

Determination of NEPA Adequacy (DNA)

U.S. Department of the Interior
Bureau of Land Management (BLM)

Office: Alaska State Office

Tracking Number: DOI-BLM-AK-9630-2010-0002-DNA

Casefile/Project Number: AA-92022

Proposed Action Title/Type: Oil and Gas Lease Sale in the Northeast National Petroleum Reserve-Alaska (NE NPR-A)

Location/Legal Description: Northeast National Petroleum Reserve-Alaska (NE NPR-A), in Alaska's North Slope

A. Description of the Proposed Action and any applicable mitigation measures

To implement the Northeast National Petroleum Reserve - Alaska Supplemental Integrated Activity Plan (NE NPR-A SIAP) Record of Decision (ROD), BLM proposes to hold an oil and gas lease sale in August 2010 for lands in the NE NPR-A (see Map attached at the end of this DNA). Tracts to be offered in the lease sale are all within areas authorized for leasing by the Secretary of the Interior in the ROD (July 2008).

The proposed sale would offer for lease 190 tracts (approximately 1,863,248 acres), which comprise approximately 40% of the 4.6 million surface acres the BLM manages in the NE NPR-A. The proposed sale lease tracts constitute 67% of the unleased lands in NE NPR-A that the 2008 ROD determined to be available and not deferred from leasing. There are currently 1,150,808 acres under lease (25% of NE NPR-A). Approximately 430,000 acres (9%) north and east of Teshekpuk Lake were deferred from leasing until 2018 and 219,000 acres (5%) comprised of Teshekpuk Lake and its islands were classified as unavailable for leasing by the 2008 ROD.

BLM developed Required Operating Procedures (ROPs) and stipulations to ensure that oil and gas operations are conducted in a manner that minimizes adverse impacts to the land, resources, land uses and users. ROPs and stipulations (Appendix A, NE NPR-A SIAP ROD, 2008) will be incorporated into lease terms associated with the proposed action. In addition, the NE NPR-A SIAP ROD committed to studies and monitoring efforts to further protect surface resources.

B. Land Use Plan (LUP) Conformance

LUP Name: Northeast National Petroleum Reserve-Alaska Supplemental Integrated Activity Plan/Environmental Impact Statement (NE NPR-A SIAP/EIS) and Record of Decision (ROD) for the NE NPR-A SIAP

Date Approved: May 2008 (SIAP/EIS) and July 2008 (ROD)

The proposed action is in conformance with the applicable LUP because it is provided for in the NE NPR-A ROD. The NE NPR-A SIAP ROD provides the basis for future management of NE NPR-A. Lands that the ROD made available for leasing are available indefinitely.

C. Identify applicable National Environmental Policy Act (NEPA) documents and other related documents that cover the proposed action.

- NE NPR-A SIAP/EIS (May 2008), and ROD (July 2008)
- Colville River Special Area Management Plan and associated Environmental Assessment, and Decision Record (July 2008)
- Northern Planning Areas of the National Petroleum Reserve-Alaska Final Biological Assessment (May 2008) and Biological Opinion (July 2008)
- Biological Assessment for the 2010 Lease Offering within the National Petroleum Reserve-Alaska Northeast Planning Area (May 2010)

D. NEPA Adequacy Criteria

1. a. Is the new proposed action a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document?

Yes. The current proposal is part of the preferred alternative previously analyzed in the NE NPR-A SIAP/EIS. The NE NPR-A SIAP ROD authorized multiple oil and gas lease sales for the lands BLM is offering in the 2010 lease sale. This proposed lease sale would be the second within the NE NPR-A under the 2008 SIAP/EIS and ROD. The BLM held lease sales in the NE NPR-A in 1999, 2002, and 2004 based on a 1998 NE NPR-A SIAP/EIS and ROD.

1.b. Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document? If there are any differences, can you explain why they are not substantial?

Yes. The project is within the same analysis area analyzed in the NE NPR-A SIAP/EIS.

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the current proposed action, given current environmental concerns, interests, and resource values?

Yes. The NE NPR-A SIAP/EIS analyzed a broad range of alternatives, including leasing no more acres than had been authorized for leasing in the NE NPR-A ROD issued in 1998 to offering all lands in the planning area for leasing. Each alternative included a wide range of stipulations and Required Operating Procedures (ROPs) to protect surface resources and address a wide variety of environmental concerns, interests, and resource values.

3. Is the existing analysis valid in light of any new information or circumstances (such as, rangeland health standard assessment, recent endangered species listings, updated lists of BLM-Sensitive species)? Can you reasonably conclude that new information and new circumstances would not substantially change the analysis of the new proposed action?

Yes. The existing analysis and conclusions are adequate. New information and circumstances have arisen since the issuance of the NE NPR-A SIAP/EIS in 2008 regarding the designation of critical habitat for polar bears, a proposal for an in-state gas pipeline (in addition to a large-diameter pipeline, which was analyzed in the SIAP), and an ongoing investigation of the feasibility of an all-season gravel road from the Dalton Highway to Umiat, but we can conclude that the new information and circumstances are insignificant to the analysis of this proposed action.

Polar Bear Proposed Critical Habitat Designation under the Endangered Species Act

On October 29, 2009 the USFWS published a proposed rule in the *Federal Register* to designate critical habitat for polar bears under the authority of the ESA. (The Department of the Interior listed the polar bear as threatened in May, 2008. The NE NPR-A SIAP/EIS and an associated BA and BO, as well as the 2010 BA for the proposed lease sale, analyzed impacts to the polar bear and its habitats.) The USFWS proposed designating critical habitat for sea-ice habitat, barrier island habitat, and terrestrial denning habitat. Sea-ice habitat extends from the shoreline of NE NPR-A to the contour line that marks a depth of 300 meters. The barrier island habitat includes approximately 20 islands at the northern extent of the planning area and an area within one mile of the islands. The proposed designated terrestrial denning habitat would extend up to five miles inland from the coast.

The NE NPR-A SIAP/EIS analyzed the direct and indirect impacts of non-oil and gas and oil and gas activities on polar bears and their habitats (pp. 4-458 to 4-460) and cumulative impacts (pp. 4-807 to 4-814) both on land and in adjacent marine waters. Impacts analyzed included those from coastal development; research; environmental contamination; seismic activity; exploratory drilling; oil and gas development; air, ground, and vessel traffic; contaminant spills, habitat alteration, climate change, hunting, and other encounters with humans. Several of the ROPs and stipulations developed as part of the NE NPR-A SIAP/EIS and implemented by the ROD are meant to minimize adverse effects to polar bears (specifically ROPs A-8, C-1, and I-1(i)). In addition, other ROPs and stipulations (e.g., ROPs C-2 and C-3 and stipulation K-1) protect stream habitat, which includes stream banks that can accumulate drifted snow and provide denning habitat, and reduce the potential for an oil leak to migrate downstream to the marine environment (e.g., ROPs A-3 to A-7). Furthermore, only four tracts proposed to be offered for lease are as close as 6 miles to the coast with the remainder lying a dozen or more miles inland, and none of the tracts proposed for leasing are closer than 15 miles of a known polar bear den identified in the NE NPR-A SIAP/EIS (NE NPR-A SIAP/EIS, Map 3-29). All tracts are outside the critical habitat areas identified by the USFWS. Because the NE NPR-A SIAP/EIS adequately analyzed impacts to polar bears throughout their range, because the protection measures afforded in the NE NPR-A ROD anticipated the need for protection of polar bears and their habitats, and because the lands offered in the proposed lease sale are not within the proposed critical habitat for polar bears the analysis and conclusions in the existing SIAP/EIS are valid and sufficient.

North Slope Gas Pipeline

There are two applications being considered by BLM and other relevant federal and state agencies for rights-of-way and other permits to construct natural gas pipelines from the North Slope. Denali proposes to build a large diameter (48-52 inches) pipeline from the North Slope to Alberta, Canada. The State of Alaska's Department of Transportation and Public Facilities (ADOT&PF) is planning construction of a 24-inch pipeline from the North Slope (from both Prudhoe Bay and the undeveloped Gubik gas field) to southcentral Alaska. Both routes would roughly parallel the Trans-Alaska Pipeline System (TAPS) from the North Slope

to a point south of the Yukon River. Denali would continue to parallel TAPS to Delta Junction and then follow the Alaska Highway to Canada. The ADOT&PF proposal would diverge from the TAPS near Livengood, cross the Minto Flats, and then follow the Parks Highway to the Wasilla area. Although an application has not been submitted yet, TransCanada in partnership with ExxonMobil is also planning a pipeline from the North Slope to Alberta following roughly the route planned by Denali.

The NE NPR-A SIAP/EIS analyzed development of a gas pipeline from the North Slope similar to those under consideration by Denali and TransCanada/ExxonMobil. Even though at the time the BLM was drafting the SIAP/EIS no application for a pipeline had been submitted, Denali had announced its intention to develop a gas pipeline and the State was considering TransCanada's proposal under the Alaska Gasline Inducement Act (AGIA). Although the SIAP/EIS did not explicitly analyze a proposal for a smaller-diameter pipeline such as proposed by ADOT&PF, the impacts from the smaller pipeline would be essentially the same, though reduced, from the larger pipeline that was analyzed in the SIAP/EIS. The SIAP/EIS also analyzed gas development that may occur on the North Slope if a gas pipeline was constructed.

Gravel Road to Umiat

The State is undertaking feasibility studies for an all-season gravel road from the undeveloped Gubik gas field to the Dalton Highway. The State is also considering whether it would extend such a road to Umiat, including a bridge over the Colville River. The road is being considered to provide access to oil and gas resources. Several routes for such a road are being examined, and the State has not applied for any permits or rights-of-way to construct such a road. The development, should it occur, would be consistent with the NE NPR-A SIAP/EIS's cumulative impact assumption of the creation of approximately 42 acres of new gravel footprint annually on lands outside of Northeast and Northwest NPR-A in association with oil and gas development. The construction of a bridge to Umiat would facilitate development in NPR-A. However, the development scenario in the NE NPR-A SIAP/EIS assumed development of approximately 88 percent of the technically recoverable oil and gas in the planning area. Construction of a bridge to Umiat would not raise this already high percentage of potential development.

4. Are the direct, indirect, and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in existing NEPA documents?

Yes. The direct, indirect, and cumulative impacts of this proposed action are substantially unchanged from those identified in the multiple sale analysis in the NE NPR-A SIAP/EIS. BLM monitoring of activities in the NE NPR-A since the initial lease sale indicate that impacts are less than or consistent with those anticipated and analyzed in the SIAP/EIS. The SIAP/EIS sufficiently analyzes both the type of impacts and the magnitude of impacts for the proposed lease sale.

5. Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action?

Yes. The NE NPR-A SIAP/EIS involved extensive public participation and specifically addressed multiple oil and gas lease sales, including the area proposed to be made available for leasing in the NE's 2010 lease sale (NE NPR-A SIAP ROD). Since the signing of the

ROD in 2008, BLM has engaged in dialogue regarding oil and gas activity in the area through a Subsistence Advisory Panel.

E. Persons/Agencies/BLM Staff Consulted

Name	Title	Resource Represented
Jolie Pollet	Supervisor Planning Section	NEPA
Cara Staab	Wildlife Program Lead	Wildlife, T&E
Carol Taylor	Mineral Law Specialist	Oil and Gas

Note: Refer to the NE NPR-A SIAP/EIS for a complete list of the team members participating in the preparation of the original planning document.

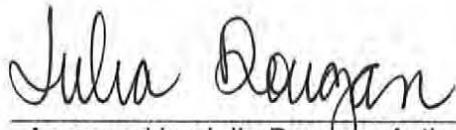
Conclusion

Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitutes BLM's compliance with the requirements of NEPA.



Prepared by James H. Ducker, Environmental Program Analyst

July 9, 2010
Date ✓



Approved by Julia Dougan, Acting Alaska State Director

July 9, 2010
Date

Note: The signed Conclusion on this Worksheet is part of an interim step in the BLM's internal decision process and does not constitute an appealable decision.

