

**U.S. Department of the Interior
Bureau of Land Management**

Decision Record

May 2016

May 2016 Oil and Gas Lease Sale

Environmental Assessment
DOI-BLM-UT-C020-2016-0002 (Richfield Field Office)

Location:
Richfield Field Office, Sevier County, Utah

Applicant/Address:
**U.S. Department of the Interior
Bureau of Land Management
Utah State Office**

U.S. Department of the Interior
Bureau of Land Management
Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101
Phone: (801) 539-4001
Fax: (801) 539-4237



DECISION RECORD

DECISION

It is my decision to select and implement the “Alternative A- Proposed Action” alternative from Environmental Assessment (“EA”) DOI-BLM-UT-C020-2015-0002 prepared by the Richfield Field Office (“RFO”) for the competitive oil and gas lease sale held on May 17, 2016 (“lease sale”).¹ More specifically, it is my decision to issue oil and gas leases for four parcels of land (“lease parcels”) located in the RFO, with the stipulations and notices (i.e. protective measures) provided for in the Notice of Competitive Oil and Gas Lease Sale (“NCLS”) issued by this office on February 11, 2016.² This Decision Record (“DR”) addresses the leasing for oil and gas of the following four lease parcels:

UT0516-021 (UTU91540)
UT0516-023 (UTU91541)
UT0516-024 (UTU91542)
UT0516-025 (UTU91543)

This decision was made in reliance upon and incorporates the documented results and rationale presented in the Finding of No Significant Impacts (“FONSI”) for the lease sale. Considering the criteria for significance described at 40 C.F.R. § 1508.27, the FONSI determined that leasing of the parcels, as provided for by the Proposed Action (Alternative B) of the EA and the NCLS, does not constitute a major Federal action that will have a significant effect on the quality of the human environment, individually or cumulatively with other actions in the general project area.

As documented in Section 1.4 of the EA, the Proposed Action alternative was reviewed and found to be in conformance with the Richfield Field Office Resource Management Plan and Record of Decision (2008) as amended. Detailed information regarding the conformance and consistency of the Proposed Action alternative with specific management decisions within the land use plan is provided in the EA.

ALTERNATIVES CONSIDERED AND RATIONALE FOR DECISION

Pursuant to requirements of the Mineral Leasing Act of 1920 (“MLA”), 30 U.S.C. §§ 181 et seq., as amended by the Federal Onshore Oil and Gas Leasing Reform Act of 1987, Pub. L. No. 100-203, BLM Utah holds competitive oil and gas lease sales, on a quarterly basis, in order to respond to public requests for “nominated” federal lands to be made available for oil and gas leasing. See 30 U.S.C. § 226(b)(1)(A); 43 C.F.R. § 3120.1-1. As provided in sections 102(a)(12) and 103(l) of the Federal Land Policy and Management Act of 1976 (“FLPMA”) 43 U.S.C. §§ 1701(a)(12), 1702(l), oil and gas leasing is a “principal use” for the public lands. The BLM issues oil and gas leases on the public lands in order to provide for the orderly

¹ A copy of the EA may be obtained by accessing the May 2016 oil and gas lease sale project site: <https://eplanning.blm.gov/epl-front-office/eplanning/planAndProjectSite.do?methodName=dispatchToPatternPage¤tPageId=70286>.

² A copy of the NCLS may be obtained by accessing the BLM Utah oil and gas lease sale website (http://www.blm.gov/ut/st/en/prog/energy/oil_and_gas/oil_and_gas_lease.html).

development of the fluid mineral resources under its jurisdiction in a manner that is consistent with the multiple use management provided for by FLPMA e.g., 43 U.S.C. § 1702(c). For example, Section 102 of FLPMA, 43 U.S.C. § 1701(a)(12) imposes upon the BLM a responsibility to manage the public lands in a manner that “recognizes the Nation’s need for domestic sources of minerals.” In most instances, before oil and/or gas, which could assist in meeting the Nation’s needs for domestic sources of minerals, can be produced from public lands, an oil and gas lease must be issued for the lands. As such, the offering and issuance of oil and gas leases through the Lease Sale meets the purpose and need for action relevant to the responsibilities placed upon the BLM pursuant to the MLA and FLPMA. See generally 43 U.S.C. §§ 1701 et seq.; see also 42 U.S.C. §§ 4321 et seq.

Before federal lands are offered for oil and gas leasing at a competitive lease sale, the BLM considers the potential consequences of issuing oil and gas leases for any such lands during a “lease parcel review process.” The BLM has engaged in such a lease parcel review process for the specific purpose of considering the potential consequences of issuing oil and gas leases for certain federal lands in the RFO, which were nominated by the public for oil and gas leasing at the lease sale. This review process, which was conducted in accordance with guidance provided by BLM Manual and Handbook MS-3120, *Competitive Leases*,³ included the preparation of the EA.

The EA prepared for the lease sale considered the following two alternatives in detail: Alternative A – Proposed Action, and Alternative B – No Action. The Proposed Action alternative provided for the offering for lease and subsequent issuance of leases for certain parcels with protective measures applied in accordance with the applicable land use plan and as identified in the EA. The No Action alternative, under which no lands would be offered for lease was considered and analyzed to provide a comparison with the Proposed Action alternative.

In reviewing the publicly submitted nominations, also known as “expressions of interest” (“EOIs”), for the lease sale, BLM Utah considered oil and gas leasing on approximately 138,261.79 acres of land under the jurisdiction of the Color Country District Office (“CCDO”) of the BLM. However, during the lease parcel review process, the BLM Utah State Office determined that approximately 43,694.34 acres of the nominated lands should either be removed from consideration for oil and gas leasing or “deferred” from offering for oil and gas leasing for various reasons. For instance, certain nominated lands which were removed from leasing consideration were split estate lands for which no surface owner contact information was supplied or they were within a municipality.

Fifty-five parcels were sent to the Richfield, Kanab and St. George Field Offices within the CCDO for review; fifty-one parcels were deferred prior to preparation of the EA because they were within greater sage grouse habitat or had other resource conflicts. Information regarding the nominated lands/parcels that were deferred is documented in the EA and on the “Deferred Lands List” which is maintained on the BLM Utah oil and gas lease sale website (see footnote 2).

³ The Competitive Leasing Manual and Handbook partially incorporated the guidance from BLM Washington Office (“WO”) Instruction Memorandum (“IM”) No. 2010-117, *Oil and Gas Leasing Reform – Land Use Planning and Lease Parcel Reviews*

Opportunities for public participation during the review process for the RFO lease parcels occurred when the preliminary EA was posted for a 30-day public comment period from December 17, 2015, to January 20, 2016. The BLM considered the public comments along with other information obtained from both external and internal sources and made revisions to the EA, as appropriate. In revising the EA, the BLM noted the substantive public comments on the initial draft of the EA, as well as the BLM's responses to those comments, in Appendix E of the revised EA.

The NCLS for the May 2016 Lease Sale was posted for a protest period from February 11, 2016, to March 14, 2016. The BLM received one protest to the NCLS⁴. The protest letter, submitted by WildEarth Guardians, protested all parcels listed in the NCLS. The EA was revised to address comments from the protest letter and also for issues that came up during consultation with the United States Fish and Wild Service.

On May 2, 2016, the BLM issued a decision ("the Protest Response") that addressed and responded to all of the substantive assertions contained within the protest letter submitted by WildEarth Guardians.⁵ More specifically, the Protest Response denied the protest in its entirety because the protester failed to make the case the EA was inadequate. As a result, none of the parcels offered for oil and gas leasing at the lease sale are subject to an unresolved protest.

The EA was prepared in full compliance with the requirements of the National Environmental Policy Act of 1969 ("NEPA") and its implementing regulations at 40 C.F.R. §§ 1500 to 1508 and BLM Manual 3120, which included the posting of drafts of the EA and unsigned FONSI for public review and comment as previously described. Additional consultation, coordination and environmental analysis will be required during the review and approval of any future site-specific proposals for oil and gas exploration and development on the lease parcels.

The four RFO parcels were offered for oil and gas leasing during the competitive oral auction conducted on May 17, 2016. Of the four RFO parcels offered for lease, two received bids. The lease parcels that were not sold became available for noncompetitive leasing for a two-year period that commenced on May 18, 2016.

As described above, I have determined that the May 2016 Lease Sale was conducted in a manner that is consistent with the applicable land use plans, laws, regulations and policies. The offering of the lease parcels at the lease sale in accordance with the Proposed Action alternative serves to facilitate the orderly development of fluid mineral resources under the jurisdiction of the BLM in a manner that is consistent with the requirements under the FLPMA and NEPA to manage the public lands for multiple uses while considering the potential impacts to the environment and other resources that may be present.

⁴ A copy of the protest letter submitted may be obtained by accessing the May 2016 oil and gas lease sale project site: <https://eplanning.blm.gov/epl-front-office/eplanning/planAndProjectSite.do?methodName=dispatchToPatternPage¤tPageId=70286>

⁵ A copy of the Protest Response may be obtained by accessing the May 2016 oil and gas lease sale project site: <https://eplanning.blm.gov/epl-front-office/eplanning/planAndProjectSite.do?methodName=dispatchToPatternPage¤tPageId=70286>

For the reasons previously stated, it is my decision to issue the oil and gas leases as previously described.

APPEALS

This decision may be appealed to the Interior Board of Land Appeals (the Board), Office of the Secretary, in accordance with the regulations contained in 43 C.F.R. Part 4 and Form 1842-1.⁶ If an appeal is taken, the notice of appeal must be filed in the BLM Utah State Office 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. § 4.21, during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay must show sufficient justification based on the standards listed below. If a stay is requested, the appellant has 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 party named in this decision and to the Office of the Solicitor, Intermountain Region, 125 South State Street, Suite 6201, Salt Lake City, Utah 84138, at the same time the original documents are filed in the Utah State Office.

Signed:

/s/ Kent Hoffman

Deputy State Director, Lands and Minerals
Utah State Office

6/6/2016

Date

⁶ A blank Form 1842-1 can be obtained using the contact information provided on the cover-page of this document.