

United States Department of the Interior



BUREAU OF LAND MANAGEMENT Nevada State Office 1340 Financial Boulevard Reno, Nevada 89502-7147 http://www.blm.gov/nevada

DEC 2 0 2019

In Reply Refer To: 3100 (NV920)

CERTIFIED MAIL 91 7199 9991 7039 9487 4137

DECISION

Sierra Club Christian F. Gerlach 3828 Meadows Lane Las Vegas, NV 89107

: Protest of Parcels in the : November 12, 2019

: Competitive Oil and Gas Lease Sale

List of Individuals Attached:

Protest Dismissed Parcels Offered For Sale

On October 7, 2019, the Bureau of Land Management (BLM), Nevada State Office (NVSO), timely received a protest¹ from the Sierra Club, et al (SC), which protested all of the 263 parcels scheduled to be offered at the November 12, 2019 Competitive Oil and Gas Lease Sale (the Sale) as analyzed in the Ely District Office's (EYDO) Environmental Assessment (EA), DOI-BLM-NV-L000-2019-0004-EA and FONSI.² The SC protest package included 83 form letters from individuals, a resolution by the City of Mesquite, a resolution by the Moapa Band of Paiutes, and a comment letter from the National Park Service dated February 14, 2019.

BACKGROUND

The BLM posted the Sale Notice on September 13, 2019 offering 263 parcels for the November 2019 Lease Sale, subsequently reduced to 48 parcels in errata. The 263 nominated parcels included land in Federal mineral estate located in the BLM Nevada's Ely District Office. After the NVSO completed preliminary adjudication³ of the nominated parcels, the NVSO screened

¹ The protest is posted on the BLM website, located at: https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/regional-lease-sales/nevada

² The EA and FONSI are posted to the BLM's ePlanning website with links to the documents located at: https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/regional-lease-sales/nevada

³ Preliminary adjudication is the first stage of analysis of nominated lands conducted by the State Office to prepare preliminary sale parcels for District/Field Office review. During preliminary adjudication, the State Office confirms availability of nominated lands for leasing pursuant to 30 U.S.C. § 181 et seq., 43 CFR 3100 et seq., and BLM policies. Once the State Office completes preliminary adjudication, it consolidates the nominated land available for

each parcel to determine compliance with national and state BLM policies, including BLM's efforts related to the management of Greater Sage Grouse on public lands.

On May 3, 2019, the NVSO sent a preliminary parcel list to the EYDO for review. This interdisciplinary parcel review included internal scoping by a team of BLM specialists, review of GIS data, satellite imagery and other previously collected wildlife, habitat and other resource data, field visits to nominated parcels (where appropriate), review for conformance with the Land Use Plans, and preparation of an EA documenting National Environmental Policy Act (NEPA) compliance. ⁴

The EA tiered to the existing Land Use Plans (LUP),⁵ in accordance with the BLM's NEPA Handbook, H-1790-1, and with the Code of Federal Regulations (CFR) at 40 CFR 1502.20:

Agencies are encouraged to tier their environmental impact statements to eliminate repetitive discussions of the same issues and to focus on the actual issues ripe for decision at each level of environmental review . . . the subsequent . . . environmental assessment need only summarize the issues discussed in the broader statement and incorporate discussions from the broader statement by reference and shall concentrate on the issues specific to the subsequent action.

The federal action, an oil and gas lease sale, is not a planning level action making resource allocation decisions (which are analyzed in a Resource Management Plan NEPA document), nor a specific implementation action (e.g., a permit to drill, analyzed in a site specific NEPA document). The federal action is to conduct an oil and gas lease sale and is supported by its own or existing NEPA documents.

The purpose for the federal action is to provide opportunities for private individuals or oil and gas companies with new areas to explore and potentially develop. Leasing is authorized under the Mineral Leasing Act of 1920 (MLA), as amended and modified by subsequent legislation, and regulations found at 43 CFR part 3100. Oil and gas leasing is recognized as an acceptable use of public lands under FLPMA. BLM authority for leasing public mineral estate for the development of energy resources, including oil and gas, is described in 43 CFR 3160.0-3.

The need for the proposed action is to respond to the nomination of parcels by Expressions of Interest (EOIs) for leasing, consistent with the BLM's responsibility under the Mineral Leasing Act, as amended, to promote the development of oil and gas on the public domain. The public, BLM, or other agencies may nominate parcels for leasing. The BLM is required by law to consider leasing of areas that have been nominated for lease if leasing is in conformance with the applicable BLM land use plan, FLPMA, and other applicable laws, regulations, and policies. Offering parcels for competitive oil and gas leasing provides for the orderly development of fluid mineral resources under BLM's jurisdiction in a manner consistent with multiple use

leasing into a preliminary parcel list to send to the District/Field Office for National Environmental Policy Act (NEPA) analysis and leasing recommendations.

⁴ See BLM, H-1601-1, Land Use Planning Handbook, (Mar. 2005) (p. 42): "after the RMP is approved, any authorizations and management actions approved based on an activity-level or project-specific EIS (or EA) must be specifically provided for in the RMP or be consistent with the terms, conditions, and decisions in the approved RMP." See also 43 CFR 1610.5-3.

⁵ The EA is in conformance with the Ely District Resource Management Plan, approved in August 2008, its associated Record of Decision, and all subsequent applicable amendments.

⁶ See BLM, H-1624-1, Planning for Fluid Minerals Handbook, (Feb. 2018)

management and consideration of the natural and cultural resources that may be present. This requires that adequate provisions are included with the leases to protect public health and safety and assure full compliance with the spirit and objectives of NEPA and other federal environmental laws and regulations.

The EA considered two (2) alternatives:

- The "Proposed Action" alternative, which included offering all nominated parcels that were sent for review, with stipulations from the existing RMPs.
- The "No Action" alternative, which considered rejecting all parcels nominated for the lease sale. This alternative is included as a baseline for assessing and comparing potential impacts.

The EA analyzed the proposed action and no action alternatives. These alternatives provided a spectrum of effects for analysis and comparison, ranging from no parcels offered to offering all nominated parcels. Additional alternatives were proposed in internal scoping and public comments; however, they were not carried forward for further analysis as they would not provide a basis for evaluation of effects not encompassed by the analyzed range of alternatives. The additional proposed alternatives did not meet the Purpose and Need for the federal action and were not in compliance with BLM policy regarding the Land Use Planning process and the Oil and Gas leasing process. These alternatives were discussed in the EA in Public Involvement, Public Comments and Responses, and Alternatives sections.

On September 13, 2019, the NVSO published a *Notice of Competitive Oil and Gas Internet Lease Sale for November 12, 2019*⁷ (Notice), resulting in a total of 263 parcels offered for lease. This protest challenges the Sale, EYDO EA and FONSI, and all of the 263 parcels described in the Notice. To comply with the Preliminary Injunction (PI) in Western Watersheds Project et al. v. Schneider et al. dated October 16, 2019 (Case No. 1:16-CV-83-BLW), all 165 parcels in Greater Sage-Grouse habitat scheduled to be offered at the November 12, 2019 sale have been deferred for further analysis. An additional 50 parcels have been deferred from the Sale for other resource concerns. Therefore this Decision addresses the remaining 48 parcels and the Sierra Club's protest of them.

ISSUES

The SC protest generally alleges that the BLM failed to comply with the NEPA 42 U.S.C. § 4321 et seq., and the Federal Land Policy and Management Act of 1976 (FLPMA), 43 U.S.C. § 1701 et seq. The following addresses SC's protest related to the Sale.

The BLM has reviewed SC's protest in its entirety; the substantive protests are numbered and provided in bold with BLM responses following.

⁷ The Notice contains a memorandum of general sale information, the final parcel list, and the final stipulations.

⁸ The November 2019 Competitive Oil and Gas Lease Sale Protests and Protest Decisions are posted on the BLM website, located at: https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/regional-lease-sales/nevada

A. SC generally alleges that the November 2019 Competitive Oil and Gas Lease Sale threatens established US Fish and Wildlife Service critical habitat of the threatened desert tortoise, the Moorman White River Springfish, and wildlife migration corridors.

BLM Response:

The BLM did consider all of the threatened and endangered species known to be present on the parcels as well as BLM special status species lists for plants and animals in the EA. Critical habitat only applies to threatened and endangered species listed by USFWS under the Endangered Species Act (ESA), which does not currently apply to the Moorman White River Springfish. The BLM notified the USFWS of the parcels in the proposed lease sale during internal scoping and corresponded with USFWS biologists to address any concerns. The BLM previously consulted with the USFWS regarding listed species in the EYDO, in accordance with the ESA in developing the Land Use Plans, Stipulations, and Lease Notices to be applied to parcels in the district, receiving a Biological Opinion. Additionally, all BLM oil and gas lease sale proposals are reviewed by NDOW to assist BLM in evaluating how development of parcels may affect wildlife species in Nevada and help ensure appropriate wildlife protection lease stipulations are applied to each parcel, including mule deer, bighorn sheep and greater saggrouse (see Appendix D). A timing limit stipulation (#NV-L-06-TL) and lease notice (#NV-L-06P-LN) have also been attached to any parcel overlapping desert tortoise critical habitat.

The BLM reinitiated formal Section 7 consultation in the EYDO in 2017, which resulted in the USFWS issuing a Programmatic Biological Opinion (BO) for additional Threatened and Endangered species not covered in the RMP BO and specifically addressing the impacts on all known threatened and endangered species present in the EYDO from oil and gas leasing, exploration, and development including hydraulic fracturing. The EA, which tiers to the RMP and FEIS, states that the BLM can take actions to protect critical habitat for threatened and endangered species and BLM sensitive species up to but no including the approval of actions if the action will jeopardize the species (jeopardy). A lease notice (#NV-L-00-A-LN) was attached to all parcels to serve the lessee with notice that the lease and any future activities proposed on it are subject to the ESA, and any attendant requirements for additional scrutiny, surveys, and potential mitigation to protect the specie(s) and or the specie's habitat. Stipulations and lease notices, like this one, serve a vital role at the leasing stage by putting the BLM, lessee, and the public on notice that developing this lease may be difficult and may require additional mitigation and conformance, or may result in the denial of development as proposed on the lease.

Additionally, potential impacts to surface and ground water quantity, quality, and the fish and wildlife that rely on those water resources, are addressed in the EA and in the Hydraulic Fracturing Technology Paper to the extent possible at the leasing stage. In response to public comments received, 10 parcels that overlap Huntington Creek were deferred to a future sale to provide sufficient time to perform additional analysis, develop CSU stipulations, and allow for a public 30-day review and comment period on any proposed CSU stipulations for surface and groundwater. Once lease development is proposed, the direct and other effects of the development project will be addressed and site-specific NEPA will be conducted to address any water resource issues and potential impacts specific to the site not addressed at the leasing stage. Furthermore, these activities would be subject to Best Management Practices (BMPs), state and federal regulations, and Conditions of Approval. If exploration and development are proposed that may affect Threatened and Endangered Species known to be present on specific parcels, consultation with USFWS will be reinitiated as needed.

Therefore, the above SC protest has been considered, found to be without merit and is dismissed.

B. SC generally alleges that BLM's oil and gas leasing program is not a good return on investment as compared to Nevada's outdoor economy and that the BLM should be working to maintain our natural resources instead.

BLM Response:

The BLM recognizes that economic activity associated with tourism and recreation can be an important contribution to local communities and their economies. The level of inconvenience would depend on the activity affected, traffic patterns within the area, noise levels, the length of time and season in which these activities occurred, and other factors. Multiple use management continues on leased lands. Leasing does not preclude other uses, such as outdoor recreation, wildlife habitat management, renewable energy development, exploration for other minerals, etc. Any subsequent oil and gas development activities would be subject to all applicable Federal, State, and local laws and regulations including the Clean Air Act, Clean Water Act, Safe Drinking Water Act, Endangered Species Act, Hazardous Waste regulations, and OSHA regulations. Potential resource conflicts are addressed by stipulations and lease notices and by additional project and site-specific NEPA analysis when a project is proposed.

BLM's Purpose and Need as stated in section 1.2 of the EA is derived from the requirements of the Mineral Leasing Act of 1920 (MLA, 30 U.S.C. 181 et seq.), as amended, that the BLM consider leasing of nominated areas if in conformance with the applicable land use plan. The proposed lease sale is in conformance with the Ely District RMP, as amended. The Purpose and Need is consistent with the BLM's responsibility under the Mineral Leasing Act (MLA), as amended, to promote the development of oil and gas on the public domain by responding to properly submitted Expressions of Interest (EOIs). Parcels may be nominated by the public, the BLM, or other agencies. The MLA establishes that deposits of oil and gas owned by the United States are subject to disposition in the form and manner provided by the MLA under the rules and regulations prescribed by the Secretary of the Interior, where consistent with land use planning, FLPMA, and other applicable laws, regulations, and policies.

Therefore, the above SC protest has been considered, found to be without merit and is dismissed.

C. SC generally states that the BLM should develop Nevada's solar, wind, and geothermal energy resources instead of developing oil and gas resources.

BLM Response:

The BLM appreciates SC's comments and opinion on halting oil and gas resource development and developing Nevada's solar, wind, and geothermal energy resources instead. This request is outside the scope of the proposed action. Therefore, the above SC comment has been considered, found to be without merit and is dismissed.

DECISION

To the extent that SC has raised any allegations not specifically discussed herein, they have been considered in the context of the above response and are found to be without merit. For this

reason, and for those previously discussed, SC's protest of the Sale, EA, and FONSI is dismissed and 48 parcels were offered for sale on November 12, 2019.

APPEAL INFORMATION

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and Form 1842-1 (enclosed). If an appeal is taken, a notice of appeal and/or request for stay must be filed in writing, on paper, in this office, either by mail or personal delivery within 30 days after the date of service. Notices of appeal and/or request for stay that are electronically transmitted (e.g., email, facsimile, or social media) will not be accepted as timely filed. The notice of appeal is considered filed as of the date our office receives the hard copy and places our BLM date stamp on the document.

If you wish to file a petition pursuant to regulation 43 CFR 4.21 (58 FR 4939, January 19, 1993) (request) for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- (1) The relative harm to the parties if the stay is granted or denied,
- (2) The likelihood of the appellant's success on the merits,
- (3) The likelihood of immediate and irreparable harm if the stay is not granted, and
- (4) Whether the public interest favors granting the stay.

If you have any questions regarding this decision, please contact Brian C. Amme, Deputy State Director, Minerals Division, at (775) 861-6585.

Jon K. Raby

State Director

Enclosure:

1- Form 1842-1

cc: Attached List

cc (electronic):

WO310

NVL0000

NVL0100 NVL0300

NV0920 (B. Amme)

NV0922 (K. Anderson, F. Kaminer, J. Menghini, J. Estrella)

bcc: Erica Niebauer, Office of the Solicitor, Pacific Southwest Region,

2800 Cottage Way, Room E-1712, Sacramento, California, 95825

Lease Sale Book November 2019

Reading File: NV-922

| First Name | Last Name | Address | City | State | Zip Code |
|------------|---------------|---------------------------------------|-----------------|-------|----------|
| Jim | Boone | 3112 Ivory Coast Dr. | Las Vegas | NV | 89117 |
| James | Katzen | 3240 Medicine Man Way | Las Vegas | NV | 89169 |
| Maurice | Friedman | 4008 N. Decatur Blvd. | Las Vegas | NV | 89130 |
| Justin | McAffee | 2426 Quiet Ode Street | Henderson | NV | 89044 |
| Shannon | Salter | 1632 E. Saint Louis Ave., #4 | Las Vegas | NV | 89104 |
| Mary Jane | Contreras | 2760 Trickling Brook Ct | Las Vegas | NV | 89156 |
| Janalee | Vaseur | 7437 Fencerow Street | Las Vegas | NV | 89131 |
| Nathan | McDonald | 461 Trenier Dr | Henderson | NV | 89002 |
| Megan | Pina | 7329 Zion Falls Street | Las Vegas | NV | 89131 |
| Trisha | Santos | 6644 Topley Pike Avenue | Las Vegas | NV | 89139 |
| Lynn | Nguyen | 4765 Gym Road | Las Vegas | NV | 89119 |
| Robert | Rigney | 4770 Gym Road | Las Vegas | NV | 89119 |
| Daisy | Cortes | 3200 Brady Avenue | Las Vegas | NV | 89101 |
| Fatima | Ortiz | 6746 Ledgewood Drive | Las Vegas | NV | 89103 |
| Maritiza | Menjivar | 3819 Haddock Avenue | Las Vegas | NV | 89115 |
| Milica | Tunguz | 6534 Alpine Mist Street | Las Vegas | NV | 89148 |
| Aaron | Oliva | 7736 Villa Andrade Avenue | Las Vegas | NV | 89131 |
| Amya | White-Lambert | 8800 Saint Cloud Court | Las Vegas | NV | 89143 |
| Sophie | Foster | 7412 Shallow Glen Court | Las Vegas | NV | 89129 |
| Toni | Pinto | 4770 Gym Road | Las Vegas | NV | 89119 |
| Elliasa | Puno | 4765 Gym Drive | Las Vegas | NV | 89119 |
| Alexander | Konrad | 1780 Baja Lane | Henderson | NV | 89012 |
| Stephanie | Uribe | 3417 West Delhi Avenue | North Las Vegas | NV | 89031 |
| Tamra | King | 4381 Lone Ranch Avenue | Las Vegas | NV | 89131 |
| Jaron | Vanderlaan | 3510 East Oreana Avenue | Las Vegas | NV | 89120 |
| Hunter | Bulla | 8348 Celina Hills Street | Las Vegas | NV | 89131 |
| Donte | MacPherson | 7457 Lassen Peak Circle | Las Vegas | NV | 89149 |
| Beatriz | Avila-Marquez | 6683 Apollos Gate Court | Las Vegas | NV | 89142 |
| Carmen | Avila-Marquez | 6683 Apollos Gate Court | Las Vegas | NV | 89142 |
| Clarissa | O'Neil | 10323 Copalito Drive | Las Vegas | NV | 89178 |
| Jasmine | Donnett | 875 South Silverado Ranch Blvd, #2179 | Las Vegas | NV | 89183 |
| Prosper | Nasuwa | 5353 West Desert Inn Road, #1128 | Las Vegas | NV | 89146 |
| Sean | Wiggins | 505 Sunrise Villa Drive | Las Vegas | NV | 89110 |
| Jorge | Aceves | 4995 Midnight Oil Drive | Las Vegas | NV | 89112 |
| Alexis | Charbonneau | 1050 Whitney Ranch Drive | Henderson | NV | 89014 |
| Ana | Ortega | 6941 Manistee Court | Las Vegas | NV | 89108 |
| Keyana | Wilfred | 50576 CR #15 | Spring Creek | NE | 69357 |
| Brandon | Rosales | 1165 Maple Pines Avenue | North Las Vegas | NV | 89081 |
| Savannah | Huff | I 1B Putnam Court | South Las Vegas | NV | 89115 |
| Karyme | Pulido | 6505 Ruby Red Circle | Las Vegas | NV | 89108 |
| Natalie | Guillen | 3100 Kaibab Avenue | Las Vegas | NV | 89101 |

| Jeomar | Tapiceria | 4700 Kay Place | Las Vegas | NV | 89107 |
|----------------|-----------|----------------------------|-----------------|----|-------|
| Daniel | Saravia | 4850 Fairfax Avenue | Las Vegas | NV | 89120 |
| Catrina | Spadino | 566 Smithridge Park | Reno | NV | 89511 |
| Salwan | Yousif | 6939 Yellow Cosmos Avenue | Las Vegas | NV | 89130 |
| Cameron-Philip | Moresca | 7770 Gym Road | Las Vegas | NV | 89119 |
| Alexander | Acosta | 101 Morrestown Avenue | Las Vegas | NV | 89149 |
| Calista | Fondoulis | 4765 Gym Road | Las Vegas | NV | 89119 |
| Jamiyah | Hughes | 8103 Bluff View Lane | Corona | CA | 92880 |
| Tylo | Reyes | 230 Valerian Street | Henderson | NV | 89015 |
| Nina | Marrufo | 1917 Empoli Court | Las Vegas | NV | 89134 |
| Daniela | Ferrer | 6997 Pleasant View Avenue | Las Vegas | NV | 89147 |
| Sho | Hampton | 271 East Gowan Road | North Las Vegas | NV | 89030 |
| Michael | Corsi | 9109 Starling Wing Place | Las Vegas | NV | 89143 |
| Daniela | Jimenez | 5003 Celebrity Circle | Las Vegas | NV | 89119 |
| Dylan | Jenkins | 2447 Antler Point Drive | Henderson | NV | 89074 |
| Daniel | Vallejo | 3809 Sage River Street | Las Vegas | NV | 89129 |
| Katelyn | Ragg | 10168 Millers Chase Road | Las Vegas | NV | 89183 |
| Selena | Caballero | 3446 Elegant Rose Street | Las Vegas | NV | 89117 |
| Carina | Guerrero | 885 Navajo Lane | Las Vegas | NV | 89110 |
| Colleen | Narayan | 6650 East Ressel Road | Las Vegas | NV | 89019 |
| Jacques | Martinez | 633 Del Giorno Street | Las Vegas | NV | 89138 |
| Mariah | Hilton | 4765 Gym Road | Las Vegas | NV | 89119 |
| Lori | Handelman | 5419 West Tropicana Avenue | Las Vegas | NV | 89103 |
| Josephine | Canfield | 8765 Glennaire Way | Las Vegas | NV | 89123 |
| Anastasia | Hunsberry | 8367 Drop Camp Street | Las Vegas | NV | 89123 |
| Steven | Salem | 9679 Swaying Elms Court | Las Vegas | NV | 89147 |
| Melannie | Martinez | 3032 Arrowhead Street | North Las Vegas | NV | 89030 |
| Nuhamen | Tefera | 6839 Scarlet Flax Street | Las Vegas | NV | 89148 |
| Brenda | Contreras | 2585 Coral Sky Court | Las Vegas | NV | 89142 |
| Jessica | Kurihara | 1826 Dawn Ridge Avenue | Henderson | NV | 89074 |
| Melissa | Giovanni | 3943 Zodiacal Light Street | Las Vegas | NV | 89129 |
| Felipe | Gonzalez | P.O. Box 19085 | Las Vegas | NV | 89132 |
| Yazmyn | Pelaez | 990 Painted Pony Drive | Henderson | NV | 89014 |
| Nichole | Benigas | 2108 Club Meadows Drive | Henderson | NV | 89074 |
| Alicia | Lopez | 2067 Capistrano Avenue | Las Vegas | NV | 89169 |
| Shayne | Dawma | 6215 Sun Seed Court | North Las Vegas | NV | 89081 |
| Vickie | Simmons | Box 340 | Моара | NV | 89025 |
| Lori | Kay | Box 340 | Moapa | NV | 89025 |