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

Finding of No Significant Impact

2025 Fourth Quarter Competitive Lease Sale DOI-BLM-WY-0000-2025-0002-EA

2025 Fourth 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-0000-2025-0002-EA

FINDING OF NO SIGNIFICANT IMPACT
Environmental Assessment

2025 Fourth 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., 30 U.S.C. §§ 181 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 sale were located within areas allocated as open to oil and gas leasing in the applicable Resource Management Plans (RMPs) 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-0000-2025-0002-EA) to address offering 99 parcels within the High Plains District (HPD), High Desert District (HDD), and Wind River/Bighorn Basin District (WR/BBD) at the Fourth 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 86 parcels, containing approximately 79,168.76 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 RMP 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 mitigation 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 99 parcels analyzed within the EA, 13 whole parcels, and part of two parcels, would not be offered as detailed in the EA.

Eleven (11) whole parcels (WY-2025-12, 0932, 0934, 6985, 1555, 7015, 7016, 7018, 7019, 7020, 7081, and 7413) would be deferred based on lacking Surface Management Agency (SMA), United State Forest Service (USFS), and Thunder Basin National Grassland (TBNG) concurrence. Two (2) whole parcels (2131 and 7420) would be deferred based on Greater-sage grouse prioritization as discussed in the 2015 Sage Grouse ARMPA. In addition, portions of parcels WY-2025-12-7111 (60.00 ac; Sec. 22 W1/2NE1/4NE1/4, SE1/4NE1/4NE1/4, N1/2NW1/4NW1/4, SE1/4NW1/4NW1/4) would be deferred because BLM can only lease the smallest surveyed legal land subdivision (i.e. aliquot part, lot or tract).. As a result, BLM proposes to offer 86 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 99 parcels while Alternative 2 (Proposed Action) would offer 99 parcels nominated in areas open to oil and gas in the underlying RMPs, a portion of one parcel that contains private minerals would be deleted and a portion of another parcel would be deferred due to containing lands smaller than the smallest survey legal land subdivision. The EA for the Fourth 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 Expressions of Interest (EOIs), 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

[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. The BLM has also voluntarily considered the Council on Environmental Quality's rescinded regulations implementing NEPA, previously found at 40 C.F.R. Parts 1500–1508, as guidance to the extent appropriate and consistent with the requirements of NEPA and Executive Order 14154.

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 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 99 parcels, minus the partial deletion for lands that are not available for lease, containing approximately 83,950.72acres, which occur within seven Wyoming Field Offices (Buffalo, Casper, Newcastle, Lander, Worland, Rawlins, and Rock Springs Field Offices).

Alternative 3 (Modified Proposed Action) includes 86 parcels and approximately 79,168.68 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. Both short- and long-term effects.

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 in the record, including scientific data submitted during the comment period for this lease sale, nor are there are any established thresholds, tools or methods that would allow the BLM to conclude that the GHG emissions associated with this proposed action or any reasonable alternatives may result in significant environmental effects. 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.

2. **Both beneficial and adverse effects**.

The issuance of an oil and gas lease itself does not authorize any development or disturbance of the surface of leased lands, but such activity may be subsequently authorized by the BLM through approval of an Application for Permit to Drill (APD) or other permit. The alternatives would potentially affect resources as described in the EA and the RMPs and FEISs to which the EA tiers. Adverse impacts may include, but are not limited to, air emissions, habitat disturbance, surface disturbance, and water consumption. The beneficial effects of oil and gas production are also discussed in the EA and the RMPs to which the EA tiers; these include the production of fossil fuels to contribute to the national, state, and local supply in response to public demand. In addition, issuance of leases and potential future development of the leases has economic impacts

on local, state, regional and national economies, which may be perceived as either positive or negative, depending on the standpoint of a stakeholder.

3. **Effects on 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 oil and gas 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 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.

4. Effects that would violate a Federal, State, Tribal, or local law protecting the environment.

Alternative 3, 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 Alternative 3 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.

_____ _____

Authorized Officer Date