

Finding of No Significant Impact

Environmental Assessment

Expression of Interest #404

ES-020-2015-17

INTRODUCTION

The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA), ES-020-2015-17, to address the offering of certain oil and gas lease parcels in Union County, Kentucky at the September 2016 BLM Eastern States Competitive Oil and Gas Lease Sale (September Lease Sale). Under the proposed action the BLM would offer for sale one lease parcel totaling 184 acres of Federal minerals administered by the BLM. Standard terms and conditions as well as parcel-specific timing limitation, no surface occupancy, and controlled surface use stipulations have been attached to the parcel as specified through the EA to be issued. In addition to the proposed action, a No Action alternative was analyzed in the EA.

EXTERNAL SCOPING

Informal consultation with the United States Fish and Wildlife Service (FWS) was conducted in compliance with the Endangered Species Act, Section 7 Consultation requirements. A letter of concurrence for the proposed action was received from FWS on April 11, 2016. The Kentucky State Historic Preservation Office (SHPO) was consulted on March 9, 2016 and a concurrence letter for the proposed action was received on April 15, 2016. Additionally, letters were sent to various tribes on March 9, 2016. A response was received from one tribe on March 30, 2016 agreeing that cultural resource studies are warranted prior to approval of any development proposals. A 30-day review period is provided for public review and comment on the EA prior to the proposed lease sale.

FINDING OF NO SIGNIFICANT IMPACT

Based upon a review of the EA and supporting documents, I have determined that the Proposed Action is not a major Federal action, and will not significantly affect the quality of the human environment, individual or cumulatively, with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as defined in 40 CFR 1508.27.

This finding is based on the context and intensity of the project as described:

Context:

The proposed action would occur in Union County, Kentucky in the Interior River Valley and Hills, Wabash-Ohio Bottomlands Ecoregion. The project includes federally owned surface estate managed by the United States Army Corp of Engineers and licensed to the Kentucky Department

of Fish and Wildlife Resources and federally owned mineral estate that by itself does not have known or identified international, national, regional, or state-wide importance. The proposed lease would give the lessee exclusive rights to explore and develop oil and gas reserves on the lease, but does not in itself authorize surface disturbing activities. Although there is no surface disturbance at this stage, the EA analyzes a reasonably foreseeable development scenario (RFD) to assess potential indirect effects from drilling that may occur later at the application for permit to drill (APD) stage. Additional site-specific National Environmental Policy Act (NEPA) analysis will be conducted at that time.

Intensity:

The following discussion is organized around the Ten Significance Criteria described in 40 CFR 1508.27 and incorporated into resources and issues considered (includes supplemental authorities Appendix 1 H-1790-1) and supplemental Instruction Memorandum, Acts, regulations and Executive Orders. The following have been considered in evaluating intensity for this proposal:

1. Impacts that may be both beneficial and adverse.

The proposed action would affect resources as described in the EA. Mitigating measures to reduce impacts to the various resources were incorporated in the design of the proposed action. None of the direct, indirect, or cumulative environmental effects discussed in detail in the EA are considered significant. This area is not covered by a BLM Resource Management Plan, however, in accordance with 43 CFR 1610.8(b)(1), the EA serves as the basis for making a decision on this proposed action.

2. The degree to which the proposed action affects public health or safety.

The proposed action is designed to offer a lease parcel for sale and would not directly affect public health or safety. There would also be no indirect effects to public health or safety as a result of potential future development. If the parcel is subsequently sold and the lease enters into a development stage, public health or safety would be further addressed through site-specific NEPA analysis where specific mitigation measures to control potential for spills or wastes would be identified.

3. Unique characteristics of the geographic area such as proximity to historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.

The EA evaluated the area of the proposed action and determined that no unique geographic characteristics including Wild and Scenic Rivers, Prime or Unique Farmlands, Areas of Critical Environmental Concern, Designated Wilderness areas, or Wilderness Study Areas were Present. Although aquatic habitats (Highland Creek, a tributary to the Creek and the Ohio River floodplain) are present within the parcel, the proposed action would result in no direct impacts to

this resource. Indirect impacts from potential future development would be controlled through the use of best management practices and stipulations. If the lease enters into a development stage at a later date, aquatic habitats would be further addressed through site-specific NEPA.

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

Effects on the quality of the human environment are not expected to be significant or highly controversial. Site-specific NEPA will be conducted that addresses specific effects on resources at the time of development. Controversy in this context is considered to be in terms of disagreement about the nature of the effect- not political controversy or expression of opposition to the action or preference among the alternatives analyzed within the EA.

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

The project is not unique or unusual. The BLM has experience implementing similar actions in similar areas. The environmental effects to the human environment are fully analyzed in the EA. There are no predicted effects on the human environment that are considered to be highly uncertain or involve unique or unknown risks.

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.

This project neither establishes a precedent nor represents a decision in principle about future actions. This leasing of Federal minerals and more specifically fluid minerals has been occurring since the creation of the Mineral Leasing Act of 1920. A decision to lease would not limit later resource management decisions for areas open to development proposals.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts.

The interdisciplinary teams involved in preparing the EA evaluated the proposed action in the context of past, present and reasonably foreseeable actions. Significant cumulative effects are not expected.

8. The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the NRHP or may cause loss or destruction of significant scientific, cultural, or historical resources.

There are no features within the project area listed or eligible for listing in the National Register of Historic Places (NRHP) that would be adversely affected by a decision to offer for sale the subject parcel, or from potential future development. If the lease enters into a development stage, NRHP resources would be further addressed through site-specific NEPA.

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 ESA of 1973.

Ten species were identified that were either listed as proposed as threatened or endangered. In coordination with FWS, mitigating measures to reduce impacts to wildlife and fisheries have been incorporated into the design of the proposed action. Although listed species may occupy habitat within the project boundary, FWS has concurred that three of the species may be affected but is not likely to be adversely affected, and seven species would not be affected by the proposed action. Furthermore, post-lease actions/authorizations (e.g. Applications for Permit to Drill, road/pipeline right-of-way), could be encumbered by further restrictions on a case-by-case basis, as required through project-specific NEPA analysis or other environmental review.

10. Whether the action threatens a violation of Federal, State, or local law or requirements imposed for the protection of the environment.

The project does not violate any known Federal, State, local or tribal law or requirement imposed for the protection of the environment. In addition, the project is consistent with applicable land management plans, policies and programs.

Bruce Dawson

Bruce Dawson

Southeastern States District Office

5/15/16

Date