



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 the 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. § 3120.11. 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) and High Desert District (HDD) 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 National Environmental Policy Act (NEPA) and DOI NEPA regulations require BLM to assess the environmental impacts of the proposed action and alternatives which includes any appropriate mitigating measures (43 CFR 46.130)¹. At the proposed development stage, the BLM will prepare additional NEPA and analysis and can consider additional mitigations measures. 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. Nine parcels are deferred in accordance with the expression of interest leasing preference criteria (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), and the supporting documents, all three action

¹ Executive Order 14154, *Unleashing American Energy* (Jan. 20, 2025), and a Presidential Memorandum, *Ending Illegal Discrimination and Restoring Merit-Based Opportunity* (Jan. 21, 2025), require the Department to strictly adhere to the National Environmental Policy Act (NEPA), 42 U.S.C. §§ 4321 *et seq.* Further, such Order and Memorandum repeal Executive Orders 12898 (Feb. 11, 1994) and 14096 (Apr. 21, 2023). Because Executive Orders 12898 and 14096 have been repealed, complying with such Orders is a legal impossibility. The BLM verifies that it has complied with the requirements of NEPA, including the Department's regulations and procedures implementing NEPA at 43 C.F.R. Part 46 and Part 516 of the Departmental Manual, consistent with the President's January 2025 Order and Memorandum.

alternatives analyzed in detail would not cause significant impacts. under the requirements of the National Environmental Policy Act, 42 U.S.C. §§ 4321–4370m-11 (NEPA) and the Department of the Interior’s NEPA regulations at 43 C.F.R. §§ 46.10-46.450.

The environmental effects are not significant. 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

Alternative 1 (No Action) would defer all nominated parcels and there would not be additional disturbance or impacts, beyond what is currently existing, associated with parcels from this sale.

Alternative 2 (Proposed Action) includes 29 parcels, containing approximately 22,964.75 acres, which occur within four Wyoming Field Offices (Casper, Rawlins, Buffalo, and Newcastle Field Offices).

Alternative 3 (Modified Proposed Action) includes 18 parcels and approximately 11,692.54 acres of BLM administered mineral estate in the same field offices as listed in Alternative 2. Both Alternatives 2 and 3 would have local, regional, and 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.

Energy development, and the products extracted from BLM Wyoming public lands, have local, 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

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 associate facilities such as domestic water supply wells. Residences near active drilling and completion operations would likely experience increased traffic and noise, as well as night lighting. Traffic and drilling operations near residences or public use areas may increase the potential for collisions with the public, the general workforce, pets, and livestock, as well as an increased potential for fire, hydrocarbon release, and explosion from well blow-out during drilling operations. Lease Notice No. 1 is applied to all parcels and restricts occupancy within ¼ mile of occupied dwellings for public safety.

The subject parcels are located distant from incorporated towns, are not located on

agricultural lands, and exist in a rural landscape with limited developed recreation facilities but may be used for various dispersed recreational activities including but not limited to hiking, camping, and OHV uses. Noise, concentrated development activities and the potential emissions associated with development of the O&G resources may create a nuisance but the establishment of travel speeds, the imposition of timing limit and controlled surface use stipulations, compliance by the oil and gas companies with all OSHA related requirements, and the receipt of air quality emission permits from the Wyoming Department of Environmental Quality would mitigate impacts. As well, all development 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 is 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 operator's 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 Alternative 2 (Proposed Action) or Alternative 3 (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 the 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, for example, displaying the GHG emissions in comparison to commonly understood emissions sources such as motor vehicles and

analyzing the real-world effects of climate change based on current scientific literature. The BLM further explained that it lacks the data and tools to estimate specific, climate-related effects from the sale. *See* Section 3.1.1 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 greenhouse gas emissions 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.

Regarding the social cost of carbon, Executive Order 14154, *Unleashing American Energy* (Jan. 20, 2025), disbanded the IWG and withdrew any guidance, instruction, recommendation, or document issued by the IWG. Section 6(c) of Executive Order 14154 states:

The calculation of the “social cost of carbon” is marked by logical deficiencies, a poor basis in empirical science, politicization, and the absence of a foundation in legislation. Its abuse arbitrarily slows regulatory decisions and, by rendering the United States economy internationally uncompetitive, encourages a greater human impact on the environment by affording less efficient foreign energy producers a greater share of the global energy and natural resource market. Consequently, within 60 days of the date of this order, the Administrator of the EPA shall issue guidance to address these harmful and detrimental inadequacies, including consideration of eliminating the “social cost of carbon” calculation from any Federal permitting or regulatory decision.

Executive Order 14154 further directs agencies to ensure consistency with the guidance in OMB Circular A-4 of September 17, 2003, when estimating the value of changes in greenhouse gas emissions from agency actions.

The BLM has not included any estimates for the SCC for this EA for multiple reasons. First, this action is not a rulemaking. Rulemakings are the administrative actions for which the IWG originally developed the SCC protocol. Second, Executive Order 14154 clarifies that the IWG has been disbanded and its guidance has been withdrawn.

Further, NEPA does not require agencies to conduct a cost-benefit analysis. Including an SCC analysis without a complete cost-benefit analysis, which would include the social benefits of the proposed action to society as a whole and other potential positive benefits, would be unbalanced, potentially inaccurate, and not useful to foster informed decision-making. Any increased economic activity—in terms of revenue, employment, labor income, total value added, and output—that is expected to occur as a result of the proposed action is simply an economic impact, not an economic benefit, inasmuch as any such impacts might be viewed by another person as a negative or undesirable impact due to a potential increase in

the local population, competition for jobs, and concerns that changes in population will change the quality of the local community. “Economic impact” is distinct from “economic benefit,” as understood in economic theory and methodology, and the socioeconomic impact analysis required under NEPA is distinct from a cost-benefit analysis, which NEPA does not require. In addition, many benefits and costs from agency actions cannot be monetized and, even if monetizable, cannot meaningfully be compared directly to SCC calculations for a number of reasons, including because of differences in scale (local impacts vs global impacts).

Finally, purported estimates of SCC would not measure the actual environmental impacts of a proposed action and may not accurately reflect the effects of GHG emissions. Estimates of SCC attempt to identify economic damages associated with an increase in carbon dioxide emissions—typically expressed as a one metric ton increase in a single year—and typically includes, but is not limited to, potential changes in net agricultural productivity, human health, and property damages from increased flood risk over hundreds of years. The estimate is developed by aggregating results across models, over time, across regions and impact categories, and across multiple scenarios. The dollar cost figure arrived at based on consideration of SCC represents the value of damages avoided if, ultimately, there is no increase in carbon emissions. But SCC estimates are often expressed in an extremely wide range of dollar figures, depending on the particular discount rates used for each estimate, and would provide little benefit in informing the BLM’s decision. For these reasons, the Department of the Interior has also rescinded its memorandum of October 16, 2024, entitled, “Updated Estimates of the Social Cost of Greenhouse Gases,” which had directed Interior bureaus to calculate SCC using the methodology contained in the Environmental Protection Agency’s Final Rule of March 8, 2024, 89 Fed. Reg. 16,820.

To summarize, The BLM is not evaluating SCC for this EA because: (1) The BLM is not engaged in a rulemaking for which the now-rescinded SCC protocol was originally developed; (2) the IWG has been disbanded and all technical supporting documents and associated guidance have been withdrawn; (3) NEPA does not require agencies to prepare SCC estimates or cost-benefit analyses; (4) costs attributed to GHGs are often so variable and uncertain that they are unhelpful for the BLM’s analysis; and (5) the full social benefits of carbon-based energy production have not been monetized, and quantifying only the costs of GHG emissions, but not the benefits, would yield information that is both potentially inaccurate and not useful.

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

None of the Alternatives violate Federal, State, Tribal, or local laws protecting the environment. In addition, Alternatives 2 and 3 are 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 Alternative 2 (Proposed Action) or Alternative 3 (Modified Proposed Action), 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.

The potential effects of Alternatives 2 or 3 are not highly uncertain. Oil and gas development has been occurring in the affected area for decades and the effects of oil and gas development are known. The BLM has been permitting and managing oil and gas development in Wyoming since its inception and, accordingly, has extensive experience implementing oil and gas development and assessing and disclosing correlated environmental effects on the human environment. Moreover, oil and gas exploration and development have been, and continue to be, studied and are regulated for health and safety through multiple agencies, including federal, state, and local governments. The projected potential effects on the quality of the human environment owing to oil and gas leasing and development have been analyzed and disclosed in the applicable RMPs, as well as in this Lease Sale EA.

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 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. Informal scoping letters were sent to Native American tribal contacts known or identified as having interest or concerns with oil and gas leasing in the area. No comments were received as a result of sending these letters. 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