

**EASTERN STATES
Bureau of Land Management**

**Decision Record
Environmental Assessment
Expression of Interest 72, 861, 892, 1605
DOI-BLM-ES-030-2015-0001-EA**

Decision:

It is my decision to authorize the offer to lease for Oil and Gas the proposed tracts located in Newaygo and Lake Counties in Michigan as identified in the Northeastern States District Environmental Assessment (EA), DOI-BLM-ES-2015-0001-EA. The proposed tracts consist of thirty-four parcels covering approximately 16,556 acres of Federal minerals administered by the Bureau of Land Management (BLM)/United States Forest Service. The parcels will be offered at the competitive lease sale on July 28, 2015. Competitive leases will be issued for parcels sold at the sale, and non-competitive leases may be issued for applications filed for two years after the sale for unsold parcels.

Authority:

The authority for this decision is contained in 43 Code of Federal Regulations (CFR) 3100.

Compliance and Monitoring:

Should the parcels be developed for oil and gas, monitoring may be required and would be addressed and analyzed under future National Environmental Policy Act (NEPA) documentation.

Terms, Conditions and Stipulations

For all parcels, standard terms and conditions, as well as the lease notices identified in the EA, would apply and be attached to the lease parcels.

Plan Conformance and Consistency:

The proposed action has been reviewed and found to be in compliance with the BLM Michigan Resource Management Plan (1985) and the 2006 Huron-Manistee National Forests (HMNF) Land and Resource Management Plan (LRMP) and its associated Final Environmental Impact Statement (FEIS) and Record of Decision (ROD), as amended.

Compliance with Major Laws:

The proposed decision is in compliance with all applicable laws, regulations, executive orders, and policies including but not limited to the following:

- National Environmental Policy Act
- Federal Land Policy Management Act
- Mineral Leasing Act
- Clean Water Act
- Clean Air Act
- National Historic Preservation Act (NHPA)
- Endangered Species Act (ESA)

- Migratory Bird Treaty Act

Alternatives Considered:

- Proposed Action (Preferred Alternative): Lease the parcels per the proposed action as described in the EA. This alternative meets the purpose of and need for the action.
- No Action Alternative: The leases would not be sold or issued. This alternative does not meet the purpose of and need for the action.

Public Comments:

The EA was made available for a 30-day public comment period which ended on April 11, 2015. No comments were received. A 30-day protest period was also held when the sale notice was released, and no protests were received.

Rationale for the Decision:

The decision to approve the preferred alternative, leasing the parcels, is based on the following:

- Consistency with resource management and land use plans – the decision is in conformance with the BLM Michigan Resource Management Plan (1985) and the 2006 HMNF LRMP, EIS, and ROD.
- National policy – it is the policy of the BLM as derived from the Mineral Leasing Act of 1920, as amended and the Federal Land Policy Management Act of 1976, to make mineral resources available for disposal and to encourage development of mineral resources to meet national, regional, and local needs. As such, leasing the parcels under the preferred alternative meets the purpose of and need for the action.
- Agency statutory requirements – the decision is consistent with all required federal, state, and county authorizing actions required for implementation of the proposed action.
- Relevant resource issues and finding of no significant impact – as described in the EA, there will be no direct impacts associated with leasing. There is the potential for minor adverse indirect impacts to resources as a result of potential future oil and gas development; however, none of the impacts were identified as significant and a finding of no significant impact (FONSI) was prepared. Additional site-specific NEPA documentation will occur at the application for permit to drill (APD) stage, should future development occur. Therefore, an environmental impact statement is not required. All required consultations including under the ESA and NHPA, have been completed.
- Application of measures to minimize environmental impacts – standard terms and conditions as well as tailored stipulations, as identified in the EA, would apply.

Appeal Procedures:

This decision may be appealed to the Interior Board of Land Appeals, Office of Hearings and Appeals, in accordance with the regulations contained in 43 CFR, Part 4 and Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (Attn: Authorized Officer, BLM Eastern States Office, 20 M Street, SE, Washington, DC 20003) within 30 days from your receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice

of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay must be submitted to each party named in this decision, to the Interior Board of Land Appeals, and to the appropriate Office of the Solicitor (see 43 CFR §4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted. Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- 1. The relative harm to the parties if the stay is granted or denied;
- 2. The likelihood of the protestor's success on the merits;
- 3. The likelihood of immediate and irreparable harm if the stay is not granted; and
- 4. Whether the public interest favors granting the stay.

Acting for Barbara L. Egges, Associate State Director
Marci L. Todd
Acting State Director

7-24-15
Date

Finding of No Significant Impact
Environmental Assessment
Expression of Interest 72, 861, 892, 1605
ES-030-2015-0001-EA

INTRODUCTION

The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA) ES-030-2015-0001-EA to address the offering of certain lease parcels located in Huron Manistee National Forest, Newaygo and Lake Counties, Michigan at the July 28, 2015 BLM Eastern States Competitive Oil and Gas Lease Sale. Under the proposed action, the BLM would offer 34 parcels for sale. Collectively, the parcels recommended to be offered at the July 28, 2015 lease sale contain approximately 16,556 acres of Federal minerals administered by BLM and the United States Forest Service (FS). Standard terms and conditions as well as parcel specific stipulations have been attached to the parcels as specified through the EA. Lease stipulations were added to each parcel as identified by the FS to address site-specific concerns or new information not identified in the land use planning process. In addition to the proposed action, a No Action alternative was analyzed in the EA.

EXTERIOR SCOPING

Informal consultation with the United States Fish and Wildlife Service (FWS) has been conducted for these parcels in compliance with the Endangered Species Act, Section 7 Consultation requirements. BLM received concurrence from the FWS on March 2, 2015 on the effects determination. BLM initiated consultation with the Michigan State Historic Preservation Office (SHPO) on December 19, 2014. In a letter to the BLM dated March 11, 2015, the Michigan SHPO concurred, "no historic properties are affected within the area of potential effects of this undertaking." On December 17, 2014 BLM sent letters to five Federally recognized tribes and no response has been received to date. Scoping also occurred throughout the process of developing the Huron Manistee National Forest Land and Resource Management Plan (LRMP) Final Supplemental Environmental Impact Statement (EIS), which addressed the oil and gas leasing actions across the forest (U. S. Department of Agriculture, 2012a, in ES-030-2015-0001-EA). 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, individually 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 lower Michigan and within the Manistee portion of the Huron Manistee National Forest in Newaygo and Lake Counties. The area is within the Northern Lakes and Forest Levels-III ecoregion and the Pere Marquette-White Manistee watersheds, both of which drain to Lake Michigan. The proposed leases 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 BLM NEPA Handbook 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. There are no direct impacts to resources from the act of leasing. The EA identifies indirect impacts from leasing as a result of potential future impacts from development of those leases to air resources, fish and wildlife, geology/mineral resources/energy production, soils, vegetation, invasive species, water resources, wastes, recreation, and cultural resources, visual resources, and socioeconomics. 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.

The proposed action and No Action alternative are in conformance with the BLM Michigan Resource Management Plan (RMP) (1985) and the 2006 Huron-Manistee National Forests (HMNF) Land and Resource Management Plan (LRMP) and its associated Final Environmental Impact Statement (FEIS) and Record of Decision, as amended. The BLM was a cooperating agency in the creation of the FEIS, and after an independent review to ensure that BLM comments were addressed satisfactorily, BLM adopted the FEIS (40 CFR 1506.3). This EA analysis is tiered to the Forest Service FEIS.

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

The proposed action is designed to offer lease parcels for sale and would not directly affect public health or safety. There would be no indirect effects to public health or safety as a result of potential future development due to standard operating procedures and best management practices (BMPs). If the parcels are subsequently sold and the leases enter 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 as deemed necessary and appropriate.

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 such as Wild and Scenic Rivers, Prime or Unique Farmlands, Areas of Critical Environmental Concern, Designated Wilderness areas, or Wilderness Study Areas were present. Wetlands are present within the Decision Area, but lease stipulations prevent surface occupancy in these areas. With regard to cultural resources, most of the footprint within the proposed project area has not been surveyed, but a records search indicates there are 18 previously recorded archeological sites located within or immediately adjacent to the proposed lease area. One site, located in the southeast parcel of EOI-861, is listed in the National Register of Historic Places. There are no known paleontological remains within the proposed lease area. There would be no direct impacts to cultural resources. All archeological sites identified within the proposed lease area would be avoided and declared no surface occupancy (NSO) during any proposed ground disturbing activities, when possible. Should development of the lease area occur in the future, site-specific consultation under the National Historic Preservation Act would occur at that time as well as any required surveys.

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. The public will have 30 days to review the EA and provide comments.

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 evaluated the possible actions cumulative impacts in 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.

Most of the footprint within the proposed project area has not been surveyed for cultural resources, but a records search indicates there are 18 previously recorded archeological sites located within or immediately adjacent to the proposed lease area. One site, located in the southeast parcel of EOI-861, is listed in the National Register of Historic Places. There are no known paleontological remains within the proposed lease area. There would be no direct impacts to cultural resources. All archeological sites identified within the proposed lease area would be avoided and declared no surface occupancy (NSO) during any proposed ground disturbing activities, when possible. Should development of the lease area occur in the future, site-specific consultation under the National Historic Preservation Act would occur at that time as well as any required surveys.

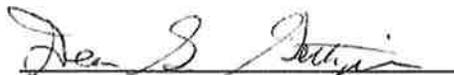
9. The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the ESA of 1973.

Three species that are listed with the FWS as endangered, proposed endangered, and a candidate for listing occur within the two counties that contain the nominated lease parcels. Mitigating measures to reduce impacts to wildlife and fisheries have been incorporated into the design of the proposed action. The BLM received concurrence from the FWS on March 2, 2015 that the proposed action may affect but is not likely to adversely affect the three species with the lease stipulations and notices identified in the EA. Furthermore, post-lease actions/authorizations (e.g.

Applications for Permit to Drill, road/pipeline right-of-way), could be encumbered by additional restrictions such as controlled surface use or timing limitation on a case-by-case basis, as required through project-specific NEPA analysis or other environmental review.

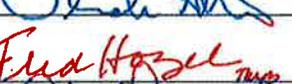
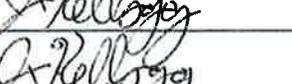
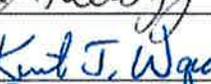
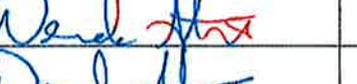
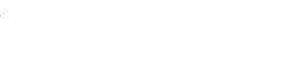
10. Whether the action threatens a violation of Federal, State, or local law or requirements imposed for the protection of the environment.

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.


Dean Gettinger, District Manager
Northeastern States District

7/22/2015
Date

Technical Review.

| Program | Reviewer | Signature | Date |
|---|---|---|------------------|
| Air Quality | Kyle Schumacher Natural Resources Specialist |  | 7/8/15 |
| Climate Change | Kyle Schumacher Natural Resources Specialist |  | 7/8/15 |
| Cultural/Paleontology | Jarrold Kellogg Archeologist |  | 7/8/15 |
| Environmental Justice | Kurt Wadzinski Planning & Environmental Coordinator |  | 7/8/15 |
| Fish and Wildlife | Derek Strohl Natural Resources Specialist |  | 7/8/15 |
| Geology/Mineral Resources/Energy Production | Fred Holzel Geologist |  | 7/8/15 |
| Hazardous Wastes | Kyle Schumacher Natural Resources Specialist |  | 7/8/15 |
| Invasive Species/Noxious Weeds | Derek Strohl Natural Resources Specialist |  | 7/8/15 |
| Native American Religious Concerns | Jarrold Kellogg Natural Resources Specialist |  | 7/8/15 |
| Recreation | Jarrold Kellogg Archeologist |  | 7/8/15 |
| Socioeconomics | Kurt Wadzinski Planning & Environmental Coordinator |  | 7/8/15 |
| Soils | Derek Strohl Natural Resources Specialist |  | 7/8/15 |
| Vegetation | Derek Strohl Natural Resources Specialist |  | 7/8/15 |
| Visual Resources | Derek Strohl Natural Resources Specialist |  | 7/8/15 |
| Water Resources and Water Quality | Derek Strohl and Kyle Schumacher Natural Resources Specialists |  | 7/8/15 7/8/15 |



Preparer

7/8/15

Date



Planning & Environmental Coordinator

7/8/15

Date



Associate District Manager

8 JULY 15

Date