

**U.S. Department of the Interior
Bureau of Land Management
Miles City Field Office
111 Garryowen Road
Miles City, Montana 59301-7000**

**Decision Record and Leasing Recommendation
Environmental Assessment DOI-BLM-MT-C020-2011-0160-EA**

Decision:

It is my decision to implement Alternative C (the Preferred Alternative) as identified in the Miles City Field Office (MCFO) Oil and Gas Leasing Environmental Assessment (EA), DOI-BLM-MT-C020-2011-0160-EA in which 37 of the 48 lease parcels (36 whole, 1 partial) containing approximately 4,296 acres of federal minerals would be offered for lease at the October 18, 2011 competitive sale. Competitive leases will be issued for parcels sold at the sale, and noncompetitive leases may be issued for applications filed during the 2-year period following the sale. The remaining 12 parcels considered in the EA containing approximately 2,877 federal mineral acres in whole or part would be deferred due to greater sage-grouse, and cultural resource importance, and are pending further review.

Authorities:

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

Compliance and Monitoring:

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 alternatives have been reviewed and found to be in conformance with the land use decisions described in the: Powder River Resource Management Plan and Record of Decision, March 1985 as amended by Miles City District Oil and Gas FEIS/Amendment, February 1994; and Montana Statewide Oil and Gas FEIS/Amendment of the Powder River and Billings RMPs, April 2003; and Supplement to Montana Statewide Oil and Gas FEIS/Amendment of the Powder River and Billings RMPs, December 2008; and Big Dry Resource Management Plan and Record of Decision, April 1996.

Alternatives Considered:

Alternative A – No Action. The No Action alternative would exclude all 48 lease parcels within the MCFO from lease sale. 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 alternative would offer all 48 lease parcels, covering 7,173 acres for competitive and/or noncompetitive lease issuance, in conformance with the land use planning decisions. The lease parcel number, size, and detailed locations and associated stipulations are listed in Appendix A of the EA. Standard terms and conditions, as well as stipulations identified in Appendix A of the EA would apply.

Alternative C – BLM Preferred Alternative. The Preferred Alternative would be to offer 37 parcels (36 whole, 1 partial), containing 4,296 acres of federal minerals for competitive and/or noncompetitive lease issuance. The lease parcels to be offered are located within the MCFO and are dispersed across the following counties: Carter, Wibaux, Daniels, Rosebud, Garfield, Richland, Roosevelt, and Sheridan. Standard terms and conditions, as well as stipulations identified in Appendix A of the EA would apply.

The preferred alternative would defer a total of 12 lease parcels in whole or part (2,877 acres of federal minerals) from the upcoming lease sale. More specifically, 11 lease parcels have been found to contain priority sage-grouse habitat (2,837 federal mineral acres); 1 lease parcel has been found to contain sensitive cultural sites (80 federal mineral acres) therefore, these lease parcels would be deferred at this time pending further review and analysis. Some of the aforementioned acres overlap various resources, but the deferred total acres remains 2,877.

Public Comments:

This EA was made available for a 30-day public comment period which ended on June 14, 2011. No comments were received regarding the EA during the 30 day comment period. Although no comments were received, some modifications were made to the EA, 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 public participation and changes made to the EA.

Rationale for the Decision:

The decision to approve Alternative C, the preferred alternative, 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 Powder River Resource Management Plan and Record of Decision, March 1985 as amended by Miles City District Oil and Gas FEIS/Amendment, February 1994; and Montana Statewide Oil and Gas FEIS/Amendment of the Powder River and Billings RMPs, April 2003; and Supplement to Montana Statewide Oil and Gas FEIS/Amendment of the Powder River and Billings RMPs, December 2008; and Big Dry Resource Management Plan and Record of Decision, April 1996 and the associated Environmental Impact Statement (EIS).
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 Preferred Alternative.
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 MCFO to address site specific resource concerns or new information not identified in the planning process.

Recommended by:



Deborah K. Johnson Morford, Field Manager
Date September 15, 2011

Concurrence by:



M. Elaine Raper, District Manager
Date September 15, 2011

Approved by:



Theresa M. Hanley, Deputy State Director, Division of Resources
Date September 16, 2011