

**United States Department of the Interior
Bureau of Land Management
South Dakota Field Office
310 Roundup Street
Belle Fourche, SD 57717-1698**

**NEPA Compliance Record
For
May 8, 2012 Oil and Gas Lease Sale
Parcels Within:
USFS — Region 2 Buffalo Gap National Grassland**

Project Location: Fall River County, South Dakota

Forest Service Parcel Numbers: SDM-97300-E3

BLM Parcel Number: SDM-97300-E3

Purpose of the NEPA Compliance Record: To adopt and document National Environmental Policy Act (NEPA) review of the U.S. Forest Service's (USFS) leasing decisions and recommendations (leasing determinations). The basis for these leasing determinations, including identification of applicable NEPA analysis, is documented in authorization letter dated September 29, 2011.

NEPA Review: The USFS decision verification and consent to lease approximately 320 acres of the Buffalo Gap National Grassland is based on the Nebraska & Samuel R. McKelvie National Forests, Oglala, Buffalo Gap, & Fort Pierre National Grasslands Final Environmental Impact Statement (FEIS) 2002; the FEIS for the Northern Great Plains Management Plans Revision (2001), and the Land and Resource Management Plan for Nebraska National Forest & Associated Units (2001). The Bureau of Land Management (BLM) was a cooperating agency for the FEIS and LRMP and issued Oil and Gas Leasing Decisions as part of the June 2002 ROD.

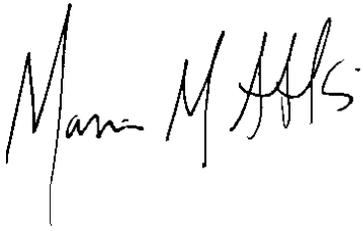
The USFS consent letter and accompanying decision verification forms identify specific lease stipulations to protect surface resources. Standard terms and conditions for oil and gas leasing and development of the lease also apply. This action conforms with and is within the scope of the land use decisions identified above. The existing FEIS and ROD comply with BLM review criteria identified in the BLM NEPA Handbook, section 5.1.

Decision Record and Rationale: It is my decision to offer the parcels approved and recommended by the USFS in their decision verifications and consent letter dated September 16, 2011, for lease at the May 8, 2012 Competitive Lease Sale and issue leases in accordance with the lease sale notice where there are successful bidders.

The parcels will be offered with standard lease terms and the special stipulations identified in the subject consent letters and supporting decision verification documents submitted by the USFS. The action is consistent with the BLM policy of making mineral resources available for leasing and development while protecting both surface and subsurface resources, and complies with

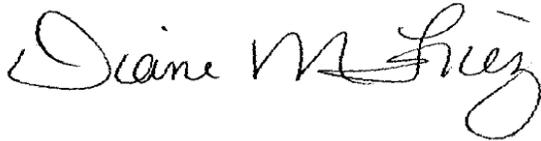
coordination requirements and responsibilities of the of the Federal Onshore Oil and Gas Leasing Reform Act of 1987 (FOOGLRA), 30 U.S.C §181 et seq.

Recommended by:

A handwritten signature in black ink that reads "Marian M. Atkins". The signature is written in a cursive style with a vertical line extending downwards from the end.

Marian M. Atkins, Field Manager
Date May 10, 2012

Concurrence by:

A handwritten signature in black ink that reads "Diane M. Friez". The signature is written in a cursive style with a horizontal line extending from the end.

Diane M. Friez, District Manager
Date May 10, 2012

Approved by:

A handwritten signature in black ink that reads "Theresa M. Hanley". The signature is written in a cursive style with a horizontal line extending from the end.

Theresa M. Hanley, Deputy State Director, Division of Resources
Date May 11, 2012