

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

Finding of No Significant Impact

for the

**June 2024 Oil and Gas Competitive Lease Sale
Environmental Assessment**

DOI-BLM-NV-L000-2024-0001-EA

June 2024

PREPARING OFFICE

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



Introduction

The Bureau of Land Management (BLM), Ely District Office (EYDO) has prepared an Environmental Assessment (EA), DOI-BLM-NV-L000-2024-0001-EA, to address offering one parcel within the Caliente Field Office (CFO) at the June 2024 Competitive Oil and Gas Lease Sale. The EA analyzes the Proposed Action and No Action Alternative. Under the Proposed Action, the BLM would make one parcel containing 2,080 acres of Federal mineral estate available for lease. The No Action Alternative indicates the BLM would not offer the parcel, which is located in an area 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 stipulations are attached to the parcel 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 (FOOGLRA), 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. The June 2024 Lease Sale parcel was 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 MLA, FOOGLRA, and FLPMA to administer oil and gas leasing and lease operations on public lands. The BLM Nevada State Office conducts regular 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 grants to the lessee the right to occupy, explore for, and develop oil and gas resources on 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 one oil and gas lease parcel is located within Lincoln County, Nevada. The parcel is in a rural setting where other activities include cattle grazing, alfalfa production, mineral exploration, recreation, and land use authorizations. Certain aspects of leasing the proposed parcel, such as air resources and water resources, have state-wide and regional importance.

Finding of No Significant Impact (FONSI)

Under Alternative A, the Proposed Action, one parcel covering 2,080.00 acres in the Caliente Field Office, Ely District, was analyzed in the Ely District 2024 Second Quarter Competitive Oil and Gas Lease Sale EA. In accordance with BLM Instruction Memorandum (IM) 2023-007, BLM is exercising its discretion to offer the one low preference parcel due to the absence of high preference parcels available for the lease sale.

The lease 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 and lease notices added to address resource issues found through review and analysis that would be attached to each parcel are located in Appendix D of the EA. 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 EA and the supporting documents, I have determined that offering the parcel 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 (EISs) 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 1501.3(b)(2)), as appropriate to the Proposed Action (Alternative A).

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 Ely District. The EA considers short- and long-term effects of the Proposed Action and No Action Alternative. 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 the lease parcel goes into production, effects may last until the wells are plugged and abandoned (e.g., well pads, road networks, powerlines, pipelines, etc.). The Reasonably Foreseeable Future Development (RFFD) scenario for long-term projection of oil and gas exploration, development, production, and reclamation was developed as part of the Ely District RMP. 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 and 4 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 3.2.1 and 4.3.1 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 the lease parcel goes into production, air quality effects may last more than five years. Substantial air resource effects are not anticipated from the development of the lease parcel 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 District Office where the parcel is located and the 2022 BLM Specialist Report on Annual Greenhouse Gas Emissions and Climate Trends (BLM, 2023). 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 3.2.1 and 4.3.1 of the EA. The subject EA analyzes emissions and the social cost. 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. To put the estimated GHG emissions for this lease sale in a relatable context, potential emissions that could result from development of the lease parcel for this sale can be compared to other common activities that generate GHG emissions. Potential GHG emissions from the Proposed Action could result in GHG emissions of 0.13 MT (megatonnes) CO₂e over the life of the leases. Using these figures, therefore, the SC-GHG from the Proposed Action is estimated to range from \$2,107,000 to \$7,633,000. 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 detailed in the Annual GHG Report (BLM, 2023), 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.” 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 the Proposed Action 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, 14 additional resources were analyzed in detail based on the RFFD scenario. Resource analysis for wildlife, cultural, water, environmental justice, along with the remaining resources can be found in Chapter 3 and 4 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 where the parcel is located. 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), and burden on local community resources (housing, power, restaurants, fuel, and food).

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 those reasonably

foreseeable and associated with offering the proposed lease parcel 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 approved RMP and/ the respective Final Environmental Impact Statements or Records of Decisions.

3. Effects on public health and safety.

If the parcel is 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 RFFD found in Chapter 2.4.1-5 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, 43 CFR Subpart 3170, 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.

The Proposed Action (Alternative A) does not violate any known Federal, State, Tribal, or local law or requirement imposed for the protection of the environment. In addition, the Proposed Action 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 lease notice is attached to the lease parcel:

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 (Sections 3.2.10 and 4.3.10) and the administrative record, leasing of the parcel 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 RMPs and EISs where the parcel is located. BLM resource specialists also consulted informally with the US Fish and Wildlife Service (USFWS) 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 to 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 the parcel as appropriate.

As determined during the lease parcel review process and documented in the EA, leasing of the parcel 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 parcel 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 3.2.10 and 4.3.10).

Additionally, pursuant to BLM Handbook 3120-1 – Competitive Leases (P) (H-3120), the following lease notice is attached to the lease parcel:

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 June 2024 Oil and Gas Lease Sale EA, which tiers to the RMP and EISs, demonstrates 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, 1.6 and 1.7.

Finding of No Significant Impact Determination

Based on my review of environmental assessment: DOI-BLM-NV-L000-2024-0001-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

Robbie McAboy
Ely District Manager

Date Signed

References

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