United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215

July 25, 2003

In Reply Refer To:
3100 (CO-922) P

EMS Transmission 07/25/2003
Instruction Memorandum No. CO-2003-033
Expires: 09/30/2004

To: Field Managers, Colorado

From: Deputy State Director, Energy, Lands and Minerals

Subject: Fiscal Year 2003 Self-Assessment Program Review--Issuing Oil and Gas Leases
DD: 07/28/2003

Attached please find Washington Office (WO) Instruction Memorandum (IM) No. 2003-192, same subject, dated June 11, 2003. This IM has developed a new tool for the evaluation and assessment of the oil and gas programs. The objectives of this self-assessment are to determine:

a. If oil and gas leases are being issued consistently and in accordance with laws, regulations and Bureau of Land Management (BLM) policy;
b. If actions performed are documented and recorded in BLM records, including appropriate automated systems;
c. If moneys received are properly deposited and, as appropriate, transferred for further disposition;
d. If managers and staff have sufficient knowledge and skills required to administer the leasing program;
e. If the processes in place ensure protection of the resources, timely issuance of leases and proper accounting of decisions and actions;
f. If you feel there is a need for additional guidance.

The goal is to gather enough information to evaluate the oil and gas lease issuance activities, then to work together with Field Offices and State Office to implement correction of any identified deficiencies.

Attached to the WO IM is the questionnaire. Please provide the questionnaire to those individuals that participate in performing functions associated with the Oil and Gas Leasing Program in your office as outlined in the attached WO IM. Instructions for completing the questionnaire are provided in the attached WO IM. Please forward you office=s final response to Milada Krasilinec at 303.239.3767, CO 922, by July 28, 2003.

If you have any questions please contact Milada Krasilinec at 303-239-3767.

Signed by
Lynn E. Rust
Deputy State Director,
Energy, Lands and Minerals

Authenticated by
Don Snow
EMS Operator

2 Attachments

1 –FY 2003 Self-Assessment Program Review—Issuing Oil and Gas Leases (WOIM2003-192) (4 pp)

2 - Self-Assessment Questionnaire- Issuing Oil and Gas Leases (10 pp)

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WASHINGTON, D.C. 20240

June 11, 2003

In Reply Refer To:
3100/1240 (310) P

EMS TRANSMISSION 06/23/2003
Instruction Memorandum No. 2003-192
Expires: 09/30/2004

To: All State Directors

From: Assistant Director, Minerals, Realty and Resource Protection

Subject: FY 2003 Self-Assessment Program Review—Issuing Oil and Gas Leases
DD: 08/01/2003

Program Area: Oil and Gas

Purpose: In accordance with the Federal Managers' Financial Integrity Act of 1982 (FMFIA) and OMB Circular A-123, the Bureau of Land Management (BLM) conducts annual assessments of its programs and functions. The purpose of the assessment is to support the Bureau's annual assurance statement and to ensure that:

- Programs achieve their intended results;
- Resources are used consistent with agency mission;
- Resources are protected from waste, fraud, and mismanagement;
- Laws and regulations are followed; and,
- Reliable and timely information is maintained, reported, and used for decision-making.

In collaboration with the Program Evaluation Staff, Washington Office (WO-830), we have developed a new tool for the evaluation and assessment of the oil and gas programs. This tool is designed as a "self-assessment" and may not require a site-visit by a Washington Office (WO) Team. The objectives of this self-assessment are to determine:

a. If oil and gas leases are being issued consistently and in accordance with laws, regulations and BLM policy;
b. If actions performed are documented and recorded in Bureau records, including appropriate automated systems;
c. If moneys received are properly deposited and, as appropriate, transferred for further disposition;
d. If managers and staff have sufficient knowledge and skills required to administer the leasing program;

e. If the processes in place ensure protection of the resources, timely issuance of leases and proper accounting of decisions and actions;
f. If you feel there is a need for additional guidance.

The goal is to gather enough information to evaluate the oil and gas lease issuance activities, then to work together with Field (FO) and State Offices (SO) to implement correction of any identified deficiencies.

Background: The Department of the Interior (DOI) has directed that 50% of all program reviews be done without site visits. We also have a desire to make our reviews more efficient while maintaining a high level of accountability. The self-assessment is intended to foster a spirit of cooperation and self-improvement. Management and staff will be free to identify areas where additional time and attention can help them perform better. We also encourage you to seek advice or help from Headquarters or other BLM offices. We are interested in improving the program for less cost and with more collaboration and cooperation than has traditionally been demonstrated.

Policy/Action: The attached self-assessment questionnaire should be distributed to all offices within your State that regularly perform functions associated with issuing oil and gas leases. These functions include nominations, parceling, National Environmental Policy Act (NEPA) determinations, stipulation development, notices and plats, sales, and final issuance of competitive and noncompetitive leases. Individuals such as adjudicators and natural resource specialists as well as first line supervisors and managers involved in performing these functions in both FOs and SOs should participate in answering the questions.

The protocol for using this instrument is as follows:

1. Questions included in the questionnaire address leasing activities conducted at the SO, FO and at both offices (S&FO). Each question has been identified as to where the primary functions are performed. Respondents are not required to answer those questions that do not apply to their duties and may indicate that the question is not applicable (N/A) by marking N/A on the question in the space provided.

2. Answer Yes or No, fill in the blank or provide a narrative response to the questions in the questionnaire (Attachment 1). If the answer is No to a question, please explain why and provide recommendations for development of corrective measures including name of responsible official and timeframe required for resolution. For other than Yes or No questions, please follow the instructions provided with each question.

3. It is necessary that each office document participation in the evaluation by their staffs. A signature line has been provided for each participant to sign and date their response on the questionnaire form. Submittal of each participant's response to WO is not required; rather, each office is to summarize the results and provide the required response, incorporating corrective measures, name of responsible official and timeframe identified for resolution.

4. Once agreement has been reached within the office, the Field Manager (or Deputy State Director if the evaluation is performed at the SO) is to certify the official response that includes consensus answers to the questions with corrective actions incorporated.

This final response will then be forwarded through the State Director to be sent to the Assistant Director, Minerals, Realty and Resource Protection, (Attn: Group Manager, Fluid Minerals, WO-310). Signatures on the questionnaire will constitute acknowledgement that the program evaluation responses have been reviewed for accuracy and completeness.

5. Program leads at the SO and Headquarters will work together to evaluate the questionnaire and any identified deficiencies. Headquarters will monitor the action plan and as appropriate, conduct a visit to your office, for quality assurance or assistance. WO-310 will coordinate with WO-830 to ensure that the assessment is properly documented and included in the Bureau's annual assurance statement to DOI.

Timeframe: Self-Assessment Questionnaires for the Oil and Gas Leasing Program are to be completed and submitted to WO-300 by August 1, 2003.

Budget: Self-assessments are expected to greatly reduce the cost of program reviews. There will be less travel and associated costs, more time in the office for all involved, and the host offices will spend less time than they did in the traditional management control review.

Manual/Handbook Sections Affected: None

Coordination: This Instruction Memorandum was coordinated with the Program Evaluation Staff (WO-830), Fluid Minerals Staff (WO-310) and Field Staff in the Oil and Gas Program.

Contact: If there are any questions, please contact Jay Douglas, Program Lead at (202) 452-0336, E-mail jay_Douglas@blm.gov

Signed by:
Bob Anderson
Acting Assistant Director
Minerals, Realty and Resource Protection

Authenticated by:
Barbara J. Brown
Policy & Records Group, WO-560

1 Attachment
1 - Self-Assessment Questionnaire (10 pp)

FISCAL YEAR 2003
SELF-ASSESSMENT QUESTIONNAIRE
ISSUING OIL AND GAS LEASES

The primary purpose of this self-assessment questionnaire is (1) to determine the level of compliance with the law, policy and regulations in the issuing of oil and gas leases, (2) to determine where more guidance may be required and (3) to provide for a corrective action plan to be developed and implemented that addresses any deficiencies

Directions: This self-assessment covers the portion of the leasing program concerned with nominations, parceling, NEPA reviews, stipulation development, sales and final issuance of competitive and noncompetitive leases. The questionnaire should be distributed to all offices within your State that regularly perform functions associated with issuing oil and gas leases. All individuals involved in performing any of these functions in both Field and State Offices should participate in answering the questions. Any questions that are not relevant to an individual's duties may be marked as not applicable (N/A) in the space provided. Each respondent should sign and date their response in the space provided. These individual responses will not be forwarded to WO; rather they will be maintained in the originating office for their documentation purposes.

The questionnaire consists of questions concerning leasing actions in both the State and Field Offices. Each question has been identified as where the primary function is performed, i.e., State Office (SO), Field Office (FO) or both offices (S&FO). Personnel that do not perform the functions identified in a question may mark not applicable (N/A) as their response.

Respond to the questionnaire by providing Yes or No answers for compliance questions and fill in the blank and provide narrative responses for the other types of questions. Any questions answered No, should be discussed within your office to develop corrective measures including actions required, identification of responsible official and specification of the timeframe required for resolution.

Once agreement has been reached within each office, the Field Manager (or Deputy State Director if the evaluation is performed at the State Office) is to certify the official response that includes consensus answers to the questions with corrective measures incorporated. This final response will then be forwarded through the State Director to be sent to the Assistant Director, Minerals, Realty and Resource Protection, (Attn: Group Manager, Fluid Minerals, WO-310). Signatures on the questionnaire will constitute acknowledgement that the program evaluation responses have been reviewed for accuracy and completeness.

OFFICE NAME _____ Organizational Code_____

NOTE: Each question has been identified as being performed either in the State Office (SO), Field Office (FO) or Both Offices (S&FO). In addition, each question has a N/A ( ) space provided if the question does not pertain to you or your duties. You are not expected to respond to questions that are not relevant to your position.

Guidelines and Direction

Q.1. Considering the many guidelines (regulations, manuals, handbooks, Instruction Memoranda) that you use in the performance of your leasing activities, please identify any that you believe should be updated and explain why they require modification.

Primary Office(s) (S&FO) ( ) N/A

A.1a Identify guideline(s): _____
Explain: _____
_____
_____

A.1.b If no guidelines are identified, no additional response is required

A.1.c If guidelines are identified, please circle the priority you would assign the recommended revision:

High Medium Low

Q.2. Do you think that the guidance, involving the issuance of oil and gas leases, from Washington Office or your State Office, is timely, appropriate and clear?

Primary Office(s) (S&FO) ( ) N/A

A.2.a If YES_____ no additional response required

A.2.b If NO_____ please explain and circle the applicable office in the question (i.e. Washington Office or State Office)

A.2.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Consistency and Intended Results

Q.3. Do you believe your office is adequately staffed for your current workload?

Primary Office(s) (S&FO) ( ) N/A

A.3.a If YES_____ no additional response required

A.3.b If NO_____ please explain

A.3.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.4. Are nominations, expressions of interest or presale offers made available for sale within 6 months of receiving the requests?

Primary Office(s) (SO) ( ) N/A

A.4.a If YES_____ no additional response required

A.4.b If NO_____ please explain

A.4.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.5. Are sale notices posted at least 45 days prior to the sale?

Primary Office(s) (SO) ( ) N/A

A.5.a If YES_____ no additional response required

A.5.b If NO_____ please explain

A.5.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.6. Are competitive oil and gas sales held at least quarterly or more frequently if your State has determined such sales are necessary?

Primary Office(s) (SO) ( ) N/A

A.6.a If YES_____ no additional response required

A.6.b If NO_____ please explain

A.6.c If NO and explanation above indicates that less frequent sales are appropriate and established for your State, no further action is required. Otherwise provide any recommendations you have to assist in the preparation of a corrective action plan that includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.7. Are competitive leases issued within 60 days of receiving all monies due?

Primary Office(s) (SO) ( ) N/A

A.7.a If YES_____ no additional response required

A.7.b If NO_____ please explain

A.7.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken

Official responsible for action
Timeframe to accomplish actions

Accountability of Funds and Use of Resources

Q.8. Into what account and within what timeframe do you deposit monies received from lease sales?

Primary Office(s) (SO) ( ) N/A

A.8.a Account 1 (first year rental and bonus, public land) _____
Account 2 (administrative fees) _____
Account 3 (other SMAs) _____

A.8.b Timeframe 1_____
Timeframe 2_____
Timeframe 3_____

A.8.c If any answers are incorrect or missing for personnel that perform these duties, a corrective action plan is required:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.9. What priority is given to performing oil and gas leasing functions in your office compared to other activities? Circle One—

Primary Office(s) (S&FO) ( ) N/A

High Medium Low

Do you believe that the above priority is appropriate?

A.9.a If YES_____ no additional response required

A.9.b If NO_____ please explain

A.9.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.10. Are units of accomplishment Program Element (EI) and costs for leasing activities entered timely into the MIS system?

Primary Office(s) (S&FO) ( ) N/A

A.10.a If YES_____ no additional response required

A.10.b If NO_____ please explain

A.10.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.11. Is the leasing program being discussed routinely in your office and feedback being provided as to the effectiveness of the program?

Primary Office(s) (S&FO) ( ) N/A

A.11.a If YES_____ no additional response required

A.11.b If NO_____ please explain

A.11.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Documents and Records

Q.12. Is Case Recordation updated within 5 working days (of action) and in accordance with Bureau standards?

Primary Office(s) (S&FO) ( ) N/A

A.12.a If YES_____ no additional response required

A.12.b If NO_____ please explain

A.12.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.13. Is the Collections and billing Systems updated and all information needed for Minerals Management Service to properly establish a lease account sent within 5 working days of lease issuance

Primary Office(s) (S&FO) ( ) N/A

A.13.a If YES_____ no additional response required

A.13.b If NO_____ please explain

A.13.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Resource Protection

Q.14. Are parcels that have been withheld from sales because of deficiencies in NEPA documentation, tracked and revisited as new documentation becomes available?

Primary Office(s) (S&FO) ( ) N/A

A.14.a If YES_____ no additional response required

A.14.b If NO_____ please explain

A.14.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.15. Are leasing recommendations consistent with your existing Land Use Plans and taking into consideration new information and current data?

Primary Office(s) (FO) ( ) N/A

A.15.a If YES_____ no additional response required

A.15.b If NO_____ please explain

A.15.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.16. Do you review the Determination of NEPA Adequacy (DNA) for noncompetitive offers received during the 2-year window period to determine if there are new resources or concerns that need to be considered prior to proceeding with lease issuance?

Primary Office(s) (S&FO) ( ) N/A

A.16.a If YES_____ no additional response required

A.16.b If NO_____ please explain

A.16.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.17. Do you believe the application of standard stipulations provide adequate resource protection?

Primary Office(s) (FO) ( ) N/A

A.17.a If YES_____ no additional response required

A.17.b If NO_____ please explain

A.17.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.18. Is the process of having 2-year window leasing applicants consent to additional stipulations (i.e. those not posted on a Sale List) working well?

Primary Office(s) (SO) ( ) N/A

A.18.a If YES_____ no additional response required

A.18.b If NO_____ please explain

A.18.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.19. Does the process concerning the leasing of split estate (Federal minerals with private, Allotted and Tribal Indian or State owned surface) appear to be working well?

Primary Office(s) (S&FO) ( ) N/A

A.19.a If YES_____ no additional response required

A.19.b If NO_____ please explain

A.19.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.20. Do you think there is good coordination and communication between BLM leasing staff and other Federal surface managing agencies?

Primary Office(s) (S&FO) ( ) N/A

A.20.a If YES_____ no additional response required

A.20.b If NO_____ please explain

A.20.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Knowledge and Skills

Q.21. Have adequate training and workshops been provided to enhance your ability to perform the leasing functions?

Primary Office(s) (S&FO) ( ) N/A

A.21.a If YES_____ no additional response required

A.21b If NO_____ please explain

A.21.c If NO, provide any recommendations you have to assist in the preparation of a corrective action plan which includes:
Action to be taken
Official responsible for action
Timeframe to accomplish actions

Q.22. Do you believe the above questions are good indicators of the effectiveness of the leasing program in your office?

Primary Office(s) (S&FO)

A.22.a If YES_____ no additional response required

A.22.b If NO_____ please explain, no action plan required

Employee's signature is only required on their original responses, to be maintained at the originating office for documentation purposes.

Employee's Signature _____ Title _____Date_____
(Print Name)

Manager's signatures are only required on the final official response, to be submitted to WO-300 upon the completion of the evaluation.

I certify that, to the best of my knowledge, the summarized answers to this questionnaire are correct. Corrective measures, including name of responsible official and corrective action date are incorporated within the questionnaire

Field Manager or Deputy State Director

Signature _____ Title_____ Date_____

_____
(Print Name)

State Director

Signature_____ Date_____