



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:
3100/(UT-922000)

February 15, 2013

DECISION

Living Rivers and Colorado Riverkeeper John Weisheit, Kiley Miller, John Rzczycki, Carol Mayer, Michael Carter, Lynda Smirz, Deb Walter
: Protest to the Inclusion of Certain
: Parcels in the February 19, 2013
: Competitive Oil and Gas Lease Sale
Walter
(Refer to Mailing List)

Protest Denied

On November 16, 2012, the Bureau of Land Management (BLM) issued its Notice of Competitive Lease Sale (NCLS) providing notice to the public that certain parcels of land would be offered in a competitive oil and gas lease sale scheduled for February 19, 2013. In a letter received by the BLM on December 17, 2012, Living Rivers and Colorado Riverkeeper, Kiley Miller, John Rzczycki, Carol Mayer, Michael Carter, Lynda Smirz, and Deb Walter (hereinafter collectively referred to as the "Coalition") protested following 24 parcels listed in the NCLS:

UT0213-015, UT0213-124, UT0213-199, UT0213-247, UT0213-251, UT0213-255, UT0213-042, UT0213-131, UT0213-201, UT0213-248, UT0213-252, UT0213-258, UT0213-054, UT0213-171, UT0213-240, UT0213-249, UT0213-253, UT0213-259, UT0213-055, UT0213-174, UT0213-246, UT0213-250, UT0213-254, UT0213-260.

By erratum issued on January 16, 2013, additional stipulations or notices were added to parcels UT0213-054, UT0213-055, UT0213-131, and UT0213-199.

The Coalition maintains that these parcels should be deferred for various reasons including but not limited to proximity to suitable river segments and drinking water sources, inconsistency with the management decisions (Special Recreation Management Areas, Three Rivers Withdrawal, and National Trails), wildlife habitat values, University of Utah field station, fugitive gases, trucking waste water hazards, nuisances (dust, noise and impairment of night skies), and cumulative impacts of the mining complexes.

For the reasons set forth below, I have determined that the BLM complied with the requirements of National Environmental Policy Act and other applicable Federal laws and regulations prior to the inclusion of the subject parcels in the February 19, 2013, lease sale. Consequently, the Coalition protest as it pertains to the 24 protested parcels is denied.

Protest Contentions and BLM Responses

Protest Contention – regarding parcels UT0213-015, UT0213-171 and UT0213-174: These parcels should be deferred because of close proximity to the Dolores River, which has suitable characteristics for designation under the Wild and Scenic Rivers Act. Development of these parcels is not consistent with the values of the Two Rivers Special Recreation Management Area (SRMA). Development of these parcels is not consistent with the values of the Three Rivers Withdrawal, which is to protect the outstanding recreation, scenic, wildlife and cultural values of the river corridors in eastern Utah. Protest at page 1.

The University of Utah has a field station in the vicinity for appreciating the scientific and cultural values therein. Protest at page 1.

The BLM's Response: As stated in the 2008 Moab Field Office Resource Management Plan (RMP), river segments found suitable and recommended for designation will be managed to protect their free-flowing condition and to protect the outstandingly remarkable values and maintain the tentative classification within line-of-sight up to 1/4 mile (1/3 miles on the Colorado and Dolores Rivers) from the high water mark on each bank of the river (not to exceed 320 acres per mile) (Decision WSR-1, page 110). Parcel UT0213-174 is located 1 mile away from the Dolores River. Further, it does not intersect the suitable river segment and is beyond the 1/3 mile line of sight criteria.

About 15 acres of parcel UT0213-174 are located within the Two Rivers Special Recreation Management Area (EA at section 3.3.3).¹ This SRMA is managed “to provide high quality opportunities for recreational boating and camping and to protect the outstanding resource values” (RMP, page 95). Dolores River receives some recreational boating use, especially in the spring season. Issuing a lease on this parcel would not directly impact boaters in the Two Rivers SRMA. Project specific impacts would be related to development within sight of the Dolores River. Lease parcel UT0213-174 consists of 2,555 acres. As explained in section 4.2.1.3 of the EA, it is highly unlikely that the 15 acres of that parcel that are near the Dolores River would be the acreage chosen for development.

Similarly, parcel UT0213-174 is adjacent to and does not extend into the Three Rivers Withdrawal. Leasing activity, including the application of stipulations and notices as identified for this parcel in the NCLS will not affect resources and use of this withdrawal as implied by the Coalition.

In response to information provided during the EA comment period provided by the University of Utah, BLM prepared and applied lease notice UT-LN-111 (University of Utah – Rio Mesa Center) to parcels UT0213-171 and UT0213-174. This notice identifies the University's interest in the Rio Mesa Center and the need for additional coordination with a lease operator. Moreover, the Coalition does not identify specific concerns other than the presence of the Rio Mesa Center.

Protest Contention – regarding parcel UT0213-042: This should be deferred in consideration of the threat to residents of Kane Creek, Bridger Jack Mesa, and Brown's Hole. These homeowners have investments in infrastructure that provides clean drinking water. Other investments at risk include depreciation of property. Risks to welfare and health include air pollution from fugitive gases, with other nuisances such as dust, noise, and impairment of night skies. Federal Reserve water rights are also at risk near this parcel. Parcel UT0213-042 is in the South Moab SRMA and

¹ February 2013 Oil and Gas Lease Sale, Moab Field Office, Environmental Assessment DOI-BLM-UT-Y010-2012-0190-EA.

oil and gas leasing is inconsistent with these management goals. Protest at page 2-3.

The BLM's Response: The Coalition contends that leasing or development activities will cause damage to infrastructure on certain private property, but fails to provide any information to support its contentions. Any authorized exploration or development activities conducted on an oil or gas lease must conform to agency standards and environmental protection requirements. As discussed in the EA at sections 4.2.1.1 and 4.3.1, leasing and subsequent exploration and development is not expected to impact air quality or cause any National Ambient Air Quality Standards (NAAQS) exceedences. In addition, certain notices and stipulations attached to Parcel UT0213-042 such as notices UT-LN-98 (visual resources and natural soundscapes) and UT-LN-99 and UT-LN-102 (regional ozone formation controls and air quality analysis, respectively), and stipulation UT-S-01 (air quality) are intended to protect such resources.

In the event Parcel UT0213-042 is leased, and an Application for Permit to Drill (APD) is submitted to the BLM, the agency will consider and address, based on the specific, proposed activity, potential impacts to existing water rights and any other concerns that may be raised by the public. It should be noted that in its protest, the Coalition contends that federal reserved water rights adjacent to the parcel are at risk, but fails to identify the subject water rights or provide any information to substantiate its contention.

In oil and gas exploration and development, groundwater is protected by implementing the standard operating procedures (SOPs) required by regulation, and the site-specific mitigation required in any approval of an application for a permit to drill (APD) would be sufficient to isolate and protect all usable groundwater zones. The relevant SOPs include requirements for drilling operations set forth in Onshore Oil and Gas Order (Order) No. 2 and requirements for the disposal of produced water set forth in Order No. 7. Under these Orders, a well drilled through a usable groundwater zone must be cased and cemented, and the casing pressure tested to ensure integrity prior to drilling out the surface casing shoe plug. Moreover, prior to any APD approval, the potential impacts to groundwater would be considered and mitigated pursuant to Utah Instruction Memorandum (IM) 2010-055. The purpose of the IM is to enhance the existing process for the continued protection of all usable groundwater zones ($\leq 10,000$ mg/L as defined in Order No. 2) associated with oil and gas exploration and development. According to IM 2010-055, Sole Source Aquifers (SSAs) and Drinking Water Source Protection Zones (DWSPZs) are designated drinking water aquifers and require additional analysis and protection. Prior to any drilling activity on a lease, the BLM will complete a rigorous engineering review of any proposed down hole activities and apply appropriate regulatory and mitigation measures. (Moab Field Office EA DOI-BLM-UT-Y010-2012-0190-EA, Appendix C, Interdisciplinary Team Checklist).

Lease parcel UT0213-042 is not within any SSAs, but does overlie a DWSPZ associated with Kane Springs Well #2. However, the DWSPZ for the well does not appear to be supported by geologic or hydrogeologic information. Further, exploration and/or development activities on the Parcel would not have the potential to impact ground water wells either at the Kane Springs Rest Area (Kane Springs Rest Stop Wells # 1 and #2) held by the State of Utah Department of Transportation or the Glen Canyon Sole Source Aquifer (SSA). There is a plugged and abandoned wildcat well, Muleshoe Federal 1, which was drilled in 1974 to a depth of 10,375 feet on land now included in parcel UT0213-042 (Enclosures 1 and 2). In the event the parcel is leased, and the BLM receives and approves an APD or APDs on the parcel, the Moab Field Office will attach a condition of approval (COA) to each APD requiring the surface casing to be set 100 feet below the base of the Chinle Formation (the lowest known occurrence of usable

water). The target formation for this area is the Cane Creek member of the Paradox Formation, which was encountered at a depth of 7,926 feet in Muleshoe Federal 1, while the base of the Chinle Formation is at a depth of 2,585 feet at this location. Therefore, there is approximately 5,300 feet of bedrock separating the oil and gas producing formation from the base of the lowest known source of usable water. Drinking water wells in the area generally are completed at depths above 1,000 feet (approximately 7,000 feet of bedrock separation/protection).

Kane Springs Rest Stop #1 has a transient protection zone (Zone 2) which occurs approximately 0.85 miles from the western edge of Parcel UT0213-042. The depth of this well is 151 feet below ground surface (bgs) with a surface elevation between 5,000-5,100 feet above mean sea level (MSL).

Kane Springs Rest Stop #2 has a ground water protection zone 90 feet wide that projects eastward for approximately 3 miles. Zone 4 is approximately 2.7 miles long by 90 feet wide of which approximately 0.38 miles is within Parcel UT0213-042. The depth of this well is 114 feet bgs with a surface elevation between 5,000-5,100 feet above MSL.

Pack Creek Ranch would not be impacted by development on Parcel UT0213-042. The Pack Creek Ranch has several water wells in the Spanish Valley, completed in the Glen Canyon SSA. Pack Creek Water Company # 1 has a ground water protection zone (0.2 mile radius), which is approximately 1.98 miles from the north eastern corner of parcel UT0213-042. The depth of this well is 200 feet bgs. Pack Creek Water Company #2 and WS001 are transient protection zones whose capture zones project eastward away from parcel UT0213-042. Depths are listed as 200 feet bgs, with approximate surface elevations of 6,080 feet above MSL.

Based on the geologic cross section B-B' (Enclosure 3, from Plate 1, City of Moab, Utah Sole Source Aquifer Designation Petition, Reference Map, 2001) there is no potential impact to the Glen Canyon SSA from any possible oil and gas exploration or development on Parcel UT0213-042. Also, Enclosure 4, from Figure 4 Baars and Doelling (Geological Society of America Centennial Field Guide – Rocky Mountain Section, 1987) shows the Paradox Salt Anticline (Diapir) to a depth of 12,000 feet below the base of Moab Valley. Based on the geologic data discussed above, there is no hydrologic connection from the west side of the Moab Valley to the SSA due to the large extent of the Hermosa Formation of the Paradox Member (Moab Salt Anticline).

Any oil and gas exploration or development that may take place on Parcel 042 would not be inconsistent with the management goals for the South Moab SRMA, as they are set forth in the 2008 Moab RMP. RMP decision REC-42, at page 93; Appendix M (page M-6). For example, leasing parcel UT0213-042 will not limit camping or establishment of equestrian riding loops or bicycle trails, opportunities to work with the County, and will not hinder the BLM's ability to work in partnership with the water district in sharing management expenses within the SRMA. Finally, the Coalition protest includes no information to support concluding that the BLM should defer parcel UT0213-042 from leasing.

Protest Contention – regarding parcels UT0213-124, UT0213-199, UT0213-201, UT0213-240, UT0213-246, UT0213-247, UT0213-248, UT0213-249, UT0213-250, UT0213-251, UT0213-252, UT0213-253, UT0213-254, UT0213-255, UT0213-258, UT0213-259 and UT0213-260: These parcels must be deferred. The public lands in the mining complexes near La Sal and Lisbon Valley are under NEPA review for uranium and vanadium mining and the cumulative impacts are not yet fully understood. The combined impacts of oil and gas operations with hard rock mining are significant as it relates to land, water and air resources. The operation of a

copper mine in Lisbon Valley is another cumulative impact in the area. Protest at page 3.

Previous impacts from unregulated mining activities prior to CERCLA have not been fully addressed and decisions pertaining to the reclamation of “zombie mines,” for example remain unresolved. Lisbon Valley resembles an energy and extraction colony of unbalanced and embarrassing exploitation, more than a landscape of thoughtful multiple use. Protest at page 3.

The high density of oil and gas activities proposed for this area will increase existing nuisances such as persistent noise, heavy truck traffic and impairment to night skies. Protest at page 3.

The National Trails System Act provides resources for the protection and preservation of our national historic trail system and recent funding from the American Recovery and Reinvestment Act is providing funding for assessments for the Old Spanish Trail. Remnants of the Old Spanish Trail yet remain in San Juan and Grand counties and any further degradation to this trail system must be avoided by the surface impacts of oil and gas operations, and until which time the trail system can be properly protected from public and corporate abuses. Protest at page 4.

The BLM’s Response: As identified in the EA at Appendix C, the BLM applies lease notices UT-LN-108 and UT-LN-109 (La Sal Mines Complex and Lisbon Valley Copper Mine, respectively) to parcels UT0213-119, UT0213-200, UT0213-209 and UT0213-255, which are located in whole or in part in these mining areas. The other protested parcels do not intersect these mining areas. In the EA, the BLM also indicates that conflicts could arise between oil and gas operations and other mineral operations, but that these could generally be mitigated under regulation 43 C.F.R. § 3101.1-2, under which proposed oil and gas operations may be moved up to 200 meters or delayed by 60 days, and under the standard lease terms (Section 6), which provide that siting and design of facilities may be modified to protect other resources.

The Coalition generally contends that certain remnants of the Old Spanish Trail in San Juan and Grand Counties will be degraded by oil and gas activities, but provides no information to support its contentions. Further, the BLM specifically addresses the Old Spanish Trail and its management requirements in the EA at section 1.6, Appendix E (comment #14) and Appendix D (page 91, deferred list). Parcel UT0213-119 includes lease notice UT-LN-65 (Old Spanish Trail), under which modifications to the surface use plan of operations and additional coordination with the National Park Service may be required. The BLM also deferred parcels that had archeological evidence related to segments of the Old Spanish Trail. As provided in EA section 1.6, The BLM manages the Old Spanish Trail in accordance with the requirements and recommendations in The National Trails System, Memorandum of Understanding, 06-SU-11132424-196, Among The United States Department of the Interior, Bureau of Land Management, National Park Service, United States Fish and Wildlife Service; United States Department of Agriculture Forest Service; United States Department of the Army, Corps of Engineers; and The United States Department of Transportation Federal Highway Administration (2006); the Old Spanish National Historic Trail Comprehensive Management Plan/Draft Environmental Impact Statement (Ongoing); and Management of National Scenic and Historic Trails and Trails Under Study or Recommended as Suitable for Congressional Designation (6280 Manual, 2012).

As per the protocol agreement with the State Historic Preservation Office (SHPO), a class I survey was completed for the February 2013 lease sale. The SHPO concurred with the BLM’s determination on September 19, 2012. Prior to any surface disturbing activity and as a standard operating procedure, the BLM will complete a class III survey based on the details contained in an APD. If segments of the Old Spanish Trail are identified during that survey, the BLM has the

authority to have operations moved away from the site. As per lease notice UT-LN-65, the BLM will consult with the SHPO and National Park Service on any anticipated impacts within parcel UT0213-119. None of the other parcels listed on pages 3 and 4 of the protest are known to contain high value segments of the Old Spanish Trail.

Protest Contention – parcels UT0213-054, UT0213-055 and UT0213-131: These parcels are entirely on private land, very near settled or agricultural areas around Monticello. Any surface runoff from those parcels may pose an immediate and severe risk to human health as well as local riparian waters. Protest at page 4.

There are many private wells adjacent to parcels in the Monticello area. It is extremely likely that Monticello's underground drinking and irrigation water comes from places vulnerable to drilling or surface contamination from parcels UT0213-054, UT0213-055 and UT0213-131. Sinking mineral extraction wells into the ground near those wells, especially with the use of fracking or similar activities, has a severe likelihood of impacting household water sources. Protest at page 4.

Before permitting the leasing of those parcels, the BLM must understand the local underground hydraulic conductivity and transmissivity in relation to well locations. Together with that information, the BLM must consider the likelihood of irretrievably committing the groundwater resource to oil and gas development, taking into account the near impossibility of cleaning contaminated ground water and the lack of any other viable municipal water uses. Protest at page 4.

Parcels UT0213-131 and UT0213-054, in particular, are very near the Source Protection Zone for Loyds Lake (known more officially as Lloyd's Reservoir), which is a protected water source for Monticello. Parcel UT0213-054 goes well into Zone 1 and UT0213-131 goes into Zone 4. Protest at page 4.

The State of Utah classifies the waters of Loyds Lake for the beneficial uses of culinary water, recreation, fish habitat and irrigation. Those beneficial uses cannot be impaired by any extraction activities. The BLM must take a hard look at the risks of bringing waters out of compliance with Clean Water Act standards. Protest at pages 4 and 5.

The BLM must ensure compliance with the City of Monticello's Water Source Protection Plan, which applies to Loyds Lake, as well as several protected Public Water Sources within Monticello. The EA's discussion of surface waters does not mention the Clean Water Act's standards for the non-impairment of designated beneficial uses of a water source; those must be taken into account when permitting any activity in a parcel. Protest at page 5.

Any overflow from waste ponds, pipelines or similar may contaminate surface water and impair its beneficial uses – drinking, irrigation, recreation and wildlife habitat. Surface disturbing activities that cause increased erosion or riparian disturbance are also problematic. If offered for lease, parcels near human habitations, agriculture or riparian areas must bear effective stipulations to negate the risk to surface waters, such as disallowing pipelines or open liquid storage and require regular inspections for proper maintenance and operation of these facilities. Parcels near human habitations should not be offered for lease. Protest at page 5.

The BLM's Response: As discussed above in the BLM's response to the Coalition's contentions regarding Parcel UT0213-042, standard operating procedures (SOPs) required by regulation and site specific mitigation contained in an approved APD would be sufficient to isolate and protect

all usable groundwater zones within parcels UT0213-054, UT0213-055 and UT0213-131. (Enclosure 5).

The Coalition states that parcel UT0213-131 overlies Zone 4 of the Surface Water Protection Zone (Blue Mountain Springs Intake) below Loyd's Lake. When reviewing the ArcMap shapefile, the applicable parcel is UT0213-055, not UT0213-131. The extreme northwest corner of Parcel 055 overlying Shingle Mill Draw, which drains into Loyd's Lake, was removed from Parcel 055. On the northwest side of Loyd's Lake, that part of Parcel 054 overlying Pole Creek, another tributary to Loyd's Lake, was also removed from Parcel 054 acreage. The Coalition is referred back to the parcel legal descriptions provided in Appendix A and the deferred lands list in Appendix G of the Monticello Field Office EA which shows that the areas under the DWSPZ have been deferred.

With respect to parcel UT0213-131 (four non-contiguous tracts are located northeast of Monticello in T33S, R24E, Sections 18, 19 and 20) there is little potential for adverse impact to useable ground water. The proposed parcel does not overlie any DWSPZs. Water wells in the area range from 60 feet to 410 feet bgs. Oil and gas production in this area targets the Paradox formation at depths from 6,000 to 7,500 feet bgs. Surface drainage is located within an ephemeral to intermittent upper tributary to Montezuma Creek.

The Coalition protest generally refers to the State of Utah's identified beneficial uses for Loyds Lake and the City of Monticello's Water Source Protection Plan. Neither is at issue based on the BLM's deferral of leasing on the relevant portions of the subject parcels.

Protest Contention: Trucking of waste water on Interstate 70 and Highways 46, 50, 128, and 191 poses serious traffic hazards to communities and visitors. The regional capacity of handling waste water within standards of compliance have not been resolved by state and federal regulatory agencies. Utah currently accepts waste water from the state of Colorado, which is an unfair vector of pollution for residents of eastern Utah to bear. Protest at pages 2-3.

The BLM's Response: Onshore Oil and Gas Order No. 7² (EA at section 2.2.3) establishes uniform national standards for the disposal of produced water associated with oil and gas operations. Lessees and operators of all Federal oil and gas leases are required to comply with this Order for the protection of surface and subsurface resources. Operators are required to have approval from the BLM prior to disposing of produced water from Federal leases. Approval is only granted when the water to be disposed is suitable for the disposal facility, and the disposal facility has been authorized for specific disposal purposes by the appropriate agency or agencies (e.g. BLM, Environmental Protection Agency, and State of Utah).

The EA is tiered to the Moab RMP. The reasonably foreseeable development scenario for oil and gas that was used as the basis for the analysis of oil and gas activities in the resource management plan included information regarding produced water. This information was considered throughout the impact analyses in the EA. The issues of health and safety and transportation of hazardous materials associated with oil and gas operations was analyzed in RMP sections 4.3.4.1.1.3 and 4.3.24.3. The analysis recognized an increased risk to health and safety due to mineral activities, but concluded that "The incremental contribution of the Proposed Plan and the alternatives on the cumulative impacts to health and safety is anticipated to be minimal if all applicable laws, safeguards, and procedures are followed."

² Onshore Oil and Gas Order No. 7 (Disposal of Produced Water) can be accessed online at: http://www.blm.gov/style/medialib/blm/wo/MINERALS_REALTY_AND_RESOURCE_PROTECTION_/energy/oil_and_gas.Par.97542.File.dat/Onshore%20Order%20No.%207.pdf

Administrative boundaries and regulatory jurisdictions beyond the State of Utah, such as the transportation of produced water from Colorado sources being disposed at Utah facilities, are beyond the scope of this EA and the inclusion of the relevant parcels in the lease sale. Equipment and vehicles using interstate and highways must be licensed and follow Department of Transportation procedures for transporting wastewater. These procedures are outside of the the BLM's jurisdiction.

Protest Contention: Wildlife values on the parcels near the Dolores River and Arches National Park include foraging and/or breeding habitat that is crucial for deer, elk, pronghorn, prairie dog, burrowing owl and hawk. Protest at page 1.

Black Ridge is crucial winter forage for deer and elk. It is consistent for the BLM to defer Parcel 042 so that vegetation management plans will successfully improve this habitat for wildlife. Other wildlife values include foraging and/or breeding habitat that is crucial for SW willow flycatcher, yellow-billed cuckoo, prairie dog, burrowing owl and eagle. Protest at page 2.

The La Sal and Lower Lisbon Valley parcels in San Juan County are crucial winter forage for deer and elk. Other wildlife values include foraging and/or breeding habitat that is crucial for yellow-billed cuckoo, prairie dog, burrowing owl, Gunnison sage grouse and eagle. Protest at page 4.

The BLM's Response: The BLM consulted with the United States Fish and Wildlife Service in preparing for the February 2013 lease sale. The BLM also coordinated with the State of Utah's Division of Wildlife Resources. Both of these agencies, who have jurisdiction by law and expertise, were involved in BLM's application of the relevant stipulations and notices to the lease parcels.

As shown in the EA, Appendix A and C, and as provided in the January 16, 2013 erratum, the BLM applies several stipulations and notices to the subject parcels for the protection of wildlife and their habitats. The BLM acknowledges the presence of foraging and/or breeding habitats in its application of stipulations and notices as warranted. The mere presence of a species or its habitat does not preclude it from leasing activity.

The Coalition refers to unnamed vegetation management plans in the Black Ridge area and implies that deferral would allow habitat enhancements for wildlife. Specific details are not provided by the Coalition to support its contention that leasing should be deferred on parcel UT0213-042.

Protest Contention: Fugitive gas emissions may migrate into western Colorado communities, Arches NP, Canyonlands NP and Colorado National Monument. Protest at pages 2-3.

Fugitive gases from oil and gas operation on parcels in the Dolores River and Arches National Park area will have cumulative impacts on air quality at Arches National Park. National Parks established before 1977 have a Class I air quality standard that must be protected. Arches NP does not have a station to monitor air quality and the station in Canyonlands has recorded pollution levels near exceedance. Until air quality is better understood at Arches NP, thus these parcels should be deferred so that increasing levels of harm can be eliminated. Due to budget cuts, air quality monitoring devices were removed from Colorado National Monument, thus the impacts of oil and gas operations in eastern Utah are unknown and values can be assumed to be approaching or exceeding harmful levels. Protest at page 2.

Air quality issues on parcels near La Sal and Lower Lisbon Valley, include the commingling of venting radon gas with volatile organic compounds with increased levels of dust. This

cumulative impact will impair the health and welfare of residents, livestock and native wildlife. Protest at page 3.

The BLM's Response: Air quality is specifically addressed in the EA at sections 1.5, 1.6, 1.7. 3.3.1, 4.2.1.1, 4.2.2.1, 4.3.1 and appendices A & C. The State of Utah's Division of Air Quality reports that Grand and San Juan counties are in attainment of the air quality standards. The BLM describes ozone monitoring trends and acknowledges that regional ozone concentrations are of a concern (EA at page 25). The BLM also describes emission sources from well development and production (EA at page 31).

In the EA, the BLM specifically states that in conducting subsequent project specific analysis, it will follow the policy and procedures of the National Interagency Memorandum of Understanding Regarding Air Quality Analysis and Mitigation for Federal Oil and Gas Decisions through NEPA and FLAG 2010 air quality guidance document.

In the EA, the BLM utilized and tiered to the Cane Creek Modeling Study. The project area for this modeling analysis was located closer to the national parks than any of the parcels included in this lease sale (including those identified in this protest), so it can be considered a conservative air quality analysis. No adverse impacts to Class 1 air quality related values were predicted through this modeling analysis. The BLM concluded in the EA that emissions from the February oil and gas lease sale are not likely to result in major impacts to air quality, nor are they likely to cause a violation of the NAAQS (EA at page 33). Section 4.3.1 of the EA describes the cumulative impacts to air quality in the Four Corners region. The BLM considered data and conclusions available from the Uinta Basin Air Quality Study, Air Quality Modeling Study for the Four Corners Region, West Jump Study and the BLM Utah ARMS Modeling Study. The BLM also applied lease notice UT-LN-99 (Regional Ozone Formation Controls) to all of the parcels. Again, the BLM concludes at page 38 of the EA that it is unlikely that emissions from any subsequent development of the proposed leases would cause major contributions to regional ozone formation in the Four Corners area, nor likely to contribute to or cause exceedences of any NAAQS.

The BLM's procedures for managing oil and gas leasing and development activities are well established through land use planning, parcel nomination, competitive leasing, well permitting, development, operations, production, plugging and reclamation. Should a complete application for a permit to drill (APD) be received on a lease issued pursuant to the February 2013 lease sale, The BLM will again initiate the NEPA process based on the information in the APD. Attempting to determine the potential impacts of development would be unduly speculative and impractical without the submission of a complete APD.

Conclusion

In submitting a protest to the inclusion of parcels in a lease sale, a party must consider whether any lease stipulations or notices that apply to a particular parcel may be relevant to the party's concerns, and explain why such stipulations or notices do not obviate such concerns. The failure of a protestant to provide such analysis in its protest may result in the summary dismissal of the protest. Overall, the Coalition has not provided such analysis in its protest.

As the party challenging the BLM's inclusion of certain parcels in the February 19, 2013 lease sale, the Coalition bears the burden of establishing that the BLM's action was premised on a clear error of law or material fact, or that the BLM failed to consider a substantial environmental question of material significance. The Coalition has not met this burden. To the extent that the Coalition has raised any allegations not specifically discussed herein, they have been considered

and are found to be without merit. For these reasons, and for those previously discussed, the Coalition's protest as it pertains to the 24 parcels (UT0213-015, UT0213-042, UT0213-054, UT0213-055, UT0213-124, UT0213-131, UT0213-171, UT0213-174, UT0213-199, UT0213-201, UT0213-240, UT0213-246, UT0213-247, UT0213-248, UT0213-249, UT0213-250, UT0213-251, UT0213-252, UT0213-253, UT0213-254, UT0213-255, UT0213-258, UT0213-259, and UT0213-260) is denied.

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 C.F.R. Part 4 and Form 1842-1 (Enclosure 6). If an appeal is taken, the notice of appeal must be filed in this office (at the address shown on the enclosed Form) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition for a stay pursuant to 43 C.F.R. Part 4, Subpart B § 4.21, during the time that your appeal is being reviewed by the Board, the petition must show sufficient justification based on the standards listed below. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall be evaluated based on the following standards:

1. The relative harm to the parties if the stay is granted or denied;
2. The likelihood of the appellant's success on the merits;
3. The likelihood of immediate and irreparable harm if the stay is not granted; and
4. Whether the public interest favors granting the stay.

Copies of the notice of appeal, petition for stay, and statement of reasons also must be submitted to the Office of the Regional Solicitor, Intermountain Region, 125 South State Street, Suite 6201, Salt Lake City, Utah 84138, at the same time the original documents are filed in this office.

If you have any further questions, please contact Pam Schuller of this office at (801)539-4050.

/s/ Jenna Whitlock
Juan Palma
State Director

Enclosures:

1. Parcel 042 (B-B')
2. Muleshoe Federal 1 Well Formation Tops
3. Plate 1 (B-B')
4. Baars and Doelling
5. Parcels 054, 055, & 131
6. Form 1842-1

cc: James Karkut, Office of the Solicitor, Intermountain Region,
125 South State Street, Suite 6201, Salt Lake City, Utah 84138

Enclosure 1
Parcel 042 (B-B')

Enclosure 2
Muleshoe Federal 1 Well Formation Tops

Enclosure 3
Plate 1 (B-B')

Enclosure 4
Baars and Doelling

Enclosure 5
Parcels 054, 055, & 131

Enclosure 6
Form 1842-1

Mailing List:

Certified Mail Return Receipt Requested

Living Rivers and Colorado Riverkeeper
John Weisheit
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