



# United States Department of the Interior



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Instruction Memorandum: No. NV-2014-032  
Expires: 9/30/2016

To: BLM Employees, Nevada  
From: State Director  
Subject: Direction for Oil and Gas Competitive Lease Parcel Review

**Program Area:** Oil and Gas and Related Planning

**Purpose:** This Instruction Memorandum (IM) establishes a process for ensuring orderly, effective, timely, and environmentally responsible leasing of oil and gas (O&G) resources on Federal lands in Nevada and procedures for long term deferral process.

**Objectives:**

- Define roles and responsibilities for Nevada's O&G leasing process;
- Establish a "checks and balances" approach to the leasing process to ensure successful competitive O&G lease sales; and
- Implement procedures for deferring lands from O&G leasing for more than one (1) year.

Existing Land Use Plan (LUP) decisions remain in effect until an amendment or revision is completed and approved. However, District Managers have the discretion to defer or modify proposed implementation-level actions and require appropriate conditions of approval, stipulations, relocations, or redesigns to reduce the effect of the action on the resource values being considered through the amendment or revision process. A decision to temporarily defer O&G leasing can be made where a different land use or allocation is currently being considered in the preferred alternative of a draft or proposed Resource Management Plan (RMP) revision or amendment. However, the decision to defer lands must not lead to an area-wide moratorium during the planning process.

### Leasing and/or Deferral Process:

This IM supplements Manual Section, MS-3120 *Competitive Leases*, and Handbook, H-3120-1 *Competitive Leases*, which incorporated guidelines set-forth in WO-IM-2010-117, *Oil and Gas Leasing Reform - Land Use Planning and Lease Parcel Review* (See Attachment 1, WO-IM-2010-117).

The leasing and/or deferral process established in this IM creates open communication and provides consistency in monitoring the leasing process between the Nevada State Office, Branch of Adjudication (Branch of Adjudication) and the District Offices (DOs) and Field Offices (FOs) (See Attachment 2, Lease Process Table- Roles and Responsibilities). A checklist (See Attachment 3, Oil and Gas Lease Sale District Office Checklist) has also been developed to aid the DOs in tracking their O&G leasing process and enable them to report on their benchmarks to the Deputy State Director, Minerals Management (DSD).

Attachment 2, Lease Process Table-Roles and Responsibilities, explains the three stages of the parcel review and lease issuance process that consists of 270 days for each competitive O&G lease sale (refer to Attachment 4, BLM-Nevada Competitive Oil and Gas Lease Sale Schedule):

- Stage 1: The Branch of Adjudication role includes, but are not limited to, pre-planning coordination call with the DOs (scheduled only if the DSD determines it is necessary), a management coordination call with DOs, and initiates an Oil and Gas Lease Sale District Office Checklist (See Attachment 3);
- Stage 2: DO and FO role includes approximately 16 weeks of National Environmental Policy Act (NEPA) analysis (now must include a link to a Geographic Information System (GIS) shapefile reflecting the deferral request and also must coordinate a status call with DSD); and
- Stage 3: The Branch of Adjudication's role-finalizes parcel list, prepares competitive O&G lease sale and issues leases.

Parcels deferred for less than one (1) year through the NEPA process, will be tracked and automatically included on the next annual sale. For parcels deferred more than one (1) year, refer to Long Term Deferral Process below.

### Long Term Deferral Process:

This section supplements the *Land Use Planning Handbook*, H-1601-1, Sections VI and VII, which provides direction on how to proceed when new information is provided regarding issues to be addressed in pending or upcoming land use planning efforts, or may indicate a need to supplement existing NEPA analyses. All DOs and FOs are expected to follow their respective approved LUPs when offering parcels with Expressions of Interest or Presale Offers for lease. This section also provides procedures for recommending approval to defer parcels from leasing

for more than one (1) year and eliminates workload analysis of parcels associated with Greater Sage-Grouse protection. All lands within Greater Sage-Grouse Preliminary Priority Habitat (PPH), Preliminary General Habitat (PGH), and within four (4) miles of leks will be deferred, in whole or in part, from the competitive lease sale process until the Nevada and Northeastern California Sub-Regional Greater Sage-Grouse Planning Strategy Final Environmental Impact Statement is released.

For resource issues not addressed in the RMP's decision, the DOs and FOs can recommend that lands be deferred until the issue(s) has been resolved by either: 1) amending their RMP or 2) by working through the issue(s) without changes to the RMP decision. These deferrals require a Deferral Memorandum (*See* Attachment 5, Deferral Memorandum (example)). All Deferral Memorandums must be requested through the DSD, with a concurrence line for the DSD and an approval line for State Director signature. The Deferral Memorandum must include the following:

Completed Deferral Spreadsheet (*See* Attachment 6, Deferral Spreadsheet), which will have the:

- Parcel number(s) (if applicable);
- Legal land description of affected lands;
- Rationale for deferment; and
- Proposed date the issue(s) will be resolved.

Shapefile of affected area:

- Shapefiles submitted will be confidential and used for the Branch of Adjudication internal purposes only; and
- Shapefiles submitted should come from specialist collected data and vetted through DO management team before sending to the Branch of Adjudication.

The Branch of Adjudication will retain long term deferred parcels from future DO's Preliminary Parcel List with proper justification, supporting documentation with a Deferral Memorandum approval from the State Director. The Branch of Adjudication will track long term deferrals and will include previously deferred parcels based on resolution date submitted in the Deferral Memorandum or when notification from the DO's is received that the issue(s) associated with the deferred parcels has been resolved. The Branch of Adjudication will screen out nominated land from parcel lists by overlaying the GIS shapefiles provided by the DO in the Deferral Memorandum.

**Time Frame:** This IM is in effect upon issuance.

**Budget Impacts:** This IM may have a positive impact on budgets because it streamlines the review and deferral process to exclude parcels that will be deferred for more than one (1) year. This IM also eliminates workload analysis of parcels associated with Greater Sage-Grouse protection. All lands in PPH, PGH, and within four (4) miles of leks will be deferred, in part or in whole, from the competitive lease sale process until the Nevada and Northeastern California Sub-Regional Greater Sage-Grouse Planning Strategy Final Environmental Impact Statement is released, thereby reducing the amount of parcels that the Branch of Adjudication and the DOs have to analyze.

**Coordination:** Preparation of the IM was coordinated with Deputy State Director, Minerals Management, Chief, Branch of Minerals Adjudication and District Managers.

**Contact:** Patricia LaFramboise, Chief, Branch of Minerals Adjudication (775) 861-6632.



6 Attachments

- 1 - WO-IM-2010-117 (16 pp)
- 2 - Lease Process Table-Roles and Responsibilities (4 pp)
- 3 - Oil and Gas Lease Sale District Office Checklist (1 pp)
- 4 - BLM- Nevada Competitive Oil and Gas Lease Sale Schedule (1 pp)
- 5 - Deferral Memorandum (example) (2 pp)
- 6 - Deferral Spreadsheet (2 pp)

**/s/ Amy L. Lueders**