Colorado NTL-89-1

UNITED STATES DEPARTMENT OF THE INTERIOR

COLORADO BUREAU OF LAND MANAGEMENT

Notice to Lessee/Operators of Federal Onshore Oil and Gas Leases

Within the Jurisdiction of the Colorado State Office

NTL-CO-89-1

Changes in Lease Operations Due to the Federal Onshore Oil and Gas Leasing Reform Act of 1987

This notice is to inform lessee/operators of the Bureau of Land Management (BLM) requirements that have been

developed in response to paragraph (d) "Notice of Reclamation of the Federal Onshore Oil and Gas Leasing Reform

Act of 1987 (herein referred to as the Leasing Reform Act).

Regulations were issued to implement the Leasing Reform Act in the Federal Register June 17, 1988. Paragraph (d) of

the Act provides for (1) notification of the public at least 30 days before approving applications for permits to drill

(APD), (2) 30-day public notice of any substantial modifications of lease terms, including stipulations issued with the

lease, (3) posting of information/modification in BLM offices, and the Surface Management Agency (SMA) offices for

federal leases located under the jurisdiction of SMA other than BLM, and (4) approval of surface use plans by the

Forest Service (FS) for those surface operations on Forest lands.

Outlined below are the procedures that will be followed for each land category for which an application is submitted.

1. BLM Administered Surface

Whenever an application for permit to drill/notice of staking (APD/NOS) is received and/or whenever substantially

modifying lease terms for lands with BLM surface-federal minerals, the $\mbox{APD/NOS}$ information, and/or lease term

modification(s), shall be posted in the appropriate BLM area office and the BLM approving office (if they are

separately located). The following information will be posted for public inspection.

- a. company/operator name
- b. Well name/number
- c. Well location (described to the nearest quarter, quarter section)
- d. A map showing the location of the site will also be provided upon request.

Items a. through c. and the name of the appropriate BLM/FS approving offices will also be posted in the

Public Room at the BLM Colorado State Office and on the Colorado Oil and Gas Operations Homepage.

The BLM approving office is the office of record and that is where the 30 days of public notice will be

recorded. Operators should submit APDs to the approving office as in the past. It will be the responsibility

of the BLM to insure public notice coordination with other offices.

If the lease terms must be substantially modified as a result of an application or for any other reason, a

separate public notice of the modification will be posted for 30 days. This notice will begin as of the date

the authorized officer (AO) makes the determination to modify the lease term. Operators are cautioned to

contact the approving BLM office as early as possible if they believe a lease term relevant to their operation

needs modification. Clarification of "substantially modified" may be obtained from the approving office and

from the Resource Management Plan for the area in which the lease is located (also see 43 CFR 3101.1-4).

Resource Management Plans should be consulted for additional information about leasing stipulations,

environmental impacts and plans for other resources in the lease area.

All other procedures will be as provided for in Onshore Oil and Gas Order Number 1.

2. FS Administered Surface

When an application is for lands administered by the FS, the public must be given 30 days notice by the FS

approving office as well as the BLM. (The BLM approves the overall APD and the ${\sf FS}$ approves the surface

use plan). The 30 days of public notice will end with the last completed 30-

day period, whether that be at

either the BLM or FS approving office. In most cases, the public notice periods will run concurrently.

When the lease terms must be modified, the public will be given 30 days notice of such modifications (see

details in section 1 above). The modification(s) must be posted by the approving office(s). The APD may

not be approved until the modification(s) has been posted for public notice for the full 30 days.

When applications are received for federal leases located on lands under the jurisdiction of the FS the

information/modification(s) shall be posted, as outlined above, in both the BLM approving office and in the

FS office approving the surface-use plan. In order to expedite this process, information/modification(s) will

be telephoned upon receipt by the BLM to the FS for immediate posting. The BLM will also immediately

forward copies of the surface-use plan (13-point plan section of the APD) and the drilling program, with all

proprietary information deleted, to the appropriate FS office by the fastest means. An operator may submit

an appropriate copy directly to the FS, as well as copies to the BLM, to assure timely posting of the public

notice. The FS will coordinate the onsite inspection and, as necessary, incorporate surface mitigation

measures into the approval of the surface-use plan of operations. The BLM will continue to have input at

onsite inspections to mitigate drilling concerns (e.g., pad layout for drilling into H2S zones, pit volumes for

well control, etc.). A decision letter approving or denying the surface-use plan of operations will be issued

by the FS. This decision will be sent to the appropriate BLM office by the FS and worded such that it

becomes effective upon the date the rest of the APD is approved or denied.

After receipt of the decision and

provided the posting requirements have been met, the drilling program may be approved or denied by the

BLM and the entire APD returned to the applicant. In most cases, the timeframes specified in Onshore

Order No. 1 should be met except where public notice requirements conflict.

The FS will only inspect for and enforce those requirements of their surface use plan (i.e., access roads,

water bars, etc.). The BLM will inspect for and enforce all other requirements including the drilling, product

verification, and subsequent production operations (i.e., water disposal, meter provings, etc.). Reclamation

will be monitored by FS in accordance with the approved plan. More specific

definition of roles and responsibilities will be worked out between the FS Forest Supervisor and the BLM District Manager.

3. Surface Administered by Other Federal Agencies

When APD/NOS are received for federal leases involving lands under the jurisdiction of a surface managing agency (SMA) other than BLM or FS, the information/modification(s) shall be posted in both the approving

BLM office and the appropriate SMA office. The 30 days will be counted from the date of posting in the SMA office.

4. Surface Owned Privately or by the State of Colorado

Federal leases with private or state surface need only have the information/modification(s) posted in the BLM approving office. This will include private surface within federally authorized (one location) units and communitized areas.

5. Indian Lands

The Federal Onshore Oil and Gas Leasing Reform Act of 1987 does not apply to Indian lands. Those operations will be handled as in the past.

6. Federally Owned Surface over Privately Owned Mineral Estate

Since there would be no federal lease or federally approved APD in these cases, there would also be no requirement for public posting. These approvals are under state government authority.

Date: November 11, 1988 Signature: Tom Walker,
Associate State Director

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