

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

**Finding of No Significant
Impact**

DOI-BLM-NV-B020-2017-0002-EA

**June 2017 Competitive Oil and Gas
Lease Sale**

PREPARING OFFICE

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



Finding of No Significant Impact

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DOI-BLM-NV-B020-2017-0002-EA

I have reviewed Environmental Assessment (EA) DOI-BLM-NV-B020-2017-0002-EA dated April 25, 2017. After consideration of the environmental effects as described in the EA, and incorporated herein, I have determined that the Additional Resource Protection Alternative identified in the EA will not significantly affect the quality of the human environment and that an Environmental Impact Statement (EIS) is not required to be prepared.

I have determined that the Additional Resource Protection Alternative is in conformance with the approved Shoshone-Eureka (Mt. Lewis Field Office) and Tonopah Resource Management Plans (RMP) as amended, including by the 2015 Nevada and Northeastern California Greater Sage-Grouse Approved RMP Amendment (GRSG Plan Amendment); and is consistent with applicable plans and policies of county, state, tribal and Federal agencies. This finding and conclusion is based on my consideration of the Council on Environmental Quality's (CEQ) criteria for significance (40 CFR 1508.27), with regard to both the context and the intensity of impacts described in the EA.

Context

The lands in the BLM (Bureau of Land Management) Battle Mountain District (BMD) proposed to be offered for competitive sale of oil and gas lease parcels in June 2017 consist of 106 parcels that were nominated for lease sale by industry proponents and screened by the BLM Nevada State Office (NVSO) to ensure that they lie within areas designated by the applicable RMP as open to leasing. These parcels total approximately 195,732 acres in Diamond Range and Valley, Sulphur Spring Range, Garden Valley, Fish Creek Range and Valley, Big Smoky Valley, and Railroad Valley (EA Figures 1-5; legal land descriptions, EA Appendix A). The Proposed Action would consist of offering all 106 parcels for lease sale. The EA also addresses one previously-leased parcel that was proposed for reinstatement; the reinstatement parcel is included in the following discussion. See EA Chapter 2 for a full description of the Proposed Action and alternatives.

BMD personnel reviewed the RMPs and GRSG Plan Amendment in detail to identify stipulations that are prescribed for any given parcel, based on the resources identified in those documents and accompanying maps. They found that two parcels are within mule deer seasonal habitat as identified by the Tonopah RMP, and several parcels are within GRSG habitats as identified by the GRSG Plan Amendment; and applied the prescribed stipulations. The resource specialists also identified lease notices that apply to all parcels or to individual parcels, alerting prospective lessees of other regulatory authorities that may apply to a parcel. See EA Appendix B for stipulations and lease notices, and the parcels to which they apply, under the Proposed Action.

The stipulations and lease notices attached to each lease parcel serve to inform prospective lessees of important resource issues associated with that parcel, along with measures to protect them. These reduce some of the uncertainty of waiting for site- and project-specific NEPA analysis to identify resources of concern and define appropriate conditions of approval. They also serve to inform future BLM decision-

makers of the resource issues and protective measures, ensuring that those measures will be applied at the time of any proposal to conduct oil and gas activities on a leased parcel.

Resource specialists further reviewed the proposed parcels and conducted field visits to identify other resources of management concern that could be affected by future oil and gas activities – exploration, development or production – if they were to occur on any of the leased parcels. Where oil and gas activities would be likely to conflict with other resources and land uses that current federal, state or local laws and policies require BLM to protect, the resource specialists worked with the NVSO to develop new protective stipulations beyond those in the RMPs as amended. During the public comment period, the NVSO directed the BMD to analyze and apply these additional resource protection measures (new stipulations) as part of the EA process, in order to address certain resource conflicts with the proposed action, brought up in substantive comments from U.S. Fish and Wildlife Service (USFWS) and Nevada Department of Wildlife (NDOW).

Intensity

The following discussion is organized around the Ten Significance Criteria described in 40 CFR 1508.27 and incorporated into resources and issues considered (includes supplemental authorities Appendix 1 H-1790-1) and supplemental Instruction Memoranda, statutes, regulations and Executive Orders. The following have been considered in evaluating intensity for this proposal:

1. Impacts that may be both beneficial and adverse.

An oil and gas lease sale itself does not include exploration, development, or production; but these activities could be expected to result from leasing. The EA considers both beneficial and adverse impacts of these potential activities.

The RFD scenario for the EA is based on actual activity in recent years along with reasonably foreseeable interactions of prices, markets, technology, environmental concerns, and viability of the potential oil and gas resource in the BMD (EA section 2.5.1). The RFD scenario predicts conservatively that approximately 25 wells would be drilled and 65-100 acres of surface disturbance associated with potential oil and gas exploration and production activities could be expected to occur in the BMD over the next ten years. Given this low level of activity, impacts – beneficial or adverse – would not be widespread.

The stipulations and lease notices provide adequate protection for all such site-specific resources of concern that were identified via the EA process, including public comments and input from USFWS and NDOW.

Beneficial socioeconomic impacts, in the form of increased jobs and increased spending in local communities, are predicted. Although minor, these beneficial impacts are important in the context of the disproportionately large low-income population in the region (EA section 3.2.17, Socioeconomic Values and Environmental Justice). Beneficial effects would also include revenue from the sale of the leases and the ongoing annual rent on the leases and any royalties resulting from production 49% of which is shared with the State of Nevada and the county government.

Section 3.2.15, Geology and Minerals, reports both minor adverse and beneficial effects. Oil and gas activities could interfere with, but would not necessarily prevent, exploration and production of other

mineral resources on leased parcels. Beneficial effects would include expanding knowledge of the local geology and fluid mineral deposits through exploration activities; and potentially adding to available oil and gas supplies if production is achieved.

I find that none of the potential effects, adverse or beneficial, are significant.

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

The Additional Resource Protection Alternative is not likely to affect public health or safety. See EA section 3. 2.18, Waste, Hazardous and Solid; and Appendix E, Hydraulic Fracturing White Paper. Adherence to applicable federal, state and local regulations would ensure that no soil, ground water, or surface water contamination would occur with any adverse effect to worker health and safety or to surrounding communities. Appendix E addresses the risks of hydraulic fracturing, one extraction technique that could potentially be used. The risks considered include potential impacts to usable water, seismic hazards, landslides, and spills. The discussion concludes, “The intensity, and likelihood, of potential impacts to public health and safety, and to the quality of usable water aquifers is directly related to proximity of the proposed action to domestic and/or community water supplies (wells, reservoirs, lakes, rivers, etc.) and/or agricultural developments. The potential impacts are also dependent on the extent of the production well’s capture zone and well integrity. Nevada’s Standard Lease Stipulations and Lease Notices specify that oil and gas development is generally restricted within 500 feet of riparian habitats and wetlands, perennial water sources (rivers, springs, water wells, etc.) and/or floodplains. Intensity of impact is likely dependent on the density of development.” The intensity and likelihood of impacts are low in this case because no domestic or community water supplies are near the proposed lease parcels; agricultural developments are widely distributed; the new stipulations restrict impacts within 500 feet of the water resources named; and development would be of low density, based on the RFD scenario.

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.

No park lands, prime farmlands, congressionally designated wilderness areas, or wild and scenic rivers are on or near the lease parcels. Unique characteristics present within the project area are primarily historic and cultural resources and wetlands. These characteristics have been found not to be adversely affected by the Additional Resource Protection Alternative with stipulations and lease notices attached to the parcels. The proposed action and alternatives are designed to offer lease parcels for sale, and would not have an effect on wetlands or cultural resources at the lease sale or lease issuance stage. If the leases enter into a development stage, wetlands and cultural resources would be further addressed through additional project- and site-specific NEPA analysis.

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

There is not a substantial dispute within federal agencies, State of Nevada government agencies, or the scientific community as to the effects of oil and gas leasing and development in Nevada, specifically. Nevada’s oil and gas industry is different in many ways from that of other producing states, and has not experienced the same environmental issues as other states encounter.

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

At the leasing stage, there are no known direct, indirect, or cumulative effects identified in the EA that are considered uncertain or involve unique or unknown risks, as demonstrated through the analysis. Parcels with environmentally sensitive areas were identified and stipulations were attached to those parcels to address the specific risks associated with them. If and when specific exploration or development operations are proposed, additional project and site specific environmental analysis would be conducted and impacts would be evaluated. If the evaluation were to indicate that environmental impacts would be unacceptable, either the project would be modified, or additional mitigation would be required as conditions of approval, or the proposal could be denied to prevent unnecessary and undue degradation.

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.

The action will not establish a precedent or represent a decision in principle about a future consideration. Approving the lease sale would not establish a precedent for other oil and gas competitive lease sales of similar size or scope. Any future leasing and associated lease operations within the BMD would be analyzed on their own merits and implemented, or not, independently of the actions currently selected.

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

Past, present, and reasonably foreseeable future actions, with potential to have effects that would overlap in time or space with those of the analyzed alternatives, were considered in the cumulative impacts analysis as part of the EA. The cumulative impacts analysis examined all such actions and determined that the alternative selected would not contribute incrementally to significant impacts. Also, for any related actions that might be proposed in the future, further environmental analysis – including assessment of cumulative impacts – would be required prior to authorization.

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.

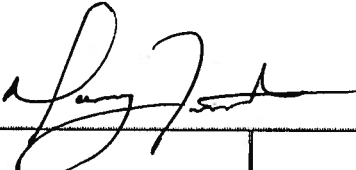
The action of leasing the proposed parcels would have no direct effect on cultural resources listed in or eligible for the NRHP. At the time that an application for a specific project on a leased parcel is received, additional site-specific, project-specific analysis would be conducted and appropriate conditions of approval would be applied to eliminate or minimize any risk to such resources. The Lease Notice for cultural resources in general, attached to all parcels, serve to alert potential lessees and future BLM decision-makers of the need to address effects to these resources; and the Lease Notice for National Historic Trails attached to the parcel that contains a segment of the Pony Express Trail specifically alerts them to the need to protect this resource.

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.

Based on analysis conducted by the BLM wildlife biologist with input from USFWS and NDOW, I find that there will be no significant impacts to threatened or endangered species or their habitat as a result of the lease sale. If and when oil and gas activities are proposed, the Lease Notice addressing such species would alert prospective operators that they are required to survey for and protect any threatened, endangered, or special status species present in the proposed area of operations.

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

The proposed action does not violate any known Federal, State, or local law or requirement imposed for the protection of the environment. In addition, the proposed action is consistent with applicable land management plans, policies and programs.

Signed: 

[Name] DOUGLAS W. FURTADO		[Date] 6/6/17
[Position] DISTRICT MANAGER		