

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

**Finding of No
Significant Impacts**

February 2017

December 2016 Oil and Gas Lease Sale

Environmental Assessment
DOI-BLM-UT-G010-2016-0033

Location:
Vernal Field Office, Uintah and Duchesne Counties, Utah

U.S. Department of the Interior
Bureau of Land Management
Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101
Phone: (801) 539-4001
Fax: (801) 539-4237



Table of Contents

FINDING OF NO SIGNIFICANT IMPACTS.....	1
INTRODUCTION	1
BACKGROUND.....	1
FINDING OF NO SIGNIFICANT IMPACTS DETERMINATION.....	2
CONTEXT	3
INTENSITY	3

FINDING OF NO SIGNIFICANT IMPACTS

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, BLM-Utah holds competitive oil and gas lease sales, on a quarterly basis, in order to respond to public requests for “nominated” 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 in order 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. *E.g.*, 43 U.S.C. § 1702(c). For example, Section 102 of FLPMA, 43 U.S.C. § 1701(a)(12) imposes upon the BLM a responsibility to manage the public lands in a manner that “recognizes the Nation’s need for domestic sources of minerals.” Before oil and/or gas, which could assist in meeting the Nation’s needs for domestic sources of minerals, can be produced from public lands, an oil and gas lease must be issued for the lands. As such, the offering and issuance of oil and gas leases through the May 2016 lease sale meets the purpose and need for action relevant to the responsibilities placed upon the BLM pursuant to the MLA and FLPMA. *See generally* 43 U.S.C. §§ 1701 *et seq.*; *see also* 42 U.S.C. §§ 4321 *et seq.*

BACKGROUND

In reviewing the publicly submitted nominations, also known as “expressions of interest” (“EOIs”) for the lease sale, BLM-Utah considered oil and gas leasing on approximately 141,650.82 acres of land under the jurisdiction of the BLM Green River District Office (“GRDO”). During the lease parcel review process, the BLM Utah State Office (“USO”) determined that approximately 43,717.7 acres of the nominated lands should either be removed from consideration for oil and gas leasing or “deferred” from offering for oil and gas leasing for various reasons. For instance, certain nominated lands were removed from leasing consideration because they were split estate lands for which no surface owner contact was supplied or they were within areas closed to leasing.

One-hundred-two parcels (97,933.13 acres) were sent to the Vernal Field Office (“VFO”) within the GRDO for evaluation for leasing. Seventy-four of the 102 parcels (85,708.65 acres) were eliminated by the VFO from further consideration prior to the preparation of an environmental assessment (“EA”) due to the parcels’ being located in greater sage grouse habitat or having other resource conflicts. Information regarding the nominated lands/parcels that were deferred is documented in the EA and on the “Deferred Lands List” maintained on the BLM-Utah oil and gas lease sale website. Twenty-eight parcels (12,224.48 acres) were carried forward for analysis in the EA, which is tiered to the 2008 VFO Resource Management Plan Environmental Impact Statement (“RMP EIS”).

The VFO EA considered the following two alternatives in detail: Alternative A - Proposed Action (“Proposed Action”) and Alternative B - No Action (“No Action”). Under the Proposed Action alternative, certain public lands would be offered for oil and gas leasing at the lease sale. Under the No Action alternative, no federal lands managed by the VFO would be offered for oil and gas leasing at the lease sale. The No Action alternative is required as part of the National Environmental Policy Act (“NEPA”) analysis, in part, because it provides a baseline against which to compare the Proposed Action alternative.

The 28 VFO parcels were included in a Notice of Competitive Oil and Gas Lease Sale (“NCLS”) posted on October 13, 2016. The NCLS and EA identified protective stipulations and lease notices that are attached to each parcel. The posting of the NCLS initiated a 30-day public protest period which concluded on November 14, 2016.

On December 9, 2016, the BLM issued an errata to the NCLS deferring four parcels and reducing the acreage of one other. This FONSI addresses oil and gas leasing, as provided for by the NCLS as amended by the errata and the Proposed Action alternative in the EA, for the following 24 parcels, comprising 10,510.41 acres (7.4% of acreage nominated and 9.3% of the acreage sent to the VFO for consideration), which were offered for lease at the December 2016 Lease Sale:

SERIAL NO.	POSTED PARCEL NO.	ACRES OFFERED	SERIAL NO.	POSTED PARCEL	ACRES OFFERED
UTU91927	UT1116 – 004	320.72	UTU91941	UT1116 – 067	40.00
UTU91928	UT1116 – 005	320.00	UTU91942	UT1116 – 069	201.89
UTU91929	UT1116 – 006	400.00	UTU91943	UT1116 – 070	315.10
UTU91932	UT1116 – 012	320.00	UTU91944	UT1116 – 071	121.28
UTU91933	UT1116 – 013	1,255.14	UTU91945	UT1116 – 093	160.00
UTU91934	UT1116 – 014	2,540.78	UTU91946	UT1116 – 094	80.00
UTU91935	UT1116 – 015	160.00	UTU91948	UT1116 – 105	40.00
UTU91936	UT1116 – 016	75.79	UTU91949	UT1116 – 121	320.00
UTU91937	UT1116 – 032	320.00	UTU91950	UT1116 – 122	2,257.65
UTU91938	UT1116 – 038	40.04	UTU91952	UT1116 – 151	40.00
UTU91939	UT1116 – 039	639.29	UTU91953	UT1116 – 152	80.00
UTU91940	UT1116 – 049	160.00	UTU91954	UT1116 – 142	302.73

FINDING OF NO SIGNIFICANT IMPACTS DETERMINATION

Based upon a review of the EA, and considering the criteria for significance provided by 40 C.F.R. § 1508.27, I have determined that issuing oil and gas leases for the parcels in accordance with the Proposed Action alternative and the NCLS, does not constitute a major federal action that will have a significant effect on the quality of the human environment, individually or cumulatively with other actions in the general project area, beyond those disclosed in the VFO RMP FEIS as amended. Therefore, neither an Environmental Impact Statement nor a supplement to the VFO RMP EIS is required for the lease sale. My determination is based upon the context and intensity of the lease sale, as described below. (Council on Environmental Quality (“CEQ”) regulations at 40 C.F.R. 1508.27).

CONTEXT

The 24 lease parcels collectively encompass approximately 10,510.41 acres of BLM-administered federal minerals and 9685.79 acres of BLM federal surface within the VFO, that by themselves do not have international, national, regional, or state-wide importance.

INTENSITY

The CEQ regulations include the following ten considerations for evaluating intensity:

1. **Impacts that may be both beneficial and adverse.**

The lease sale would impact resources as described in the EA and RMP EIS. There are no potential environmental effects for the lease sale that are considered to be significant, as defined by 40 C.F.R. § 1508.27. Adequate mitigation measures have been applied to the lease parcels, which include protective stipulations and lease notices to reduce the potential impacts from future oil and gas operations on other natural resources and uses of the public lands. These mitigation measures are based on the analyses and decisions identified through the RMP EIS and the EA.

Before any surface-disturbing operations may be authorized upon the lease parcels, additional and site-specific analysis in accordance with NEPA and further mitigation (if warranted and as is consistent with the standard lease terms and lease notices and stipulations attached to the lease parcels) to reduce impacts to the environment and other uses of the public lands will be required through the Application for Permit to Drill (“APD”) or Right-of-Way processes.

Should all of the lease parcels be developed, they may contribute substantially to local, regional and national energy supplies.

2. **The degree to which the proposed action affects public health or safety.**

Leasing for oil and gas and the subsequent exploration and development is an on-going activity on the public lands. The standard lease terms, which are contained on the lease form (BLM Form 3100-11), the stipulations and lease notices attached to the lease parcels along with the additional NEPA analysis and potential protections/mitigation at the APD stage ensure that development of the lease parcels would occur in a way that protects public health and safety. For example, spill prevention plans would be required and any drilling operations would be conducted in accordance with the safety requirements of 43 C.F.R. Subpart 3160, the Federal Onshore Oil and Gas Orders (“Onshore Orders”), best management practices recommended by the American Petroleum Institute, and other industry requirements for the protection of worker safety and public health.

Environmentally responsible oil and gas operations, including those related to public health and safety, are discussed in the EA. All operations, 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 C.F.R. Subpart 3160, the Onshore Orders and notices to lessees. Also included in The Gold Book are environmental best management practices; these measures are designed to provide for safe and efficient operations while minimizing undesirable impacts to the environment.

3. **Unique characteristics of the geographic area such as proximity to historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.**

The interdisciplinary team that identified the issues analyzed in the EA reviewed the proximity of the proposed lease parcels to historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas. The lease parcels were not within or near any park lands, prime farmlands, wild and scenic rivers, or ecologically critical areas. The parcels may encompass historic or cultural resources or wetlands, but those resources are not expected to be of such high density that their protection would not preclude development of the leases. The BLM’s consideration during the lease parcel review process and the coverage in the EA regarding historic and cultural resources for the geographic areas potentially impacted by the lease sale are summarized in this document in the response to criterion 8 below.

4. **The degree to which the effects on the quality of the human environment are likely to be controversial.**

The oil and gas exploration and development that could follow leasing of the lease parcels is a common practice on public lands. The nature of the activities and the resulting impacts are understood and have been analyzed and disclosed to the public through existing BLM NEPA documents, including the December 2016 Competitive Oil and Gas Lease Sale EA and 2008 Vernal RMP EIS.

5. **The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.**

As stated above, leasing and the associated exploration and development of oil and gas resources is not unique or unusual in this area. The BLM has experience implementing the oil and gas program, and the environmental effects to the human environment are adequately analyzed in existing NEPA documents, including the EA. There are no predicted effects on the human environment that are considered to be highly uncertain or involve unique or unknown risks within the project area for the December 2016 Lease Sale.

6. **The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration.**

Reasonably foreseeable actions connected to the decision to lease the lease parcels have been considered. A lessee’s right to explore and drill for oil and gas, at some location on a lease, subject to the standard lease terms and specific lease notices and stipulations attached to the lease, is a conspicuous aspect of lease issuance. A lessee must submit to the BLM an APD

identifying the specific location and plans for use of the surface and the BLM must approve an APD before any surface disturbance, including drilling, may commence on a lease parcel. The BLM's review of an APD will include site-specific environmental analysis and documentation in accordance with NEPA. If the BLM approves an APD, a lessee may produce oil and/or gas from the lease without additional approval so long as such production is consistent with the terms of the BLM-approved APD. During the lease parcel review process, the impacts that could result from leasing and the subsequent development of oil and/or gas resources from the lease parcels was considered by interdisciplinary teams of resource specialists from the VFO within the context of past, present, and reasonably foreseeable future actions. As stated previously and below, significant impacts, including direct, indirect and cumulative impacts, to other resources and land uses are not expected.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts.

During the lease parcel review process, the BLM VFO assembled an interdisciplinary team of resource specialists in order to evaluate the potential environmental impacts that could result from the lease sale. The interdisciplinary team evaluated the potential direct, indirect or cumulative environmental impacts within the context of those disclosed in the chosen alternatives of the EA. With respect to those resources and uses that the BLM identified as potentially impacted by the lease sale beyond what was disclosed in the VFO 2008 RMP EIS, and for which detailed analysis and discussion was afforded in the EA, past, present and reasonably foreseeable future actions were considered. The environmental analyses that were conducted by the team and documented in the EA either do not predict significant cumulative impacts either beyond those disclosed in the VFO 2008 RMP EIS or, if the issue was not analyzed in the VFO 2008 RMP EIS, no significant cumulative impacts are predicted to occur from the incremental addition of the impacts from leasing the parcels to past, present and reasonably foreseeable relevant actions.

8. The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the NRHP or may cause loss or destruction of significant scientific, cultural, or historical resources.

The lease sale is not predicted to adversely affect districts, sites, highways, structures, or other objects that are listed or eligible for listing on the National Register of Historic Places ("National Register"), nor is it anticipated to cause the loss or destruction of significant scientific, cultural, or historical resources.

In order to identify and assess the potential impacts that the lease sale might have on cultural resources, including historic properties that are listed or eligible for listing on the National Register pursuant to the National Historic Preservation Act ("NHPA"), 16 U.S.C. §§ 470 *et seq.*, the BLM's cultural resources specialists reviewed and analyzed existing records for cultural resources within the areas of potential effects ("APE") for the lease sale. These cultural resources records reviews and analyses, which are referred to as "Class I" reviews, show cultural site densities that, when considered along with the protective measures applicable to each of the lease parcels (i.e. standard lease terms, lease notices and stipulations), support the EA's analysis that the issuance and subsequent development of the lease parcels may occur without having significant adverse impacts upon cultural resources. Moreover, with respect to those cultural resources eligible for protection under the NHPA in

particular, in accordance with section 106 of the NHPA, 16 U.S.C. § 470f, and its implementing regulations at 36 C.F.R. Part 800, the BLM has determined that the lease sale will have “No Adverse Effect” on historic properties.

For the purposes of soliciting additional information and to request to consult regarding the presence of and potential impacts to cultural resources, including historic properties listed on or eligible for listing on the National Register, within the APE, the BLM sent letters to the State of Utah’s State Historic Preservation Office (“SHPO”) and potentially interested Native American Tribes, which provided those parties with notice and the documentation supporting the BLM’s determination as to the potential impacts of the lease sale on cultural resources.

On September 14, 2016, SHPO provided the BLM with written notification that it concurred with the BLM’s determination that the lease sale would have “No Adverse Effect” on historic properties. Upon further consultation with the Arbitration Council of Historic Properties, two parcels were removed from the lease sale due potential impacts to cultural resources.

Additional information regarding the communications with SHPO, Native American Tribes, and other organizations that supported the BLM’s review and determinations as to the potential impacts of the lease sale on cultural resources can be found in the EA and in the administrative record compiled and maintained by the BLM Utah State Office for the lease sale.

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

9. The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the ESA of 1973.

As determined during the lease parcel review process and as documented in the EA and the administrative record, leasing of the parcels is not likely to adversely affect any species, or the critical habitat of any species, listed as threatened or endangered under the Endangered Species Act (hereafter “ESA”), 16 U.S.C. §§ 1531 et seq., 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 any species listed on the BLM’s Sensitive Species list, including those species that are neither listed nor proposed/candidates for listing under the

ESA. The rationale supporting the aforementioned determinations, which can be found in the EA and the administrative record for the lease sale, is briefly summarized below.

In 2004, the BLM-Utah and the USFWS engaged in a statewide programmatic consultation for the BLM-Utah's oil and gas leasing program. This statewide consultation resulted in the development of specific oil and gas lease notices for individual ESA-listed species. More recently, programmatic consultation occurred during the revision of six land use plans during which the lease notices were updated. The notices were included in the Biological Assessments as part of the conservation measures for the species that would accompany individual plan implementation. Additional updates and revisions on the lease notices continue to occur as necessary. The stipulations and notices associated with this lease sale are based on the decisions contained in the Vernal Resource Management Plan which was completed in October 2008.

The BLM has committed to attach the lease notices that it developed through the aforementioned programmatic consultations with the FWS to the appropriate oil and gas leases at the time of issuance, which will serve to notify oil and gas lessees of the specific ESA protected species or habitat present or potentially present on the subject leased lands and the associated surface protection requirements that may be imposed pursuant to the ESA or other related laws, regulations or policies.

Additionally, pursuant to BLM Handbook 3120-1 – *Competitive Leases (P)* (H-3120), the following stipulation 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 (H-3120 at 35).

The BLM also coordinated with the USFWS and the Utah Division of Wildlife Resources (“UDWR”) during the lease parcel review process for the specific purpose of identifying and evaluating the potential impacts that the lease sale might have on plant and animal species, including those species that have been listed as threatened or endangered under the ESA, species that are proposed or candidates for ESA protection, and BLM Sensitive Species that are neither listed, proposed nor candidates for protection under the ESA. As a part of this coordination during the lease parcel review process, the BLM consulted with the USFWS in order to identify the presence or potential presence of ESA listed, proposed or candidate species and their habitat within the lease parcels to make determinations as to which of the protective measures available, such as lease stipulations and notices, to attach to each of the lease parcels. The BLM also coordinated with the USFWS and the UDWR regarding the

adequacy of the protections afforded by the stipulations and lease notices available for attachment to the lease parcels.

Based upon the lease parcel review process, which included the aforementioned coordination and consultation with the USFWS and the UDWR, the BLM determined that the reasonably foreseeable impacts from the lease sale to special status animal and plant species would either be completely avoided or reduced to insignificant levels by the protective measures that were attached to the lease parcels when they were offered for lease at the December 2016 Lease Sale.

The lease parcel review process, and the coordination and consultation with the USFWS provided the basis for the BLM's determination that the leasing these parcels would not exceed the "may affect, but not likely to adversely affect" determination made in the programmatic consultations for ESA listed species.

10. Whether the action threatens a violation of Federal, State, or local law or requirements imposed for the protection of the environment.

The lease sale is not predicted to violate any known federal, state, local or tribal law or any other requirement imposed for the protection of the environment. Potentially interested state, local, and tribal interests were given the opportunity to participate in the lease parcel review process.

The December 2016 Lease Sale was conducted in manner that is consistent with the applicable land use plans, laws, regulations and policies, many of which are described in section 1.6 of the EA. Additional consultation, coordination and environmental analysis will be required during the review and consideration for approval of any site-specific proposals for oil and gas exploration, drilling or development proposed on the December 2016 Lease Sale parcels.

Signed:

/s/ Kent Hoffman

Deputy State Director, Lands and Minerals
Utah State Office

02/10/2017

Date