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

Finding of No Significant Impact

for the

March 2025 Oil and Gas Competitive Lease Sale Environmental Assessment

DOI-BLM-NV-B000-2024-0003-EA

January 2025

PREPARING OFFICE

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



Introduction

The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA), DOI-BLM-NV-B000-2024-0003-EA, to address offering 12 parcels within the Battle Mountain District (BMD) at the March 2025 Competitive Oil and Gas Lease Sale. The EA analyzes the Proposed Action and No Action Alternative. Under the Proposed Action, the BLM would make 12 parcels containing 23,202.36 acres of Federal mineral estate available for lease. The No Action Alternative indicates the BLM would not offer any of the 12 parcels that are in areas open to oil and gas leasing in the underlying Resource Management Plans (RMPs). Consistent with the applicable RMPs, 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 (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. All of the March 2025 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.

Description of the Proposed action

The Bureau of Land Management (BLM) Battle Mountain District (BMD) Office proposes to offer, and subsequently issue for oil and gas lease, 12 parcels, comprising 23,202.36 acres of federal mineral estate in Eureka, Lander, and Nye Counties on public land administered by the BMD, in a statewide competitive Oil and Gas Lease Sale to be held on March 18, 2025. The list of parcels is attached as Appendix A.

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 3101.12). 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.

Adoption of the EA

In accordance with the National Environmental Policy Act (NEPA) ¹, and the Council on Environmental Quality (CEQ) regulations at 40 CFR § 1501.6 and 40 CFR § 1502.4(d)(3), an Environmental Assessment (EA), (DOI-BLM-B000-2024-0003-EA), was prepared to analyze effects of leasing on various resources. The EA and Appendices are incorporated by reference.

Finding of No Significant Impact (FONSI)

Based on my review of environmental assessment: DOI-BLM-NV-B000-2024-0003-EA, and supporting documents, I have determined that the proposed action will not result in significant impacts to the quality of the human environment. Anticipated impacts are within the range of impacts addressed by the approved Tonopah and Shoshone-Eureka RMPs or Final Environmental Impact Statements and Records of Decision; thus, the proposed action does not constitute a major federal action having a significant effect on the human environment; therefore, an Environmental Impact Statement is not necessary and will not be prepared. This conclusion is based on my consideration of the Council of Environmental Quality's criteria for significance

¹ The BLM is aware of the November 12, 2024 decision in Marin Audubon Society v. Federal Aviation Administration, No. 23-1067 (D.C. Cir. Nov. 12, 2024). To the extent that a court may conclude that the Council on Environmental Quality (CEQ) regulations implementing NEPA are not judicially enforceable or binding on this agency action, the BLM has nonetheless elected to follow those regulations at 40 C.F.R. Parts 1500–1508, in addition to the DOI's procedures/regulations implementing NEPA at 43 CFR Part 46, to meet the agency's obligations under NEPA, 42 U.S.C. §§ 4321 et seq.

(see criteria 1-8 explained in detail) (40 CFR 1501.3(d)), regarding the context and intensity of the impacts described in the EA and based on my understanding of the project.

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 and lease notices added to address resource issues found through review and analysis that would be attached to each parcel are located within the Appendix B. 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.

Context

The oil and gas lease parcels are within Eureka, Lander, and Nye Counties, in a rural setting. One parcel is near producing oil fields in Railroad Valley, one parcel is near Fish Creek Ranch in Little Smoky Valley, and the others are clustered in Big Smoky Valley, east of Kingston. Activities on public lands include land use authorizations, mineral material sale, mineral exploration, cattle grazing, and recreation. Certain aspects of leasing the proposed parcels, such as air resources, water resource, and wildlife migration corridors, have state-wide and regional importance.

Resource analysis for the lease parcels uses a Reasonably Foreseeable Development (RFD) Scenario that estimates surface disturbance for oil and gas projects in the BMD. These estimates are outlined in the RMPs for each field office. Based on the RFD estimate, approximately 25 wells would be drilled, and 65-100 acres of surface disturbance associated with potential oil and gas exploration and production activities could be expected to occur in the BMD over the next ten years on all leased parcels in the district.

The RFD scenario does not change based on the number of parcels being offered, as it is based on historic information and anticipated activity.

Degree of Effects

The eight significance criteria from 40 CFR 1501.3(d)1 are listed below, have been considered in evaluating intensity for this proposal.

¹CEQ regulations referenced in this FONSI refer to the regulations in effect as of July 1, 2024.

Intensity

1. The degree to which the action may adversely affect 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 RFD found in Appendix C.

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.

2. The degree to which the action may adversely affect unique characteristics of the geographic area such as historic or cultural resources, parks, Tribal sacred sites, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.

No park lands, prime farmlands, congressionally designated wilderness areas, or wild and scenic rivers are on or near the lease parcels. Although playas with partial wetlands are present on some parcels, protective stipulations have been applied. These stipulations protect riparian areas and playas with controlled surface use. All parcels are likely to contain areas of moderate and/or high sensitivity for historic and cultural resources. These characteristics are relayed to the lessee through lease notices attached to the parcels. The Proposed Action is designed to offer lease parcels for sale and would not have an effect on cultural resources at the lease sale or lease issuance stage. If the leases are developed, cultural or historic resources would be further addressed through additional project stage with site-specific NEPA analysis. Some parcels overlap Greater Sage-grouse habitat management areas and where the parcels overlap the habitat, protective stipulations are applied.

3. Whether the action may violate relevant Federal, State, Tribal, or local laws or other requirements, or be inconsistent with Federal, State, Tribal, or local policies designed for the protection of the environment.

The Proposed Action 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 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).

The March 2025 Oil and Gas Lease Sale EA, which tiers to the RMPs 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, 1.7, and 3.5.11.

As for greenhouse gas (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., Wilderness Soc'y v. Dept. of the Interior, 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 3.5.1 of 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 greenhouse gas 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 greenhouse gas 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.

4. The degree to which the potential effects on the human environment are highly uncertain.

Oil and gas easing, exploration, and development that could follow is not unusual on public lands and potential effects are not highly uncertain. The activities themselves and the resulting impacts are understood and have been disclosed to the public through many lease sale EAs, and the respective RMP EIS and Records of Decision. There are no uncertainties over the nature of the impacts.

5. The degree to which the action may adversely affect resources listed or eligible for listing in the National Register of Historic Places.

The action of leasing the proposed parcels would have no direct effect on cultural resources listed in or eligible for the NRHP. When an operator submits and notice of staking or application for permit to drill, additional project and site-specific analysis would take place and if needed, mitigation may be identified to reduce risk to districts, sites, structures, or objects listed in or eligible for listing in the National Register of Historic Places. The Standard Lease Notice for cultural resources, attached to all parcels, serves to alert potential lessees and future BLM decision-makers of the need to address effects to these resources.

6. The degree to which the action may adversely affect an endangered or threatened species or its habitat, including habitat that has been determined to be critical under the Endangered Species Act of 1973.

During the NEPA analysis, no threatened, endangered, or candidate (TEC) plant or wildlife species were identified through the desktop review on the 12 lease parcels evaluated in the EA. In addition, no critical habitat for TEC species was identified on the lease parcels; nevertheless, the standard lease notice, NV-B-00-A-LN, notifies lessees of their potential to occur. If the leases are developed, the site-specific project baseline needs would identify necessary surveys for the identification of TEC species or habitat. Based on surveys, if TEC species were found, additional Section 7 consultation would occur at the time of project proposal stage in the area that may have TEC species or habitat to determine if the action may adversely affect any TEC species. Avoidance or mitigation could be developed through this process. Thus, leasing the parcels would not cause significant impacts to federally listed TEC species because no activity is proposed during the leasing process.

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 3.5.6, 3.5.8, and Appendix I).

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

7. The degree to which the action may adversely affect communities with environmental justice concerns.

Low-income, minority, and American Indian / Alaska Native environmental justice populations are present. All but one census block group meet or exceed thresholds in at least one environmental justice community category. While the act of leasing parcels does not have direct disproportionate and adverse impacts to environmental justice communities, it is likely that exploration, development, and decommissioning of the oil and gas resource could have disproportionate and adverse effects on environmental justice communities. Special consideration and outreach (beyond traditional government-to-government outreach and before exploration and development) must be made to tribal communities should exploration and/or development occur.

Future site development and production on leased parcels will require an additional Environmental Justice analysis to assess and evaluate potential disproportionate adverse effects to EJ population(s) present in the project area. Analysis should consist of a) identification of potential environmental justice communities; b) incorporation of community input and local knowledge following the development of a robust environmental justice outreach plan; and c) an aggregate analysis of potential community impacts regarding direct and indirect impact across all resource areas based on differential exposure, differential sensitivity, differential ability to take mitigating actions, and/or a differential ability to participate in the Project development process.

8. The degree to which the action may adversely affect rights of Tribal Nations that have been reserved through treaties, statutes, or Executive Orders.

The Battle Mountain District Office initiated coordination on the proposed oil and gas lease parcels with the Timbisha Shoshone Tribe, Yomba Shoshone Tribe, Duckwater Shoshone Tribe, Shoshone-Paiute of the Duck Valley Reservation, Ely Shoshone Tribe, Te-Moak Tribe of Western Shoshone, South Fork Band of the Te-Moak Tribe of Western Shoshone, Wells Band of the Te-Moak Tribe of Western Shoshone on September 18, 2024. As of the date of the publication of the EA for public comment, no tribal concerns have been brought forward, though coordination with the Tribes is always ongoing. If any lease parcel is later found to contain resources protected under the NHPA, American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, Executive Order 13007, or other statutes and executive orders, BLM will not approve ground-disturbing activities that may affect such resources until completing its tribal consultation obligations; and may require modification to geothermal resource drilling or development proposals or disapprove any activity that is likely to result in adverse effects that cannot be successfully avoided, minimized, or mitigated.

Authorized Officer Jon D. Sherve District Manager Battle Mountain District

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