

**U.S. Department of the Interior
Bureau of Land Management
South Dakota Field Office
310 Roundup Street
Belle Fourche, South Dakota 57717**

**Decision Record and Leasing Recommendation
Environmental Assessment DOI-BLM-MT-C040-2012-0008-EA**

Decision:

It is my decision to implement Alternative C (the Preferred Alternative) as identified in the South Dakota Field Office (SDFO) Oil and Gas Leasing Environmental Assessment (EA), DOI-BLM-MT-C040-2012-0008-EA. A total of 112 parcels containing 17,878 acres of federal minerals were nominated to be offered for lease at the July 17, 2012 competitive sale. All of 78 parcels, and portions of 18 parcels, (containing 14,003 acres of federal minerals) would be deferred from leasing pending further review and consultation for Traditional Cultural Properties, or pending completion of the new RMP for parcels deferred due to sage-grouse and sensitive soils. Portions of 18 parcels, and all of 16 parcels (containing 3,875 acres of federal minerals), would be leased. 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.

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 Miles City District Oil and Gas Resource Management Plan (RMP) and accompanying Environmental Impact Statement (EIS) (1994). This decision will implement the Miles City District Oil and Gas RMP/EIS Amendment, which adopted the following stipulations: NSO 11-2, NSO 11-4, CSU 12-1, TL 13-1, and TL 13-3.

Alternatives Considered:

Alternative A – No Action. The No Action Alternative would exclude 112 lease parcels from the 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 would be to offer 112 parcels for competitive and/or noncompetitive lease issuance, in conformance with the current land use planning decisions. The lease parcels are located within the SDFO and are all in Harding County, South Dakota. 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 16 parcels, and parts of 18 parcels (3,875 acres of federal minerals) for competitive and/or noncompetitive lease issuance. Seventy-eight parcels would be deferred from leasing, and 18 parcels would be partially deferred (14,003 acres of federal minerals). Many parcels contain more than one resource that would stimulate the need to defer the parcel from this lease sale. The lease parcels to be offered are located within the SDFO and are all located in Harding County, South Dakota. Standard terms and conditions, as well as stipulations identified in Appendix A of the EA would apply.

The preferred alternative would defer all or part of 44 lease parcels from the upcoming lease sale which have been found to contain priority sage-grouse habitat. Greater sage-grouse conservation areas are being considered in the Field Office's on-going planning efforts; therefore, 44 lease parcels, or portions of lease parcels, would be deferred at this time pending further review and analysis.

Twenty-seven lease parcels have been identified as having the potential to contain sensitive cultural sites. Additional cultural protection measures are being considered in the Field Office's on-going planning efforts. In addition, tribal consultation for parcels in sensitive areas need to be completed prior to offering parcels, therefore, all 27 lease parcels would be deferred at this time pending further review and analysis.

Thirty lease parcels have been found to contain sensitive soils. Sensitive soils areas are being considered in the Field Office's on-going planning efforts; therefore, 30 lease parcels, or portions of lease parcels, would be deferred at this time pending further review and analysis.

Public Comments:

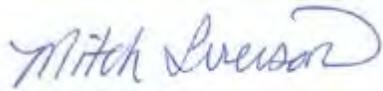
On February 13, 2012, this EA was made available for a 30-day public comment period. A total of 1 written submission was received after the 30-day comment period, which resulted in 0 individually-coded substantive comments since the comment was merely a statement of appreciation expressed by a local rancher for early notification of leasing activities on his split estate (private surface).

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 Miles City District Oil and Gas Resource Management Plan (RMP) and accompanying Environmental Impact Statement (EIS) (1994).
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 SDFO to address site specific resource concerns or new information not identified in the planning process. This decision will implement the Miles City District Oil and Gas RMP/EIS Amendment, which adopted these stipulations.

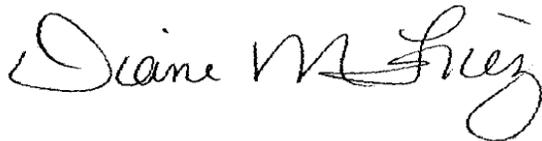
Recommended by:



Mitch Iverson, Acting Field Manager

Date: July 11, 2012

Concurrence by:



Diane M. Friez, District Manager

Date July 12, 2012

Approved by:



Theresa M. Hanley, Deputy State Director, Division of Resources

Date July 17, 2012