



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

Finding of No Significant Impact

2025 Second Quarter Competitive Lease Sale DOI-BLM-WY-0000-2024-0008-EA

2025 Second Quarter Competitive Oil and Gas Lease Sale

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.

DOI-BLM-WY-0000-2024-0008-EA

**FINDING OF NO SIGNIFICANT
IMPACT
Environmental
Assessment**

**2025 Second Quarter Competitive Oil
and Gas Lease Sale**

INTRODUCTION

Pursuant to requirements of the Mineral Leasing Act of 1920 (MLA), 30 U.S.C. §§ 181 et seq., as amended by the Federal Onshore Oil and Gas Leasing Reform Act of 1987, Pub. L. No. 100-203, the BLM holds competitive oil and gas lease sales on a quarterly basis where lands are eligible and available, in order to respond to public requests for Federal lands to be made available for oil and gas leasing. See 30 U.S.C. § 226(b)(1)(A); 43 C.F.R. § 3120.1-1. As provided in sections 102(a)(12) and 103(l) of the Federal Land Policy and Management Act (FLPMA), 43 U.S.C. §§ 1701(a)(12), 1702(l), oil and gas leasing is a “principal use” for the public lands. The BLM issues oil and gas leases on the public lands to provide for the orderly development of the fluid mineral resources under its jurisdiction in a manner that is consistent with the multiple use management provided for by FLPMA, 43 U.S.C. § 1702(c).

Section 102 of FLPMA, 43 U.S.C. § 1701(a)(12) directs BLM to manage the public lands in a manner that “recognizes the Nation’s need for domestic sources of minerals.” Federal oil and gas leasing and production assist in meeting the Nation’s needs for domestic sources of minerals. As such, the offering and issuance of oil and gas leases, in balance with consideration, management, and protection of other resource values, fulfills BLM’s responsibilities under the MLA and FLPMA. See generally 43 U.S.C. §§ 1701 et seq.; see also 42 U.S.C. §§ 4321 et seq.

During the leasing process the BLM reviewed expressions of interest (EOI) submitted by members of the public, as well as other lands identified for consideration by BLM, and determined that the parcels offered in the lease sales were located within areas allocated as open to oil and gas leasing in the applicable Resource Management Plans (RMP) and should therefore be considered for competitive sale. As part of this analysis, the BLM also identified the appropriate resource-protection stipulations that applied to each parcel consistent with the management decisions in each governing RMP.

The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA) (DOI-BLM-WY-0000-2024-0008-EA) to address offering 29 parcels within the High Plains District (HPD) at the Second Quarter 2025 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 18 parcels, containing approximately 11,692.54 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.

Under Alternative 3, of the 29 parcels analyzed within the EA, 11 whole parcels, and one partial parcel would not be offered as detailed in the EA.

BLM deferred two parcels located wholly or partially within Greater Sage-Grouse (GSG) Priority Habitat Management Areas (PHMA) based on GSG prioritization in accordance with the 2015 Greater Sage-grouse ARMPA and ROD. Nice parcels are deferred for in accordance with the expression of interest leasing preference (43 CFR § 3120.32) and Instruction Memorandum (IM) 2023-007 - Evaluating Competitive Oil and Gas lease Sale Parcels for Future Lease Sales. BLM also deleted part of one parcel that contains lands that are already leased. As a result, BLM proposes to offer 18 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 29 parcels while Alternative 2 (Proposed Action) would offer 29 parcels nominated in areas open to oil and gas in the underlying RMPs.. The EA for the Second Quarter 2025 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.

Four additional alternatives were considered but not analyzed in detail: (1) offer all parcels as originally submitted through the Expression of Interest (EOI), including parcels or portions of parcels that may already be leased and those that may not be available for lease by statute, or for policy reasons, (2) offer all nominated parcels subject to Standard Lease Terms and Conditions, (3) offer all parcels subject to No Surface Occupancy stipulations, and (4) 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 NEW SIGNIFICANT IMPACTS

Based upon a review of the EA (attached) , I have determined that the Modified Proposed Action will not significantly affect the quality of the human environment¹.

¹The 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.

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(d))

In considering whether an adverse effect of the modified proposed action is significant, agencies shall examine both the context of the action and the intensity of the effect (40 CFR 1501.3(d)).

As stated in the 40CFR1501.3(d):

“Agencies shall analyze the significance of an action in several contexts. Agencies should consider the characteristics of the geographic area, such as proximity to unique or sensitive resources or communities with environmental justice concerns. Depending on the scope of the action, agencies should consider the potential global, national, regional, and local contexts as well as the duration, including short-and long-term effects.

In assessing context and intensity, agencies should consider the duration of the effect. Agencies may also consider the extent to which an effect is adverse at some points in time and beneficial in others (for example, in assessing the significance of a habitat restoration action’s effect on a species, an agency may consider both any short-term harm to the species during implementation of the action and any benefit to the same species once the action is complete). However, agencies shall not offset an action’s adverse effects with other beneficial effects to determine significance (for example, an agency may not offset an action’s adverse effect on one species with its beneficial effect on another species).”

The affected area includes 18 parcels would occur within four Wyoming Field Office’s 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, as amended and their respective EISs.

The Modified Proposed Action is an administrative action involving approximately 11,692.54 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 a site-specific proposal is received and approved, potentially resulting in short and long term 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. The degree to which the action may adversely affect 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 associated 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. Potential future development of the leases are not expected to target formations for production that are also being used for public consumption. When an Application for Permit to Drill (APD) has been submitted, specific information will be available that can further the assessment of more specific impacts, and the BLM will conduct a thorough geological and engineering review to ensure the operators proposed plan adequately protects usable water and existing groundwater wells. Information that will be available or reviewed, when an APD is submitted includes the following:

- Well type and depth
- Target formation characteristics
- Cementing and casing design
- Drilling and completion methods
- Expected types and volumes of products to be produced
- Production equipment, accounting and measurement

In the EA the BLM considered concerns raised in the Tisherman study, specific to uncemented wellbore sections and potential risks to usable water zones from inadequate implementation of Onshore Order No. 2 (codified at 43 CFR 3172). The analysis did not reveal any new significant impacts as uncemented wellbore sections can be approved where geological and engineering reviews conclude that cement is unnecessary for preventing fluid flow between usable water zones and deeper production zones, and that adequate casing will be in place. If usable water zones do not have active fluid flow, cementing may not be required for proper isolation or protection.

To further safeguard usable water zones the BLM mandates the use of compatible drilling and completion fluids, prohibiting oil-based fluids in areas with freshwater or usable water. While some target formations may contain usable water, production can proceed as long as it complies with regulations. The BLM has not received reports of impacts to usable water zones from the wells discussed in the Tisherman study, and state regulations require pre- and post- groundwater testing to monitor for potential contamination. BLM may also require mechanical integrity testing if problems with the wellbore are suspected and will order remedial actions if necessary. Because adequate technical and regulatory controls are in place, significant impacts to public health and safety from the drilling and completion process are not expected in consideration of current production targets and drilling techniques.

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.

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

None of the parcels were identified to have prime farmlands or wild and scenic rivers. Unique characteristics present within the project area primarily include historic and cultural resources and wetlands. These characteristics have been deemed to be not affected by the action alternatives with mitigating measures as attached to the lease parcels. No aspect of the action alternatives would have an effect on cultural resources at time of the lease sale. In addition, if a site-specific development proposal is received, these resources will again be reviewed and analyzed. In some cases, a site-specific development proposal will be adjusted to avoid or minimize impacts to these resources in combination with site-specific conditions of approval and any required mitigation measures.

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 2025 Second Quarter Competitive Lease Sale EA states the BLM follows and is in conformance with all Federal, State, Tribal and local laws and is consistent with all policies for the protection of the environment. Please refer to Section 1.4 (pg. 8) of this EA.

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 3.3.2 of original 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 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. In addition, these methodological shortcomings also prevent BLM from qualitatively comparing alternatives. For these reasons, the 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 to the human environment are highly uncertain.

The Modified Proposed Action 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 the Modified Proposed Action, Alternative 3, assuming reasonably foreseeable development occurs in the manner discussed in the EA 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.

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

There are no features within the project area listed or eligible for listing in the NRHP that would be adversely affected by a decision to offer for sale the subject parcels. If the leases enter into a development stage, NRHP resources would be further addressed through site specific NEPA analysis. Significant known sites occurring in any the parcels that would be

offered for sale are protected by either a controlled use or no surface occupancy stipulation.

All future projects are required to comply with the Federal law and regulation regarding the protection of eligible historic properties. Where tribal consultation has not been completed, those parcels have been deferred until that process is complete. Should lease development be proposed on any of the parcels considered in the Supplemental EA, future environmental review will consider actual conditions, and the potential for site-specific or cumulative impacts, at that time.

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.

Refer to the individual parcel descriptions and to the sensitive species controlled surface use stipulations in the EA (Appendix 5.1) for a listing of the various sensitive species found in various parcels. Although listed species, or those found to be warranted but precluded, may occupy habitat within a parcel, it has been determined that they will not be adversely affected because surface use restrictions, including timing limitation stipulations (TLS), no surface occupancy (NSO) stipulations, and controlled surface use (CSU) stipulations, will be applied to the lease parcels in conformance with the respective RMPs. Furthermore, post-lease actions/authorizations [i.e., Application for Permit to Drill (APDs), road/pipeline Right-of-Ways (ROWs)], would be encumbered seasonal and surface use restrictions on a case-by-case basis, as required through project-specific NEPA analysis or other environmental review, and consistent with our regulations (see 43 CFR § 3101.1-2).

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

Environmental Justice is discussed, beginning on pages 66 of the 2025 Second Quarter Competitive Lease Sale EA. Impacts to those communities would be similar to those addressed within each field office RMP. Additional analysis will occur at the APD stage if the parcel is sold, a lease is issued, and development proposed.

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

None of the parcels are located on Tribal lands and would not affect the rights of Tribal Nations. BLM did not identify any additional resource that may adversely affect Tribal Nations during the preparation of this EA. If/when a site-specific development proposal is submitted to the BLM, the BLM will review the development proposal. If tribally sensitive resources are identified at that time, BLM will coordinate and consult with any Tribal Nations that may be affected, as appropriate.

Authorized Officer _____

Date _____