil and gas development is likely to be a long-term effect.</p> <p>Drilling and completion of four horizontal wells on the nominated lease parcels is estimated to use approximately 106.4 acre-feet (AF) of groundwater. This calculation is based on a factor of 26.6 AF per horizontal well, which the BLM considers a conservative estimate of water use associated with drilling and completion of a single horizontal well within the analysis area (Frac Focus 2024). If more water-intensive stimulation methods (e.g., slickwater fracturing) are implemented or if laterals become longer, water use could increase. Water use estimates could be lower if produced water is reused or recycled, or if less water-intensive stimulation methods are used (e.g., nitrogen) in hydraulic fracturing.</p> <p>If all wells were developed in a single year, groundwater water use associated with future potential development of the leases would result in a 0.62% increase of the analysis area total water use (17,205 AF).</p> <p>The demand from future potential development of the nominated lease parcels (up to 106.4 AF) is negligible when contrasted with the estimated water demand of the full 2019 OFO reasonably foreseeable development (RFD) (up to 36,526 AF over 20 years or up to 1,826 AF in any given year) and the demands of other sectors (mining in particular, which used 10,630 AF in 2015) within the analysis area.</p> <p>Long-term water requirements during operation under either scenario would depend on the project details but could include coolant for internal combustion engines and dust suppression on roads or well pads, and equipment testing.</p>

Issue (EA Section)	Short-Term Effects and Significance Conclusions	Long-Term Effects and Significance Conclusions
		Produced water associated with development of the lease parcels is estimated at approximately 272,000 barrels of water. Produced water would be either recycled, reused, or disposed of in accordance with all applicable federal and state laws and regulations.

2. Both beneficial and adverse effects.

Potentially beneficial and adverse effects related to the Proposed Action are disclosed and analyzed in Section 3.5 (for the issues analyzed in brief) and Section 3.6 (for issues analyzed in detail) of the EA. The potential for adverse impacts on the resources examined in AIB-1 through AIB-19 will be minimized with the application of stipulations, consideration of parcel proximity to sensitive resources, and the likelihood for sensitive resources to occur.

Table 2 summarizes the issues analyzed in detail (see Section 3.6 of the EA), including the beneficial and adverse effects associated with the issues, and the incremental contribution of the Proposed Action to reasonably foreseeable environmental trends and planned actions.

Table 2. Summary of Beneficial and Adverse Impacts of Issues Analyzed in Detail

Issue (EA Section)	Summary of Issues Analyzed in Detail (further discussed in EA Chapter 3) and Significance Conclusions
<p>Issue 1: How would future potential development of the nominated lease parcels affect air quality (particularly National Ambient Air Quality Standards and volatile organic compounds) in the analysis area? (EA Section 3.6.1)</p>	<p>Emissions associated with the development of four wells would range from a 0.04% increase in PM₁₀, CO, and SO₂ and a 0.06% increase in VOCs to a 0.19% increase in NO_x in the analysis area. Emissions from four wells would incrementally add to pollutant levels within the analysis area but would be too small in quantity to result in NAAQS exceedances in the analysis area. Future potential development of the nominated lease parcels would also result in localized impacts to air quality at nearby residences due to criteria pollutant, VOC, and HAP emissions. Future potential development of the lease parcels would result in short-term local area increases of pollutant emissions, including particulate matter 2.5 microns in diameter or smaller (PM_{2.5}) and PM₁₀, NO_x, VOCs, and O₃ (as a secondary pollutant), lasting an average of 30 to 60 days. Air quality is dependent on not only the quantity of air pollutants but also environmental conditions (humidity, wind direction and speed, temperature) that influence the concentration and/or dispersion of pollutants.</p> <p>HAP emissions associated with future potential development of the nominated lease parcels could include 0.31 and 0.06 ton per well per year for an oil well and gas well, respectively. The Clean Air Act defines a major source for HAP emissions to be one emitting 10 tons per year of any single HAP or 25 tons per year of any combination of HAPs (BLM 2023a). This definition, established prior to implementation of any applicable federally enforceable controls, represents a conservatively high estimate of potential HAP emissions. Therefore, it is not expected that the Proposed Action would be a major source of HAP emissions.</p> <p>Depending on the RFD scenario range, the Proposed Action could represent 0.13% of reasonably foreseeable wells built in the OFO planning area for the high development scenario of 3,054 wells, to 0.52% of reasonably foreseeable wells built in the OFO planning area for the low development scenario of 775 wells. Reasonably foreseeable trends and planned actions would incrementally contribute to cumulative increases in air quality emissions to airsheds across Texas.</p>

Issue (EA Section)	Summary of Issues Analyzed in Detail (further discussed in EA Chapter 3) and Significance Conclusions
	<p>Localized and short-term effects on air quality for nearby residences from emissions of particulate matter, NO_x, VOCs, and HAPs are expected; however, because well development varies (i.e., permit approval, well pad construction, spudding, and completion), the phases of development may not occur in succession but may be spread out over time. Therefore, the incremental addition of criteria pollutants and VOCs would not be expected to result in any exceedances of the NAAQS for any criteria pollutants in the analysis area.</p>
<p>Issue 2: How would future potential development of the nominated lease parcels contribute to greenhouse gas emissions and climate change? (EA Section 3.6.2)</p>	<p>The EA identified potential adverse effects on climate change through several methods, such as quantifying, as far as practicable, the reasonably foreseeable GHG emissions and SC-GHG as a proxy for assessing climate impacts. Compared with 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 0.5% and 0.87% of federal fossil fuel authorization emissions in the state and between 0.003% and 0.008% of federal fossil fuel authorization emission in the nation.</p> <p>In summary, potential GHG emissions from the Proposed Action could result in GHG emissions of 0.503 Mt CO₂e over the life of the leases. Using these figures, the SC-GHG from the Proposed Action is estimated to range from \$6.6 to \$73.2 million.</p> <p>As for GHG emissions, the BLM acknowledges that all GHGs contribute incrementally to climate change. The BLM must consider the effects of its onshore oil and gas lease sales on GHG emissions and climate change, and the Mineral Leasing Act provides the Secretary of the Interior with discretion to tailor those sales—including which parcels are offered for sale and the terms of leases—in light of climate effects. See, e.g., <i>Wilderness Soc’y v. Dept. of the Interior</i>, No. 22-cv-1871 (CRC), 2024 U.S. Dist. LEXIS 51011, at *91-92 (D.D.C. Mar. 22, 2024). For this sale, the BLM relied on its own specialist report (the Annual GHG Report) and other data to compare the sale’s potential emissions with national and global emissions, and to contextualize the GHG emissions by estimating the social cost of the GHGs produced by future development of the lease, displaying the GHG emissions in comparison to commonly understood emissions sources such as motor vehicles, analyzing the real-world effects of climate change based on current scientific literature, and considering the emissions against climate action goals. The BLM further explained that it lacks the data and tools to estimate specific, climate-related effects from the sale; see Section 3.6.2 of the EA, as well as the 2022 Annual GHG Report. As of the publication of this FONSI, there are no established thresholds, qualitative or quantitative, for NEPA analysis to assess the GHG emissions or social cost of an action in terms of the action’s effect on the climate, incrementally or otherwise. There is also no scientific data in the record, including scientific data submitted during the comment period for this lease sale, that would allow the BLM, in the absence of an agency carbon budget or similar standard, to evaluate the significance of the GHG emissions from this proposed lease sale. These methodological shortcomings prevent BLM from qualitatively comparing alternatives, and BLM has therefore not exercised its discretion to tailor this lease sale to account for global climate change.</p>

Issue (EA Section)	Summary of Issues Analyzed in Detail (further discussed in EA Chapter 3) and Significance Conclusions
<p>Issue 3: How would future potential development of the nominated lease parcels affect surface water and groundwater quantity? (EA Section 3.6.3)</p>	<p>Drilling and completion of four horizontal wells on the nominated lease parcels is estimated to use 106.4 AF of groundwater. If all wells were developed in a single year, groundwater use associated with future potential development of the leases would result in a 0.62% increase of the analysis area total water use (17,205 AF). Assuming a 20-year development scenario for the Proposed Action (consistent with the RFD time frame), the water use associated with development of the lease parcels would be approximately 5.32 AF for any given year, which represents approximately 0.03% of the analysis area's total annual water use in 2015. The largest water use category in the analysis area is for mining, comprising 61.78% of total analysis area water use. Mining use includes oil and gas development. Most of the water used for mining comes from groundwater and is fresh.</p> <p>The 2019 OFO RMP Final EIS estimates that there could be between 775 and 3,054 new wells within the OFO planning area by 2040 (BLM and Bureau of Indian Affairs [BIA] 2019a). With the estimates of median water use per well in Texas ranging from 2.57 AF to 11.96 AF, development of the maximum RFD scenario would require between 7,849 AF and 36,526 AF, or between 392 AF and 1,826 AF of water in any given year if all wells were drilled horizontally. The projected annual use associated with the RFD scenario comprises about 2.3% to 10.6% of the analysis area's 2015 total water withdrawals (17,205 AF). The demand from future potential development of the nominated lease parcels (up to 56.4 AF) is negligible when contrasted with the estimated water demand of the full 2019 OFO RFD (up to 36,526 AF over 20 years or up to 1,826 AF in any given year) and the demands of other sectors (mining in particular, which used 10,630 AF in 2015) within the analysis area.</p> <p>If more water-intensive stimulation methods (e.g., slickwater fracturing) are implemented or if laterals become longer, water use could increase. Water use estimates could be lower if produced water is reused or recycled, or if less water-intensive stimulation methods are used (e.g., nitrogen) in hydraulic fracturing.</p>

3. *Effects on public health and safety.*

Public health and safety-related effects are described and analyzed in AIB-1 (Groundwater Quality), AIB-2 (Surface Water Quality), AIB-15 (Induced Seismicity), AIB-17 (Human Health and Safety), AIB-18 (Quality of Life), AIB-19 (Environmental Justice), Issue 1 (Air Quality), and Issue 2 (GHGs and Climate Change). Development and construction may contribute to public health and safety-related risks including occasional fire starts; spills of hazardous materials, hydrocarbons, produced water, or hydraulic fracturing fluid and corresponding potential contamination of air, soil, or water; exposure to naturally occurring radioactive material in drill cuttings or produced water; traffic congestion and collisions from commercial vehicles and heavy use; infrequent industrial accidents; presence of hydrogen sulfide; or increased levels of fugitive dust (PM₁₀). Issue 1 (see Section 3.6.1 of the EA) explains that the Proposed Action would not result in an exceedance of any air quality-related standard that may impact public health and safety. Additionally, Section 3.5 discloses that the Proposed Action would not result in significant impacts on other resources, including water quality (see AIB-1 and AIB-2) and induced seismicity (see AIB-15).

Leasing of the nominated lease parcels would not result in significant public health and safety-related effects when comparing the aforementioned issues. Leasing for oil and gas, and subsequent exploration and development, is a regular and ongoing activity in the region. Estimated future potential development of the nominated lease parcels (four wells) is 0.001% of the total past, present, and reasonably foreseeable future oil and gas development in the OFO planning area (412,054 wells). In addition, the regulatory program associated with these issues successfully addresses the adverse effects of primary concern, and the BLM's authority under standard lease terms and conditions allows the BLM to attach conditions of approval (which typically reduce or eliminate adverse effects on resources) to activities authorized at the time of lease development.

4. *Effects that would violate federal, state, tribal, or local law protecting the environment.*

None of the effects associated with the Proposed Action would violate any federal, state, tribal, or local law protecting the environment. This Lease Sale is consistent with applicable laws, land management plans, and policies. The public was given the opportunity to participate in the environmental analysis process during an external public scoping period from November 6 to December 6, 2023. A Draft EA public review and comment period was held from February 5 to March 6, 2024, and a Lease Sale Notice was made available for a 30-day protest period from May 13 to June 12, 2024.

In compliance with NEPA and the National Historic Preservation Act (NHPA), the BLM OFO is consulting with and conducting ongoing government-to-government consultation with Tribes (see AIB-6, Native American Concerns, and Section 4.2 of the EA).

National Historic Preservation Act

The Proposed Action would be in compliance with Section 106 of the NHPA (see AIB-5, Cultural Resources in the EA for additional details). The BLM OFO conducted a records review and analysis of the area of potential effects for the nominated lease parcels. The BLM anticipates that any future potential development would occur off lease and include horizontal drilling up to 2 miles from the lease parcels; therefore, the area of potential effects encompasses the nominated lease parcel boundaries and up to 2 miles from the actual location of the parcels. For this reason, a 2-mile buffer of the nominated lease parcels was used to conduct a literature search.

During the records review, the BLM found 304 previously recorded sites reported within a 2-mile radius of these four nominated lease parcels. All parcels also contain previously recorded cultural resources. There is potential for identifying previously unrecorded sites. A No Surface Occupancy Stipulation will be attached to these parcels. If leased, any future potential development would occur off lease.

Lease sales are an early step in the development of new oil and gas wells. The act of selling a lease does not involve or authorize any land disturbance or construction. Future potential development would be analyzed further through separate NEPA and NHPA Section 106 processes, as directed by regulations and current policy including Permanent Instruction Memorandum 2018-014 (BLM 2018b). Where the BLM determines its decisions regarding these future developments or undertakings have a potential to cause effects on historic properties, an on-the-ground survey would be recommended. In that scenario, it is anticipated that adverse effects on those cultural resources considered historic properties would be avoided, minimized, or mitigated through NHPA Section 106. The BLM sent NHPA Section 106 consultation letters to the Texas State Historic Preservation Office (SHPO) on December 15, 2023. In these letters, the BLM provided the cultural resource literature search within a 2-mile radius of the nominated lease parcel, and information regarding the Section 106 process for lease sales and APDs, and a copy of the lease notices attached to the parcel.

The BLM made a determination of ***No Historic Properties Affected***, as defined in 36 C.F.R. § 800.4(d)(1), for the competitive Quarter 3 2024 oil and gas lease sale (see Section 4.3 of the EA). The Texas SHPO concurred with this determination on January 5, 2024. The nominated lease parcels are subject to HQ-CR-1, NM-11-LN, and OFO-8-LN.

Impacts on Native American concerns have been addressed in the EA (see AIB-6, Native American Concerns in the EA) and through tribal consultation (see Section 4.2 of the EA). As stated in the EA, no resources of significance were identified during public scoping, and no specific Native American resource concerns have been identified on the subject lease parcels.

Endangered Species Act

The Proposed Action complies with the Endangered Species Act (see AIB-8, Threatened and Endangered Species and Section 4.1 of the EA). The analysis in the EA indicates that suitable habitat for six federally listed or candidate species—piping plover (*Charadrius melodus*), red knot (*Calidris canutus rufa*), whooping crane (*Grus americana*), monarch butterfly (*Danaus plexippus*), tricolored bat (*Perimyotis subflavus*), and black lace cactus (*Echinocereus reichenbachii*)—occurs within or adjacent to the nominated lease parcels. Future potential development is not anticipated to create adverse impacts for the following reasons: 1) stipulations and lease notices facilitate the reduction or avoidance of effects (see Table 2-1 and Appendix B of the EA), 2) site-specific analysis at the lease development stage provides an additional opportunity to evaluate effects and develop measures to reduce or avoid effects, and 3) the standard lease terms and conditions that apply to the nominated lease parcels provide the BLM with the authority to require reasonable measures that reduce or avoid effects.

BLM OFO biologists determined the Proposed Action would comply with threatened and endangered species management guidelines outlined in the 2020 Oklahoma, Kansas, and Texas BLM Record of Decision and Approved RMP (BLM 2020) and in accordance with the requirements of the Federal Land Policy and Management Act of 1976 and NEPA. The BLM would initiate Endangered Species Act Section 7 consultation with the U.S. Fish and Wildlife Service for species not previously analyzed in the 2020 Oklahoma, Kansas, and Texas BLM RMP's Biological Assessment (BLM and BIA 2019b) if during site selection federally listed species are found to have potential to be present or impacted during lease development.

CONCLUSION

Therefore, on the basis of the information contained in the EA (DOI-BLM-NM-0040-2024-0002-EA) and all other information available to me at this time, it is my determination that:

- The degree of the effects of the Proposed Action do not rise to the level of significance requiring preparation of an EIS (see criteria 1–4 explained in detail).
- The Proposed Action is in conformance with the 2020 Oklahoma, Kansas, and Texas BLM RMP (BLM 2020).

Michael Gibson
Deputy State Director, Division of Minerals

Date