

**U.S. Department of the Interior  
Bureau of Land Management  
Miles City Field Office  
111 Garryowen Road  
Miles City, MT 59301**

**Decision Record and Leasing Recommendation  
Environmental Assessment DOI-BLM-MT-C020-2010-0249-EA**

**Decision:**

It is my decision to implement Alternative B (the Proposed Action) as identified in the Miles City Field Office (FO) Oil and Gas Leasing Environmental Assessment (EA), DOI-BLM-MT-C020-2010-0249-EA, in which 82 parcels, in whole or part, would be offered and issued for lease, containing a total of 61,938.90 acres of federal minerals administered by the BLM. It is also my decision to defer 25 lease parcels, in whole, containing a total of 20,925.56 acres of federal minerals administered by BLM. The decision to lift or maintain suspensions is addressed in a separate decision record.

**Authorities:**

The authority for this decision is contained in 43 CFR 3100.

**Compliance and Monitoring:**

Should the parcels be developed, monitoring may be required and would be addressed and analyzed under future NEPA documentation.

**Terms, Conditions, and Stipulations:**

For all parcels, standard terms and conditions, as well as the lease notices and stipulations identified by parcel in Appendix A of the EA, would apply and be attached to the lease parcel(s).

**Plan Conformance and Consistency:**

The proposed action and alternatives have been reviewed and found to be in conformance with the land use decisions described in the Big Dry Resource Management Plan (RMP) and accompanying Environmental Impact Statement (EIS) (April 1996) and the Powder River RMP/EIS (March 1985), as amended (1994 Oil and Gas RMP/EIS Amendment; 2003 Final Statewide Oil and Gas EIS and proposed Amendment of the Powder River and Billings RMPs; and the 2008 Final Supplement to the Montana Statewide Oil and Gas EIS and Proposed Amendment of the Powder River and Billings RMPs).

**Alternatives Considered:**

Alternative A – No Action. The No Action Alternative would exclude 107 lease parcels from the lease sale. The No Action Alternative also addressed maintaining suspensions on 24 leases, which would be subject to cancellation. Surface management would remain the same and ongoing oil and gas development would continue on surrounding federal, private, and state leases.

Alternative B – Proposed Action. The proposed action would be to offer and issue 82 lease parcels, in whole or part, and to defer 25 lease parcels from the upcoming lease sale. The lease parcels are located within the Miles City FO and are dispersed across the following counties: Treasure, Rosebud, Powder River, Fallon, Carter, Wibaux, Dawson and Richland, and Prairie counties. Standard terms and conditions, as well as stipulations identified in Appendix A of the EA would apply. The Proposed Action also addressed lifting suspensions on 23 leases and to maintaining one (1) lease in suspension.

**Public Comments:**

On August 12, 2010, this EA, along with seven other oil and gas leasing EAs in Montana/Dakotas, were made available for a 30-day public comment period. A total of 131 written submissions were received after the 30-day comment period, which resulted in 79 individually-coded substantive comments. With the exception of some parcel-specific and/or EA-specific comments and issues, most of the comments applied to all eight EAs. After review and consideration of the substantive comments, some modifications were made to the analysis and are denoted with gray-scale shading and/or strikeout in the updated EA. Refer to Chapter 5 of the updated EA for a summary of substantive comments and changes made to the EA.

On October 22, 2010, the Bureau of Land Management provided notice that 223 parcels of land (149,996.962 acres) would be offered in a competitive oil and gas lease sale on December 9, 2010; this lease sale notice initiated a 30-day protest period for the lease sale. Two protests were received. The first protest was submitted by Crowley Fleck Attorneys to the inclusion of Parcel Number 12-10-27, located within the Butte Field Office, which was deferred from the lease sale to allow for further review. The second protest was submitted by the Montana Environmental Information Center, Earthworks' Oil and Gas Accountability Project, and WildEarth Guardians and protested the inclusion of all 223 parcels in the lease sale. Based on a detailed review and consideration of the issues raised, the BLM provided responses to the issues raised and denied the protest to the parcels offered at the December 9, 2010 oil and gas lease sale.

**Rationale for the Decision:**

The decision to approve Alternative B, the proposed action, is based on the following: 1) consistency with resource management and land use plans; 2) national policy; 3) agency statutory requirements; 4) relevant resource issues; and 5) application of measures to avoid or minimize environmental impacts. Alternative B has been chosen as the preferred alternative.

1. The decision is in conformance with the Big Dry RMP and accompanying EIS (April 1996) and the Powder River RMP/EIS (March 1985), as amended (1994 Oil and Gas RMP/EIS Amendment; 2003 Final Statewide Oil and Gas EIS and proposed Amendment of the Powder River and Billings RMPs; and the 2008 Final Supplement to the Montana Statewide Oil and Gas EIS and Proposed Amendment of the Powder River and Billings RMPs).

2. It is the policy of the Bureau of Land Management (BLM) as derived from various laws, including the Mineral Leasing Act of 1920, as amended [30 U.S.C. 181 *et seq.*] and the Federal Land Policy and Management Act of 1976, to make mineral resources available for disposal and to encourage development of mineral resources to meet national, regional, and local needs.
3. The decision is consistent with all federal, state, and county authorizing actions required for implementation of the Proposed Action.
4. Standard terms and conditions as well as special stipulations would apply. Lease stipulations (as required by Title 43 Code of Federal Regulations 3101.1-3) were added to each parcel as identified by the Miles City FO to address site specific resource concerns or new information not identified in the planning process.

Recommended by:



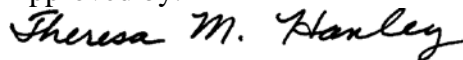
Deborah K. Johnson, Field Manager  
December 27, 2010

Concurrence by:



M. Elaine Raper, District Manager  
December 27, 2010

Approved by:



Theresa M. Hanley, Deputy State Director, Division of Resources  
December 27, 2010