

**U.S. Department of the Interior
Bureau of Land Management
Butte Field Office
106 North Parkmont
Butte, MT 59701**

**Decision Record and Leasing Recommendation
Environmental Assessment DOI-BLM-MT-B070-2010-0012-EA**

Decision:

It is my decision to offer and issue 33 parcels, containing 26,503.61 acres of federal minerals administered by the Butte FO, with stipulations as identified in Appendix A of the EA. This is a modification of Alternative B (the Proposed Action) as identified in the Butte Field Office (FO) Oil and Gas Leasing Environmental Assessment (EA), DOI-BLM-MT-B070-2010-0012-EA. One lease parcel (1,463.26 acres of federal minerals, parcel number 12-10-27) was deferred from the lease sale, pending further study. The decision to lift or maintain suspensions is addressed in a separate decision record.

Authorities:

The authority for this decision is contained in 43 CFR 3100.

Compliance and Monitoring:

No monitoring would be required upon lifting the lease suspensions. Should the parcels be developed, monitoring may be required and would be addressed and analyzed under future NEPA documentation.

Terms, Conditions, and Stipulations:

For all parcels, standard terms and conditions, as well as the lease notices and stipulations identified by parcel in Appendix A of the EA, would apply and be attached to the lease parcel(s).

Plan Conformance and Consistency:

The proposed action and alternatives have been reviewed and found to be in conformance with the land use decisions described in the Butte Resource Management Plan (April 2009) and its associated Environmental Impact Statement (EIS).

Alternatives Considered:

Alternative A – No Action. The No Action Alternative would exclude offering 34 lease parcels in the Butte FO from the upcoming oil and gas lease sale and maintain suspensions on four leases. Surface management would remain the same and ongoing oil and gas development would continue on surrounding federal, private, and state leases.

Alternative B – Proposed Action. The Proposed Action would be to lift oil and gas lease suspensions on four leased parcels, and offer and issue leases on 34 parcels, with a combined total of 30,243 acres of federal minerals administered by the Butte FO. The parcels are located

in Broadwater, Lewis and Clark, Park, and Gallatin counties, generally east and west of the Bridger Range. Standard terms and conditions, as well as the stipulations identified in Appendix A of the EA would apply.

Public Comments:

On August 12, 2010, this EA, along with other oil and gas leasing EAs, were made available for a 30-day public comment period. A total of 131 written submissions were received after the 30-day comment period, which resulted in 79 individually-coded substantive comments. With the exception of some parcel-specific and/or EA-specific comments and issues, most of the comments applied to all eight EAs. After review and consideration of the substantive comments, some modifications were made to the analysis and are denoted with gray-scale shading and/or strikeout in the updated EA. Refer to Chapter 5 of the updated EA for a summary of substantive comments and changes made to the EA.

On October 22, 2010, the Bureau of Land Management provided notice that 223 parcels of land (149,996.962 acres) would be offered in a competitive oil and gas lease sale on December 9, 2010; this lease sale notice initiated a 30-day protest period for the lease sale. Two protests were received. The first protest was submitted by Crowley Fleck Attorneys to the inclusion of Parcel Number 12-10-27, located within the Butte Field Office, which was deferred from the lease sale to allow for further review. The second protest was submitted by the Montana Environmental Information Center, Earthworks' Oil and Gas Accountability Project, and WildEarth Guardians and protested the inclusion of all 223 parcels in the lease sale. Based on a detailed review and consideration of the issues raised, the BLM provided responses to the issues raised and denied the protest to the parcels offered at the December 9, 2010 oil and gas lease sale.

Rationale for the Decision:

The decision to approve offering and issuing 33 parcels, containing 26,503.61 acres of federal minerals administered by the Butte FO, with stipulations as identified in Appendix A of the EA, and to defer from lease sale parcel 12-10-27 (pending further study), is based on the following: 1) consistency with resource management and land use plans; 2) national policy; 3) agency statutory requirements; 4) relevant resource issues; and 5) application of measures to avoid or minimize environmental impacts.

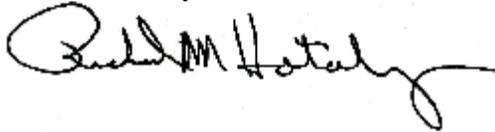
1. The decision is in conformance with the Butte RMP (April 2009) and FEIS.
2. It is the policy of the Bureau of Land Management (BLM) as derived from various laws, including the Mineral Leasing Act of 1920, as amended [30 U.S.C. 181 *et seq.*] and the Federal Land Policy and Management Act of 1976, to make mineral resources available for disposal and to encourage development of mineral resources to meet national, regional, and local needs.
3. The decision is consistent with all federal, state, and county authorizing actions required for implementation of the Proposed Action.
4. Standard terms and conditions as well as special stipulations would apply. Lease stipulations (as required by Title 43 Code of Federal Regulations 3101.1-3) were added to each parcel as identified by the Butte FO to address site specific resource concerns or new information not identified in the planning process.

Recommended by:



Scott S. Haight, Field Manager
December 27, 2010

Concurrence by:



Richard M. Hotaling, District Manager
December 27, 2010

Approved by:



Theresa M. Hanley, Deputy State Director, Division of Resources
December 27, 2010