U.S. Department of the Interior

Bureau of Land Management

Finding of No Significant Impact DOI-BLM-NV-E000-2017-0017-EA Date

March 2018 Competitive Oil and Gas Lease Sale for the Elko District, Nevada

Location: BLM Nevada State Office

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Finding of No Significant Impact (FOSNI) Environmental Assessment No. DOI-BLM-NV-E000-2017-0017-EA March 2018 Competitive Oil and Gas Lease Sale for the Elko District, Nevada

Introduction

The Elko District Office (EDO) encompasses about 12.4 million acres, of which approximately 7.2 million acres are public lands managed by the BLM. The Bureau of Land Management (BLM) is considering offering up 38 parcels comprising about 67,311.79 acres of land in northeastern Nevada within the area administered by the EDO, in a state-wide competitive Oil and Gas Lease Sale to be held in March, 2018.

During the preliminary EA review process it was found that some of these lands contained wildlife, land status, or other resource conflicts (see Figure 1.1-1 of the EA). These conflicts will be resolved by the application of stipulations identified in Appendix B of the EA.

I have reviewed the EA, dated March 2018 and after consideration of the environmental effects of the BLM's Proposed Action and Defer Additional Parcels alternatives described in the EA and supporting documentation, I have determined that the Proposed Action Alternative with the project design specifications identified in the EA will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as described in 40 CFR 1508.27; therefore, preparation of an Environmental Impact Statement is not required as per section 102(2)(c) of the National Environmental Policy Act.

The Proposed Action Alternative was selected because it meets the purpose and need for action and results in the least amount of environmental impact. The Defer Additional Parcels was not selected because the parcels were not found to have specific Native American concerns, naturally occurring radioactivity concerns, nor spring snail concerns. The BLM Tribal liaison contacted tribal groups to identify traditional uses on the parcels. No traditional uses were identified that could not be mitigated.

I have reviewed the EA, dated March 2018 and after consideration of the environmental effects of the BLM's Proposed Action and alternatives described in the EA and supporting documentation, I have determined that the project design specifications identified in the EA will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as described in 40 CFR 1508.27; therefore, preparation of an Environmental Impact Statement is not required as per section 102(2)(c) of the National Environmental Policy Act.

Context

Interest was expressed in leasing parcels in the Elko District for the March 2018 Competitive Oil and Gas Lease Sale. A preliminary list of parcels was forwarded to the Elko District Office for environmental analysis.

While conducting the environmental analysis, the BLM Elko District Office identified parcels/or portions of the parcels did not have specific Native American concerns, naturally occurring radioactivity concerns, nor spring snail concerns. The BLM Tribal liaison contacted tribal groups to identify traditional uses on the parcels. No traditional uses were identified that could not be mitigated.

It is the Elko District recommendation to the State Director that resource protection stipulations identified in Appendix B of the EA be attached to the appropriate parcels. The standard terms and conditions as well as special stipulations would apply. These lease stipulations (as required by Title 43 CFR 3131.3) would be added to the 38 parcels, parcels to address site-specific concerns as identified in the environmental analysis and land use planning process.

Once the parcels are sold, the lessee has the right to use as much of the leased lands as is reasonably necessary to explore and drill for oil and gas within the lease boundaries, subject to the stipulations attached to the lease (Title 43 CFR 3101.1-2). However, prior to any surface disturbing activities, additional NEPA analysis is required.

Oil and gas leases are issued for a 10-year period and continue for as long thereafter as oil or gas is produced in paying quantities. If a lessee fails to produce oil or gas, does not make annual rental payments, does not comply with the terms and conditions of the lease, or relinquishes the lease; ownership of the minerals reverts back to the federal government and the lease can be resold.

Drilling of wells on a lease is not permitted until the lease owner or operator secures approval of a drilling permit and a surface use plan specified under Onshore Oil and Gas Orders, Notice to Lessee's (NTL's) listed in Title 43 CFR 3162.

All development activities proposed under the authority of these leases would be subject to compliance with the National Historic Preservation Act, Executive Order 13007, the Clean Water Act, the Clean Air Act, the Endangered Species Act, and all other applicable Federal, State, and local laws and regulations.

No additional mitigation measures are necessary at this time; however, if exploration or development of the lease is proposed in the future, additional NEPA review would be conducted and site-specific mitigation measures and Best Management Practices would be attached as Conditions of Approval for each proposed activity.

Approval of this project would allow the BLM to offer 38 parcels for lease under the Mineral Leasing Act of 1920 as amended and the Federal Onshore Oil and Gas Leasing Reform Act of 1987. The determining factors weighed by the BLM in reaching a finding of no significant impact are provided below:

- There are no major issues involved with the 38 parcels.
- There are no unique characteristics within the 38 parcels to be affected (e.g., parklands or prime or unique farmlands).
- There are no adverse impacts to endangered or threatened plant or animal species or their habitats.
- The leasing of the 38 parcels and its potential effects on the quality of the human environment are neither controversial nor do they involve unique or unknown results.
- The leasing of the 38 parcels is in conformance with all federal, state, and local laws and regulations.

Intensity

1) Impacts that may be both beneficial and adverse:

The proposed sale of parcels does not include any ground disturbing activities, such as exploration, development, or production of oil and gas resources. Although there is no ground disturbance associated with leasing public lands for oil and gas activities, the EA did provide a Reasonably Foreseeable Development scenario. As a result, the following resources were analyzed for indirect impacts: air quality, cultural resources, wildlife, special status species, water resources and water rights, socioeconomics, wetlands/riparian areas, noxious and invasive weeds, lands with wilderness characteristics, Native American religious and other concerns, soils, vegetative resources, and visual resources. There were no adverse impacts from the sale of the parcels.

Any money received from the lease sale and any future development and royalties would be shared with, and benefit the State of Nevada and Federal government.

2) The degree to which the Proposed Action Alternative affects public health or safety:

The Proposed Action would not affect public health or safety. If exploration drilling or other oil and gas related activities occur, it would be later analyzed in site-specific NEPA, authorized and conducted on the leased parcels.

3) <u>Unique characteristics of the geographic area such as proximity to historical or cultural resources, parks lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas:</u>

No parcels were identified within the proximity of the California National Historic Trail (main) and the Hasting's Cut-off.

Access construction, pad construction, well pad and facilities construction, and other infrastructure construction needed to develop parcels for operation and production may

affect wetland and riparian resources. With proper siting, adherence to best management practices and BLM stipulations this risk would be minimized.

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

The sale of the proposed lease parcels is not expected to be controversial. The preliminary EA was placed on the BLM NEPA Register website for 30 days for public review from October 18th until November 18, 2017. The BLM received two external comments from individual groups on the proposed action during the 30-day review period. Most comments expressed concerns about the age of the pertinent Resource Management Plan (RMP) and the age of resource reports for the Wells and Tuscarora resources. These concerns were outside the scope of this project.

Although the possibility of disturbing Native American gravesites within the area of the nominated parcels is low, inadvertent discovery procedures must be noted. Under the Native American Graves Protection and Repatriation Act, section (3)(d)(1), it states that the discovering individual must notify the land manager (Jill Silvey, District Manager, 3900 East Idaho Street, Elko, Nevada, 89801) in writing of such a discovery. If the discovery occurs in connection with an authorized use, the activity which caused the discovery is to cease and the site and materials are to be protected until the land manager can respond to the situation.

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

Possible effects on the human environment would not be significant based on the reasonably foreseeable development scenario for the EA. Effects of leasing parcels of public lands are well understood and the science is clear.

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 proposed action will not establish a precedent for future actions with significant effects or represent a decision about future consideration. Completion of the sale does not establish a precedent for other oil and gas competitive lease sales of similar size or scope. Any future leasing within the project area or in surrounding areas will be analyzed on their own merits and implemented, or not, independent 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 have been considered in the cumulative impacts analysis within the EA. In addition, for any actions that might be proposed in the future, further environmental analysis, including assessment of cumulative impacts, would be required prior to surface disturbing activities

8) The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing on the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historic resources:

When an Exploration Permit or Application for Permit to Drill is received, additional project and site-specific analysis and mitigation will minimize any risk to districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places.

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 Endangered Species Act of 1973:

Any proposed activity which may require additional Section 7 consultation would occur at the time of permit processing for exploration or development in any area that may have T&E species or habitat to determine if the action may adversely affect any T&E species.

10) Whether the action threatens a violation of federal, state, local, or tribal law or requirements imposed for the protection of the environment:

The Proposed Action will not violate or threaten to violate any federal, state, local, or tribal law or requirement imposed for the protection of the environment

Jill C. Silvey

Manager, Elles District

Date