



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
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## **DECISION RECORD FOR March 2017 COMPETITIVE OIL AND GAS LEASE SALE**

BLM EA Number: DOI-BLM-NV-E000-2016-0004-EA

### **INTRODUCTION**

The purpose of the action is to offer nominated parcels for competitive oil and gas leasing on public lands administered by the Elko District Office (EDO), Nevada, for the March 2017 Competitive Oil and Gas Lease Sale.

The Bureau of Land Management (BLM) received nominations for the March 2017 Sale until June 17, 2016. The parcels located within the EDO were screened by the Nevada State Office (NVSO) in accordance with the Nevada and Northeast California Greater Sage-Grouse Approved Resource Management Plan Amendment (Sage-Grouse ARMPA) which requires the BLM to prioritize lease sales outside of Priority Habitat Management Areas (PHMA) and General Habitat Management Areas (GHMA). The parcels were then forwarded for interdisciplinary review by the EDO in a Preliminary Parcel List and Memo on August 3<sup>rd</sup>, 2016. This review included: field visits to nominated parcels, review of conformance with the Resource Management Plan (RMP) decisions for each planning area, and preparation of an Environmental Assessment (EA) documenting compliance with the National Environmental Policy Act (NEPA) of 1969.

The sale of oil and gas leases is needed to allow continued exploration for additional petroleum and natural gas reserves which would help the United States meet its energy needs and to enable the United States to become less dependent on foreign oil sources. This action by BLM implements the requirements of Executive Order 13212 and the Energy Policy Act of 2005 (Pub.L. 109-58).

### **DECISION**

I have reviewed the Final Environmental Assessment for the March, 2017 Competitive Oil and Gas Lease Sale, Elko District Office, Nevada (DOI-BLM-NV-E000-2016-0004-EA), and Finding of No Significant Impact (FONSI). It is my decision to approve the sale of 67 parcels comprising 115,969.69 acres as described in the Environmental Assessment (EA). The sale of oil and gas lease parcels would adhere to the following:

### **Leasing Commitments**

- Once the leases are issued, 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 and must obtain BLM approval prior to conducting any new ground disturbing activities.
- 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; development rights of the minerals revert back to the federal government and the lands may be leased again.
- Prior to any surface disturbing activities, additional site and project specific NEPA analysis is required.
- 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 as specified under the regulations at 43 CFR 3160 and the Onshore Oil and Gas Orders.
- All exploration and development activities proposed under the authority of these leases are subject to compliance with the National Historic Preservation Act, the Native American Graves Protection and Repatriation Act and Executive Order 13007.
- All development activities proposed under the authority of these leases are subject to compliance with the Mineral Leasing Act, the Clean Water Act, the Safe Drinking Water Act, the Clean Air Act, the Endangered Species Act and all other applicable federal, state, and local laws and regulations.

### **Resource Conservation Measures**

- Implementation of the BLM's Best Management Practices
- Adherence to attached parcel stipulations
- Additional site-specific NEPA analysis prior to any ground disturbing activities
- Conservation of Greater Sage-Grouse habitat as required and specified in the Sage-Grouse ARMPA

This decision is issued under the Mineral Leasing Act of 1920, as amended, and Part 3100 of Title 43 of the Code of Federal Regulations, and is effective immediately upon signing of this Decision Record.

A Finding of No Significant Impact (FONSI) supports this decision. The FONSI was prepared separately and accompanies this Decision Record. The selected action coupled with lease stipulations and lease notices detailed in the EA and Final Sale Notice have led to my decision that all practicable means to avoid or minimize environmental harm have been adopted and that unnecessary or undue degradation of the public lands will not result.

All resource values impacted by the proposed action have been evaluated for cumulative impacts. It has been determined that cumulative impacts would be insignificant for all resources.

## **CONFORMANCE**

The BLM has determined that the proposed action is in conformance with the approved land use plans: the Elko RMP (1987) and the Wells RMP (1985) as amended by the Sage-Grouse ARMPA (2015). The proposed project is in compliance with the Federal Land Policy and Management Act (FLPMA) of 1976, the Endangered Species Act and the National Historic Preservation Act and is consistent with the applicable plans and policies of federal, state, tribal, and county agencies.

## **PUBLIC INVOLVEMENT**

The preliminary nominated parcel list, along with a map of nominated parcels, was available for review at the EDO Public Room from August 7, 2016 to October 18, 2016. A draft of the EA was posted on the BLM National ePlanning website on October 18, 2016 for a 30-day comment period, which ended on November 18, 2016.

Substantive comments were evaluated and considered by the BLM during the decision making process. However, the BLM reviewed and considered these comments and determined that they did not identify or present any significant new information or changed circumstances that would warrant additional NEPA analysis. Minor corrections or updates to the EA were made as a result of these substantive comments. Included in some of the responses to comments, and protests the public was reminded that the BLM is mandated by FLPMA to prevent unnecessary and undue degradation of the public lands and the Department of the Interior's regulations at 43 CFR 3160 defines a wide array of rules which govern the conduct of Onshore Oil and Gas operations. Adherence to these laws and regulations would prevent or minimize the impacts of concern.

An additional project and site-specific environmental evaluation would be conducted for each oil and gas exploration and development proposal submitted by industry. If the evaluation indicates that environmental impacts would be unacceptable, either the project would be modified, mitigation measures would be implemented as conditions of approval (COAs) to reduce the impact, or the proposal could be denied to prevent unnecessary and undue degradation.

## **RATIONALE**

The decision to approve the proposed action is based upon the following: 1) agency statutory requirements; 2) national policy; 3) consistency with RMPs and land use plans; 4) relevant resource and economic issues; 5) application of measures to avoid or minimize environmental impacts; 6) meeting the purpose and need for the project. The action selected was the most environmentally sound alternative that meets the BLM's purpose and need.

1. The BLM has the responsibility to conduct competitive oil and gas lease sales to allow individuals or companies to explore for and develop oil and gas resources under the Mineral Leasing Act of 1920, as amended, the Mining and Minerals Policy Act of 1980, the Federal Onshore Oil and Gas Leasing Reform Act of 1987, the Energy Policy Act of 2005, FLPMA, and NEPA.

2. During the preliminary EA review process it was found that some of these lands contained wildlife, land status, or other resource conflicts. Under the selected alternative, 25 parcels and portions of parcels would be withheld from the March Lease Sale due to areas with Native American Concerns requiring additional consultation and 67 parcels comprising 115,969.69 acres which do not require further study or consultation would be offered in this sale. Under this alternative, the withheld parcels could be offered in a future sale once the EDO completes the required additional study and Native American Consultation.

I have reviewed the EA, dated October 2016 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 alternative to offer 67 parcels (115,969.69 acres) with the project design specifications identified in the EA and the stipulations as analyzed in the EA and as applied in the final Sale Notice 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 NEPA.

This alternative was selected because it meets the purpose and need for action and is in conformance with the Elko and Wells RMPs, existing laws such as the Mineral Leasing Act, the National Historic Preservation Act, and the Endangered Species Act and is consistent with the BLM's mission to manage the public lands in a manner that is consistent with FLPMA's goal of multiple use and sustained yield while preserving the human environment. The proposed action was not selected at this time because some of the nominated parcels were found to have specific Native American concerns within the parcels. This prompted the BLM to withhold them from this lease sale as the Elko Tribal liaison in consultation with the tribes identified traditional uses that could not be mitigated at this time without additional study and consultation.

  
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Brian C. Amme  
Deputy State Director, Minerals Management  
Nevada State Office

3/13/17  
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Date