



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Miles City Field Office
111 Garryowen Road
Miles City, Montana 59301-7000
www.blm.gov/mt

In Reply Refer To:

3160 (MTC023)
May 6, 2015 Lease Sale

December 2, 2014

Dear Reader:

The Bureau of Land Management (BLM) Miles City Field Office prepared a Documentation of NEPA Adequacy (DNA) for the three nominated lease parcels being offered for competitive oil and gas leasing in a sale tentatively scheduled to occur on May 6, 2015.

The DNA is available for a 30-day public comment period. Written comments must be postmarked by December 31, 2014, to be considered. Comments may be submitted using one of the following methods:

Email: BLM_MT_Miles_CityFO_Lease_EA@blm.gov

Mail: Miles City Field Office
Attn: Irma Nansel
111 Garryowen Road
Miles City, Montana 59301-7000

Before including your address, phone number, e-mail address, or other personal identifying information in your comment, be advised that your entire comment – including your personal identifying information – may be made publicly available at any time. While you can ask us in your comment to withhold from public review your personal identifying information, we cannot guarantee that we will be able to do so.

Upon review and consideration of public comments, the DNA will be updated as needed. Based on our review, parcels recommended for leasing in our assessment would be included as part of a competitive oil and gas lease sale tentatively scheduled to occur on May 6, 2015.

Prior to issuance of any leases, the DNA will be finalized and posted for public review on our BLM website. Please refer to the Montana/Dakotas BLM website at <http://blm.gov/6xld>. Current and updated information about our DNA, Lease Sale Notices, and corresponding information pertaining to this sale can be found at the link referenced above.

If you have any questions or would like more information about lease sale notices or the issuance of the DNA, please contact me at 406-233-2837.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd D. Yeager". The signature is stylized with a large, sweeping initial "T" and a long, horizontal flourish extending to the right.

Todd D. Yeager
Field Manager

**United States Department of the Interior
Bureau of Land Management**

DETERMINATION OF NEPA ADEQUACY

DOI-BLM-MT-C020-2015-0009-DNA
December 2, 2014

Project Title: Oil and Gas Lease Parcel May 6, 2015 Sale

Location: Roosevelt and Powder River Counties, Miles City Field Office



BLM Office: Miles City Field Office (MCFO)

NEPA Number: DOI-BLM-MT-C020-2015-0009-DNA

Case File/Project No: MTM 105431-JB, MTM 105431-JC, MTM 105431-JD

Proposed Action Title/Type: Oil and Gas Lease Parcel, May 6, 2015 Sale

Location/Legal Description:

MTM 105431-JB
T. 26 N., R. 59 E.,
Sec. 11 NWSE;
Roosevelt County

MTM 105431-JC
T. 9 S., R. 51 E.,
Sec. 28 NWNW;
Powder River County

MTM 105431-JD
T. 27 N., R. 57 E.,
Sec. 17 SWNE, NWSE;
Roosevelt County

Background:

It is the policy of the Bureau of Land Management (BLM) to make mineral resources available for use and to encourage development of mineral resources to meet national, regional, and local needs. This policy is based on various laws, including the Mineral Leasing Act of 1920 and the Federal Land Policy and Management Act of 1976. The Federal Onshore Oil and Gas Leasing Reform Act of 1987 Sec. 5102(a)(b)(1)(A) directs the BLM to conduct quarterly oil and gas lease sales in each state whenever eligible lands are available for leasing. The Montana State Office conducts mineral estate lease auctions for lands managed by the Federal Government, whether the surface is managed by the Department of the Interior (BLM or Bureau of Reclamation), United States Forest Service, or other departments and agencies. In some cases the BLM holds subsurface mineral rights on split estate lands where the surface estate is owned by another party, other than the Federal Government. Federal mineral leases can be sold on such lands as well.

Members of the public file Expressions of Interest (EOI) to nominate parcels for leasing by the BLM. From these EOIs, the Montana State Office provides draft parcel lists to the appropriate field offices for review. The BLM field offices then review legal descriptions of nominated parcels to determine: if they are in areas open to leasing; if new information has come to light which might change previous analyses conducted during the land use planning process; if there are special resource conditions of which potential bidders should be made aware; and which

stipulations should be identified and included as part of a lease. Ultimately, all of the lands in proposed lease sales are nominated by private individuals, companies, or the BLM, and therefore represent areas of high interest.

At the time of this review it is unknown whether a particular parcel will be sold and a lease issued. It is unknown when, where, or if future well sites, roads, and facilities might be proposed. Detailed site-specific analysis and mitigation of activities associated with any particular lease would occur when a lease holder submits an application for permit to drill (APD). Site-specific mitigation and reclamation measures would be described in the conditions of approval (COAs).

A. Description of the Proposed Action

The Proposed Action would be to offer three (3) lease parcels of Federal minerals for oil and gas leasing, two in Roosevelt County and one in Powder River County, covering 160 Federal mineral acres (40 acres of BLM administered surface and 120 acres of private surface), in conformance with the existing land use planning decisions. The terms and conditions of the standard federal lease and federal regulations would apply to each parcel offered for sale. Parcel number, size, detailed legal land descriptions, and associated stipulations to be included with each parcel offered for sale are listed in Attachment 1. Maps 1-3 indicate the location of each parcel.

Applicant: Members of the Public

County: Roosevelt and Powder River Counties

DNA Originator: Irma Nansel, Planning and Environmental Coordinator/Project Lead

B. Land Use Plan (LUP) Conformance

LUP Name* Big Dry RMP/EIS Date Approved April 1996

LUP Name* Powder River Resource Area RMP/EIS, as amended Date Approved March 1985

Other document** May 21, 2014 Comp Oil and Gas Lease Sale EA Date Approved May 2014

Other document** Oct. 21, 2014 Comp Oil and Gas Lease Sale EA Date Approved Oct. 2014

**List applicable LUPs (for example, resource management plans; activity, project, management, or program plans; or applicable amendments thereto)*

The proposed action is in conformance with the applicable LUPs because it is specifically provided for in the following LUP decisions:

The proposed action is in conformance with the LUP, even though it is not specifically provided for, because it is clearly consistent with the following LUP decisions (objectives, terms, and conditions)

This proposed action is in conformance with the decisions contained in the Big Dry Resource Management Plan (RMP/EIS) of April 1996 and the Powder River RMP/EIS of March 1985, as amended (1994 Oil and Gas RMP/EIS Amendment, 2003 Final Statewide Oil and Gas Environmental Impact Statement and proposed Amendment of the Powder River and Billings RMPs, and the 2008 Final Supplement to the Montana Statewide Oil and Gas Environmental Impact Statement and Proposed Amendment of the Powder River and Billings RMPs). The Big Dry and Powder River RMPs are the governing land use plans for the MCFO. The lease parcels to potentially be offered for sale are within areas determined to be open to oil and gas leasing in the Big Dry and Powder River RMPs.

C. Identify applicable National Environmental Policy Act (NEPA) document(s) and other related documents that cover the proposed action.

List by name and date all applicable NEPA documents that cover the proposed action.

- May 21, 2014 Comp Oil and Gas Lease Sale EA, DOI-BLM-MT-C020-2014-0017-EA
- Oct. 21, 2014 Comp Oil and Gas Lease Sale EA, DOI-BLM-MT-C020-2014-0091-EA

List by name and date other documentation relevant to the proposed action (e.g., biological assessment, biological opinion, watershed assessment, allotment evaluation and monitoring report).

- Cultural Resource Report: MT-020-13-190, MT-020-14-101, MT-020-14-235

D. NEPA Adequacy Criteria

1. Is the new proposed action a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document(s)? Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document(s)? If there are differences, can you explain why they are not substantial?

The nominated parcels were reviewed by an interdisciplinary team of resource specialists and identified to be similar in geographic and resource conditions to those analyzed in the two referenced lease sale EAs above.

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the new proposed action, given current environmental concerns, interests, and resource values?

Yes, the RMPs and EAs analyzed appropriate alternatives with respect to the proposed action, including “No Action”.

3. Is the existing analysis valid in light of any new information or circumstances (such as rangeland health standard assessment, recent endangered species listings, updated lists of BLM-sensitive species)? Can you reasonably conclude that new information and new circumstance would not substantially change the analysis of the new proposed action?

The existing analyses are adequate with regard to the proposed action. The Montana/Dakotas Special Status Species list was updated and finalized in August 2014. The list was revised with species being deleted, others added and delineations provided for those species considered “Special Status” for each field office. Five migratory birds and one bat were added to the list within the MCFO area. Habitat for the five migratory bird species overlaps with other migratory bird species previously analyzed in the two referenced lease sale EAs. In addition, since the proposed parcels are not wetland in nature, the likelihood of finding these newly added species within the proposed parcels is remote. Applying the conditions of approval specific for migratory birds to the APD would provide the needed protections for any of the migratory bird species listed in the updated 2014 Montana/Dakotas Special Status Species list. Although new to the Special Status Species list is the spotted bat, suitable habitat is not present among the nominated parcels. The two parcels in Roosevelt County are not within greater sage-grouse habitat. The parcel in Powder River County is within Preliminary General Habitat for greater sage-grouse. No greater sage-grouse leks were identified within two miles of the proposed parcel. The appropriate sage-grouse stipulations and lease notice have been applied to this parcel.

4. Are the direct, indirect and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in the existing NEPA document?

Yes, the actions proposed would have the same direct and indirect impacts as those analyzed in the referenced EAs and also included in the RMPs and associated amendments. Similar to the referenced EAs, Lease Notice 14-14 would be applied to lease parcels MTM 105431-JD and JB to inform the lessee and operator that the lease parcels are within a Setting Consideration Zone (SCZ) of known historic properties (i.e. Lewis and Clark National Historic Trail (NHT) and the Fort Union National Historic Landmark) that are or may be eligible for listing on the National Register of Historic Places (NRHP). The lessee and operator may be required to implement specific measures to reduce impacts of oil and gas operations on historic properties and values. These measures would be identified during the on-site inspection and environmental review of the APD.

5. Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action?

Yes, the RMPs/FEISs had public and interagency review in their analyses. In addition, the public had opportunity to participate in a 15-day scoping and 30-day public comment periods on the referenced EAs and this proposed action. A protest period was also completed for the referenced EAs. The BLM also sent letters to tribes in Montana, North and South Dakota and Wyoming for the 15-day scoping and 30-day public comment period inviting them to submit comments on the parcels proposed in the referenced lease sale EAs and on this proposed action.

E. Interdisciplinary Analysis: Identify those team members conducting or participating in the preparation of this worksheet.

Name	Title	Responsible for the Following Section(s)
Susan Bassett	Air Specialist	Air Resources

Jesse Hankins	Wildlife Biologist	Wildlife
Chris Robinson	Hydrologist	Water Resources/Riparian Vegetation/Soils
CJ Truesdale	Archaeologist	Cultural/Special Designations
Dena Lang	Outdoor Recreation Planner	Recreation/VRM/Travel Management
Jen Frazer	Natural Resource Specialist	GIS
Dawn Doran	Rangeland Management Specialist	Livestock Grazing/Vegetation/Invasive Species
Doug Melton	Archeologist	Native American Religious Concerns
Greg Liggitt	Paleontologist	Paleontology
Beth Klempel	Realty Specialist	Lands/Realty
Paul Helland	Petroleum Engineer	Fluid Minerals
Irma Nansel	Planning & Environmental Coord.	Project Lead
Jessica Montag	Social Analyst	Social Analysis
Jennifer Dobbs	Economist	Economic Analysis

F. Mitigation Measures: List any applicable mitigation measures that were identified, analyzed, and approved in relevant LUPs and existing NEPA document(s). List the specific mitigation measures or identify an attachment that includes those specific mitigation measures. Document that these applicable mitigation measures must be incorporated and implemented.

See Attachments 1 and 2 for stipulations to be applied upon lease issuance.

CONCLUSION

Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitutes BLM’s compliance with the requirements of NEPA.

Note: If one or more of the criteria are not met, a conclusion of conformance and/or NEPA adequacy cannot be made and this box cannot be checked

Recommended by _____ Date _____
 Todd D. Yeager, Field Manager

Concurrence by _____ Date _____
 Diane M. Friez, District Manager

Approved by _____ Date _____
 Name, Deputy State Director
 Division of Energy, Minerals and Realty

Note: The signed Conclusion on this Worksheet is part of an interim step in the BLM’s internal decision process and does not constitute an appealable decision. However, the lease, permit, or other authorization based on the DNA is subject to protest or appeal under 43 CFR Part 4 and the program-specific regulations.

Attachment 1. Location of proposed parcels with proposed lease stipulations to be applied upon lease issuance.

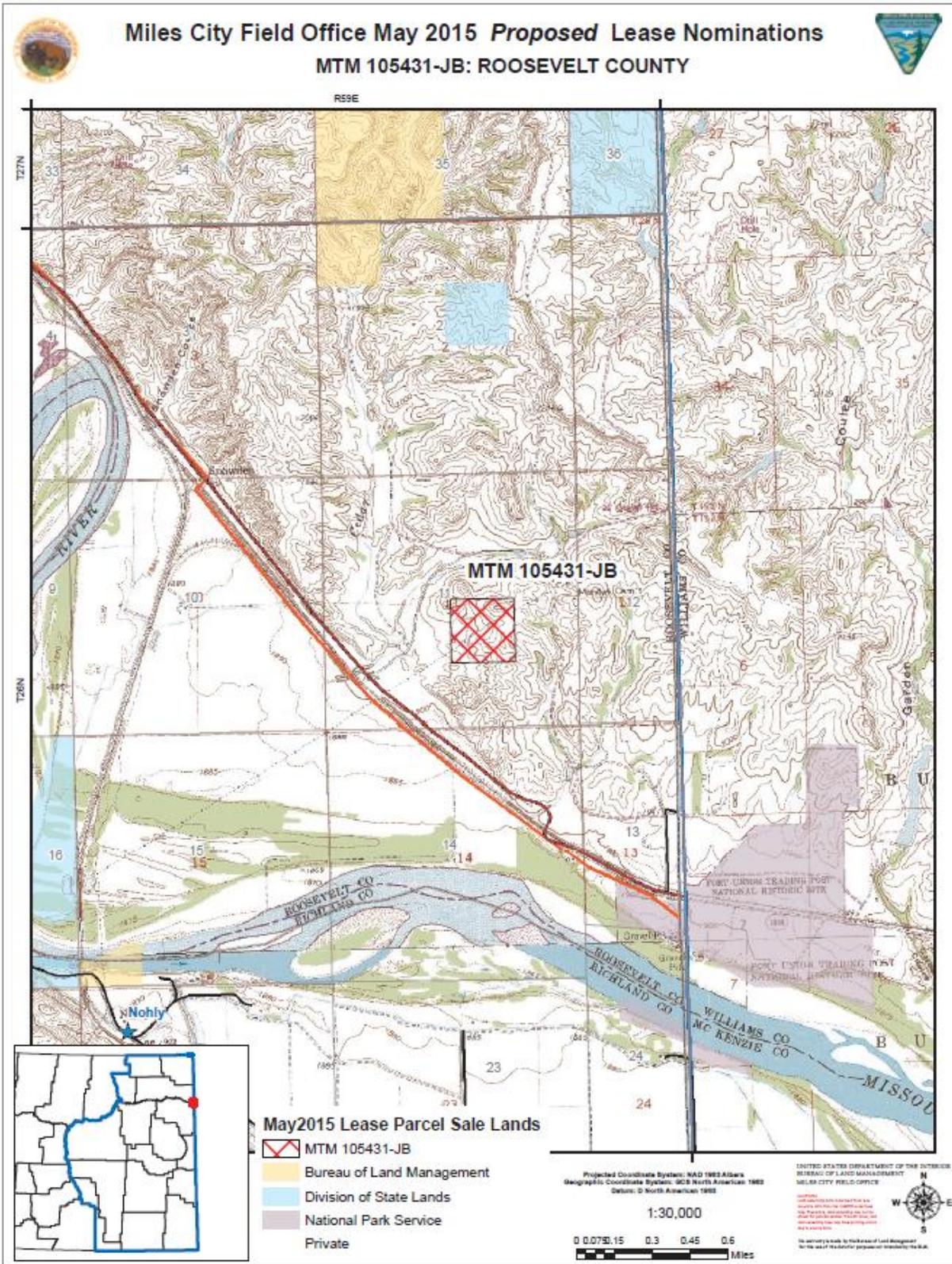
PARCEL NUMBER	PARCEL DESCRIPTION	PROPOSED STIPULATIONS
MTM 105431-JD	T. 27 N, R. 57 E, PMM, MT SEC. 17 SWNE,NWSE; ROOSEVELT COUNTY 80.00 AC PD	CR 16-1 (ALL LANDS) CSU 12-1 (ALL LANDS) LN 14-12 (ALL LANDS) LN 14-14 (ALL LANDS) LN 14-15 (ALL LANDS) TES 16-2 (ALL LANDS) TL 13-1 (ALL LANDS)
MTM 105431-JB	T. 26 N, R. 59 E, PMM, MT SEC. 11 NWSE; ROOSEVELT COUNTY 40.00 AC PD	CR 16-1 (ALL LANDS) LN 14-12 (ALL LANDS) LN 14-14 (ALL LANDS) LN 14-15 (ALL LANDS) TES 16-2 (ALL LANDS) TL 13-1 (ALL LANDS)
MTM 105431-JC	T. 9 S, R. 51 E, PMM, MT SEC. 28 NWNW; POWDER RIVER COUNTY 40.00 AC PD	CR 16-1 (ALL LANDS) LN 14-11 (ALL LANDS) LN 14-12 (ALL LANDS) TES 16-2 (ALL LANDS) TL 13-1 (ALL LANDS)

Attachment 2. Stipulation Key

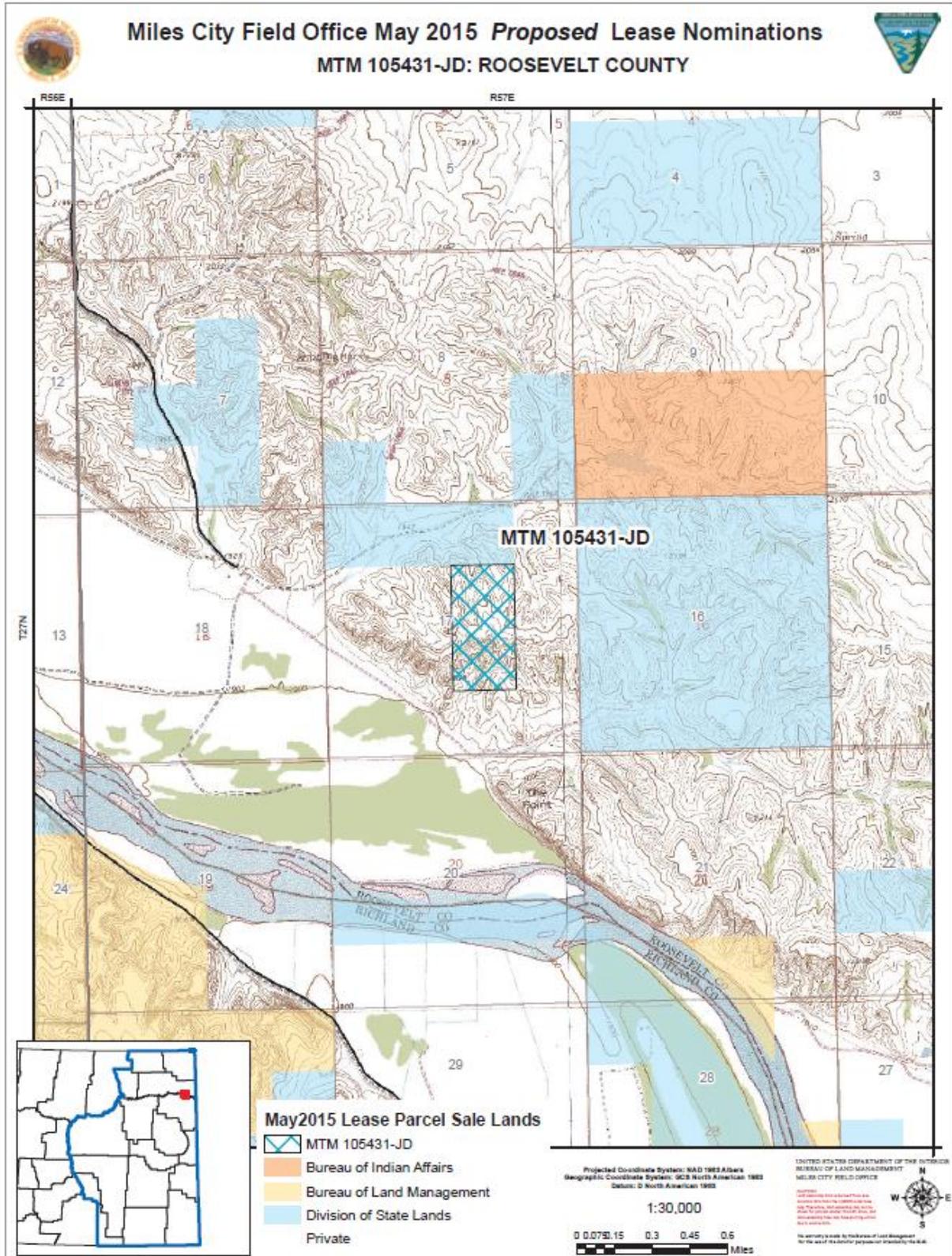
Stipulation No.	Stipulation Name/Brief Description
CR 16-1	<p>CULTURAL RESOURCES LEASE STIPULATION This lease may be found to contain historic properties and/or resources protected under the National Historic Preservation Act (NHPA), American Indian Religious Freedom Act, Native American Graves Protection and Repatriation Act, E.O. 13007, or other statutes and executive orders. The BLM will not approve any ground disturbing activities that may affect any such properties or resources until it completes its obligations under applicable requirements of the NHPA and other authorities.</p>
CSU 12-1	<p>CONTROLLED SURFACE USE STIPULATION Surface occupancy or use is subject to the following special operating constraint: Prior to surface disturbance on slopes over 30 percent, an engineering/reclamation plan must be approved by the authorized officer.</p>
LN 14-11	<p>LEASE NOTICE GREATER SAGE-GROUSE HABITAT The lease may, in part or in total, contain important greater sage grouse habitats as identified by the BLM, either currently or prospectively. The operator may be required to implement specific measures to reduce impacts of oil and gas operations on the greater sage grouse populations and habitat quality. Such measures shall be developed during the application for permit to drill on-site and environmental review process and will be consistent with the lease rights granted.</p>
LN 14-12	<p>LEASE NOTICE PALEONTOLOGICAL RESOURCE INVENTORY REQUIREMENT This lease has been identified as being located within geologic units rated as being moderate to very high potential for containing significant paleontological resources. The locations meet the criteria for class 3, 4 and/or 5 as set forth in the Potential Fossil Yield Classification System, WO IM 2008-009, Attachment 2-2. The BLM is responsible for assuring that the leased lands are examined to determine if paleontological resources are present and to specify mitigation measures. Guidance for application of this requirement can be found in WO IM 2008-009 dated October 15, 2007, and WO IM 2009-011 dated October 10, 2008. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or project proponent shall contact the BLM to determine if a paleontological resource inventory is required. If an inventory is required, the lessee or project proponent will complete the inventory subject to the following:</p> <ul style="list-style-type: none"> • the project proponent must engage the services of a qualified paleontologist, acceptable to the BLM, to conduct the inventory; • the project proponent will, at a minimum, inventory a 10-acre area or larger to incorporate possible project relocation which may result from environmental or other resource considerations; • paleontological inventory may identify resources that may require mitigation to the satisfaction of the BLM as directed by WO IM 2009-011.
LN 14-14	<p>LEASE NOTICE CULTURAL VISUAL SETTING The lease is located adjacent to known historic properties that are or may be eligible for listing on the National Register of Historic Places (NRHP). The lease may in part or whole contribute to the importance of the historic properties and values, and listing on the NRHP. The operator may be required to implement specific measures to reduce impacts of oil and gas operations on historic properties and values. These measures</p>

Stipulation No.	Stipulation Name/Brief Description
	<p>may include, but are not limited to, project design, location, painting and camouflage. Such measures shall be developed during the on-site inspection and environmental review of the application for permit to drill (APD), and shall be consistent with lease rights.</p> <p>The goal of this Lease Notice is to provide information to the lessee and operator that would help design and locate oil and gas facilities to preserve the integrity and value of historical properties that are or may be listed on the National Register of Historic Places. This notice is consistent with the present Montana guidance for cultural resource protection related to oil and gas operations (NTL-MSO-85-1).</p>
LN 14-15	<p>LEASE NOTICE SPRAGUE’S PIPIT The lease area may contain habitat for the Federal candidate Sprague’s pipit. The operator may be required to implement specific measures to reduce impacts of oil and gas operations on Sprague’s pipits, their habitat, and overall population. Such measures would be developed during the application for permit to drill and environmental review processes, consistent with lease rights.</p> <p>If the US Fish and Wildlife Service lists the Sprague’s pipit as threatened or endangered under Endangered Species Act, the BLM would enter into formal consultation on proposed permits that may affect the Sprague’s pipit and its habitat. Restrictions, modifications, or denial of permits could result from the consultation process.</p>
TES 16-2	<p>ENDANGERED SPECIES ACT SECTION 7 CONSULTATION STIPULATION The lease area may now or hereafter contain plants, animals, or their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development, and require modifications to or disapprove proposed activity that is likely to result in jeopardy to proposed or listed threatened or endangered species or designated or proposed critical habitat.</p>
TL 13-1	<p>TIMING LIMITATION STIPULATION No surface use is allowed within crucial winter range for wildlife for the time period December 1 to March 31 to protect crucial white-tailed deer, mule deer, elk, antelope, moose, bighorn sheep, and sage grouse winter range from disturbance during the winter use season, and to facilitate long-term maintenance of wildlife populations. This stipulation does not apply to operation and maintenance of production facilities.</p>

Map 1. Parcel MTM 105431-JB in Roosevelt County



Map 2. Parcel MTM 105431-JD in Roosevelt County



Map 3. Parcel MTM 105431-JC in Powder River County

