



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Utah State Office

440 West 200 South, Suite 500

Salt Lake City, UT 84101-1434

<http://www.blm.gov/ut/st/en.html>

In Reply Refer To:
3100 (UT920)

MAY 29 2015

Memorandum

To: Assistant Director, Minerals and Realty Management (WO-300)

From: State Director, Utah (UT-910)

Subject: Revisions to the Glen Canyon – San Juan River Master Leasing Plan (MLP)

In accordance with the Bureau of Land Management (BLM) Utah State Office's continued priority to effectively and efficiently implement the BLM's Oil and Gas Leasing Reform efforts, I have elected to utilize the discretion afforded to State Directors in the BLM's Planning for Fluid Mineral Resources Manual (H – 1624-1) to both re-title and revise the planning area boundary for the approved Glen Canyon – San Juan River MLP for public lands and subsurface mineral estate administered by the BLM Canyon Country District, Monticello Field Office. I have taken these actions because they will more effectively communicate the MLP planning area to the public, provide for a more efficient use of BLM-Utah's resources, and more comprehensively address the BLM's MLP criteria established in Manual H – 1624-1.

Re-titling as the "San Juan MLP"

Originally titled the *Glen Canyon – San Juan River MLP* in 2011, this MLP title could provide the public with a misleading connotation of this planning effort's geographic focus. Since the entire planning area is located within San Juan County, Utah, simply re-titling this MLP as the *San Juan MLP* will immediately provide public land stakeholders with a better frame of reference for the MLP's geographic scope. All future documentation associated with this planning effort will now solely refer to the "*San Juan MLP*."

Revising the San Juan MLP Planning Area

The BLM Director approved BLM-Utah's Leasing Reform Implementation Plan on February 16, 2011, which included a 651,232-acre planning area for the San Juan MLP (Attachment 2). In a memo dated September 23, 2013, the Utah State Director notified the Assistant Director for Minerals and Realty Management (WO-300) that BLM-Utah had modified the San Juan MLP planning area to encompass a total of 364,151 acres (Attachment 3). The 2013 reduction of 287,081 acres from the 2011 MLP planning area involved the removal of surface, subsurface, and non-BLM acreages between U.S. Route 191 and the Utah-Colorado border, as well as the addition of surface acres west of U.S. Route 191 and north of the San Juan River. This memo

serves as notification that the San Juan MLP planning area has been re-expanded by 400,671 acres to include a total acreage of 765,372 acres, which encompasses all acres that were previously included in the 2011 and 2013 MLP planning areas (Attachment 1).

| BLM-Utah, Canyon Country District San Juan MLP Planning Area | | | |
|---|----------------|----------------|----------------|
| Year | 2011 | 2013 | 2015 |
| BLM Surface Acreage | 468,654 | 293,088 | 568,643 |
| BLM Split Estate Acreage | 33,137 | 7,204 | 33,137 |
| Non-BLM Acreage | 149,441 | 63,859 | 163,592 |
| Total Acreage | 651,232 | 364,151 | 765,372 |

Since the 2013 revisions to the San Juan MLP, BLM-Utah has been provided with substantial new information from a wide variety of public lands stakeholders related to its oil and gas leasing program. The new information necessitates revising the planning area boundary for the MLP. This memo primarily explains why the re-integration of the 400,671 acres between U.S. Route 191 and the Colorado border that were removed from the planning area in 2013 is again appropriate and does not repeat the justifications previously made in BLM-Utah's 2011 Leasing Reform Implementation Plan and the 2013 memo to the WO-300 Assistant Director for including or not including other acreages.

BLM's MLP Criteria from the Planning for Fluid Mineral Resources Manual (H-1624-1):

- 1. A substantial portion of the Federal lands in the MLP area is not currently leased.*

The San Juan MLP will meet this criterion with the additional acreage being re-integrated into the planning area. Within the 400,671 acres being re-integrated into the planning area, the BLM administers fluid mineral leasing across 301,488 surface and subsurface acres. Within these 301,488 acres, approximately 56%, or 161,000 acres, is not currently leased. These unleased lands are dispersed throughout the 400,671-acre MLP planning area expansion (Attachment 4).

A total of 8,430 acres of leased parcels within the expanded planning area have been suspended administratively or under court order. Three leased parcels within the planning area have been suspended by the U.S. District Court of Utah and are a part of the "Kimball suspensions." The court found that further analysis under the National Environmental Policy Act (NEPA) to consider potential impacts to lands with wilderness characteristics was required before BLM can lift the three suspensions (Attachment 4). The lawsuit also included allegations that the BLM violated the National Historic Preservation Act (NHPA) when issuing the leases; however, the court did provide a definitive ruling on this matter. The San Juan MLP would provide an ideal opportunity to comply with court direction and resolve the leasing status of these suspended leases.

- 2. There is a majority Federal mineral interest in the MLP area.*

The San Juan MLP will continue to meet this criterion with the additional acreage being re-integrated into the planning area. No changes in the Federal government's mineral interests

have occurred since the BLM-Utah's 2011 Leasing Reform Implementation Plan or the 2013 memo to the Assistant Director.

3. *The oil and gas industry has expressed a specific interest in leasing in the MLP area demonstrated through discussions, expressions of interest, or existing leases in the area, and there is a moderate or high potential for oil or gas confirmed by the discovery of oil or gas in the general area.*

The San Juan MLP will continue to meet this criterion with the additional acreage being re-integrated into the planning area. Within the 400,671 acres being re-integrated into the planning area, the BLM Monticello Field Office administers fluid mineral leasing across 301,488 surface and subsurface acres. Within these 301,488 acres, the following criteria apply:

- BLM-Utah has received expressions of interest across 183,874 acres for the District's 2014 (82,250 acres), 2015 (43,522 acres), and 2016 (58,1012 acres) quarterly oil and gas lease sales (Attachment 5);
 - Approximately 46% of the federal mineral, or 140,500 acres, are encumbered by authorized (133,016 acres) or pending (7,512 acres) leases (Attachment 4);
 - The entire area maintains a moderate to high potential for oil and gas (Attachment 6). While questions remain regarding the overall economic viability of fluid mineral development in the planning area expansion, the existence of some fully operational oil and gas developments; the BLM's own determinations of oil and gas potential; and the private sector's continued expressions of interest across substantial portions of the expanded planning area increase the likelihood that additional oil and gas discoveries could be made.
4. *Additional analysis or information is needed to address likely resource or cumulative impacts if oil and gas development were to occur where there are multiple use or natural resource conflicts, impacts to air quality, impacts on the resources or values of any unit of the National Park System or National Wildlife Refuge or a National Forest System wilderness area, or impacts on other specially designated areas.*

The San Juan MLP will continue to meet this criterion with the additional acreage being re-integrated into the planning area. Since 2012, BLM-Utah has deferred a total of 247,645 acres of proposed leases within the 400,671-acre planning area expansion for a variety of potential resource impacts described below.

BLM-Utah has been provided with substantial new information during the Canyon Country District's 2014 and 2015 quarterly oil and gas lease sale processes. This new information regarding potential resource impacts from oil and gas development has primarily come through lease sale protests from a variety of public lands stakeholders, including the National Park Service, National Parks Conservation Association, Natural Resources Defense Council, National Trust for Historic Preservation, WildEarth Guardians, Grand Canyon Trust, Rocky Mountain Wild, Southern Utah Wilderness Alliance (SUWA), and Utah Rock Art Research Association. These stakeholders have formally protested 44 parcels, and BLM-Utah deferred a total of 106,394 acres from the 2014 and 2015 quarterly lease sales after determining that additional analysis was necessary to address the issues described below (Attachments 7 and 8).

The San Juan MLP will provide an ideal opportunity to determine whether possible direct, indirect, and cumulative resource impacts from potential fluid mineral development warrant amending any oil and gas leasing decisions made in the 2008 Monticello Field Office Resource Management Plan (Attachment 9).

| BLM-Utah, Canyon Country District | | |
|---|---|-------------------------------------|
| Acreages of Oil and Gas Leasing Decisions on BLM-Administered Surface and Subsurface from the 2008 Monticello Field Office RMP within the San Juan MLP Planning Area | | |
| Leasing Decisions | 2015 MLP Planning Area Expansion | Total 2015 MLP Planning Area |
| Open with Standard Stipulations | 161,741 | 279,385 |
| Open with Timing Limitations | 69,683 | 174,038 |
| Open with Controlled Surface Use Limitations | 7,769 | 7,778 |
| Open with Timing and Controlled Surface Use Limitations | 31,035 | 42,773 |
| Open with No Surface Occupancy Limitations | 4,409 | 37,914 |
| Closed | 0 | 25,672 |

Multiple-use or natural/cultural resource conflicts:

Cultural Resources: The 400,671 acres being re-integrated into San Juan MLP planning area contain world-renowned prehistoric archaeological resources. Not surprisingly, potential impacts to these resources from fluid mineral development were the focal point of several protests on the Canyon Country’s 2015 oil and gas lease sale. Protesters alleged that the lease sale did not comply with NEPA or the NHPA and cited numerous deficiencies in the BLM’s cultural resource identification and evaluation efforts; the BLM’s disclosure of direct, indirect, and cumulative adverse effects and impacts to cultural resources; and the BLM’s tribal consultation efforts. The protesters identified several cultural resource sites and landscapes within the expanded MLP planning area that would be impacted by oil and gas development, including those located in or near Alkali Ridge, the Montezuma Creek watershed, and the San Juan River.

In 2015, BLM-Utah deferred the leasing of all parcels that were protested within the expanded MLP boundary because it determined additional analysis is necessary to address these cultural resource impact issues. Since that time, BLM-Utah has been developing a landscape-level cultural resource inventory strategy to increase its capacity to make better-informed leasing decisions in a timely manner. This strategy would include the development of a Class I inventory, completing various Class II inventories, as well as a corresponding regional mitigation strategy for cultural resources within the MLP planning area. The total cost to complete these efforts is estimated at \$170,000. The development of the San Juan MLP and its associated NEPA and NHPA public processes would provide an ideal forum to resolve landscape-level cultural resource considerations with BLM-Utah’s tribal and archaeological stakeholders. The development of the MLP would also ensure that any potential NHPA issues associated with the three “Kimball suspension” parcels are adequately addressed.

Lands with Wilderness Characteristics: In October 2014, the BLM received public comments on the 2015 oil and gas sale that included new wilderness characteristics inventory information for two inventory units totaling 33,147 acres within the expanded planning area. BLM-Utah has not yet considered this new inventory information in accordance with BLM Manual 6310 to determine whether wilderness characteristics exist. The development of the MLP would also ensure that NEPA and wilderness characteristics issues associated with the three “Kimball suspension” parcels are adequately addressed.

Impacts on the resources or values of a unit of the National Park System, national wildlife refuge, or National Forest wilderness area, as determined after consultation or coordination with the National Park Service (NPS), Fish and Wildlife Service (FWS), or Forest Service:

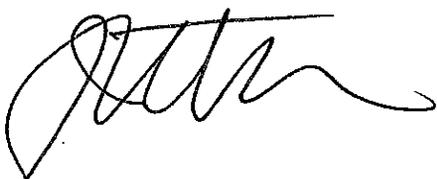
Hovenweep National Monument: Parcels near the National Park Service’s Hovenweep National Monument were protested and deferred in the 2015 Canyon Country District oil and gas lease sale due to potential impacts to night sky resources from fluid mineral development. Southeastern Utah currently maintains world famous night sky viewing opportunities, a resource that was not addressed in the 2008 BLM Monticello Field Office Resource Management Plan.

Impacts on other specially designated areas.

Areas of Critical Environmental Concern (ACEC): The Alkali Ridge and Hovenweep ACECs and a small portion of the San Juan River ACEC totaling 45,929 acres are all located within the expanded San Juan MLP planning area. These ACECs were designated in the 2008 Monticello Field Office RMP to protect relevant and important cultural, wildlife, scenic, ecological, and geologic resource values. The ACECs are all currently open to oil and gas leasing with either controlled surface use or no surface occupancy limitations, and the development of the San Juan MLP would provide an opportunity to ensure that oil and gas leasing decisions and associated limitations are properly protecting the ACECs’ values. Many of the cultural resource impact issues identified by those protesting the Canyon Country’s 2015 oil and gas lease sale were located outside of these ACEC boundaries.

Alkali Ridge National Historic Landmark: This 2,146-acre National Historic Landmark was designated in 1964 and is located within the Alkali Ridge ACEC. The Landmark is currently open to oil and gas leasing with no surface occupancy limitations. The San Juan MLP would provide an opportunity to ensure that potential impacts to the Landmark’s broader cultural resource landscape are properly considered.

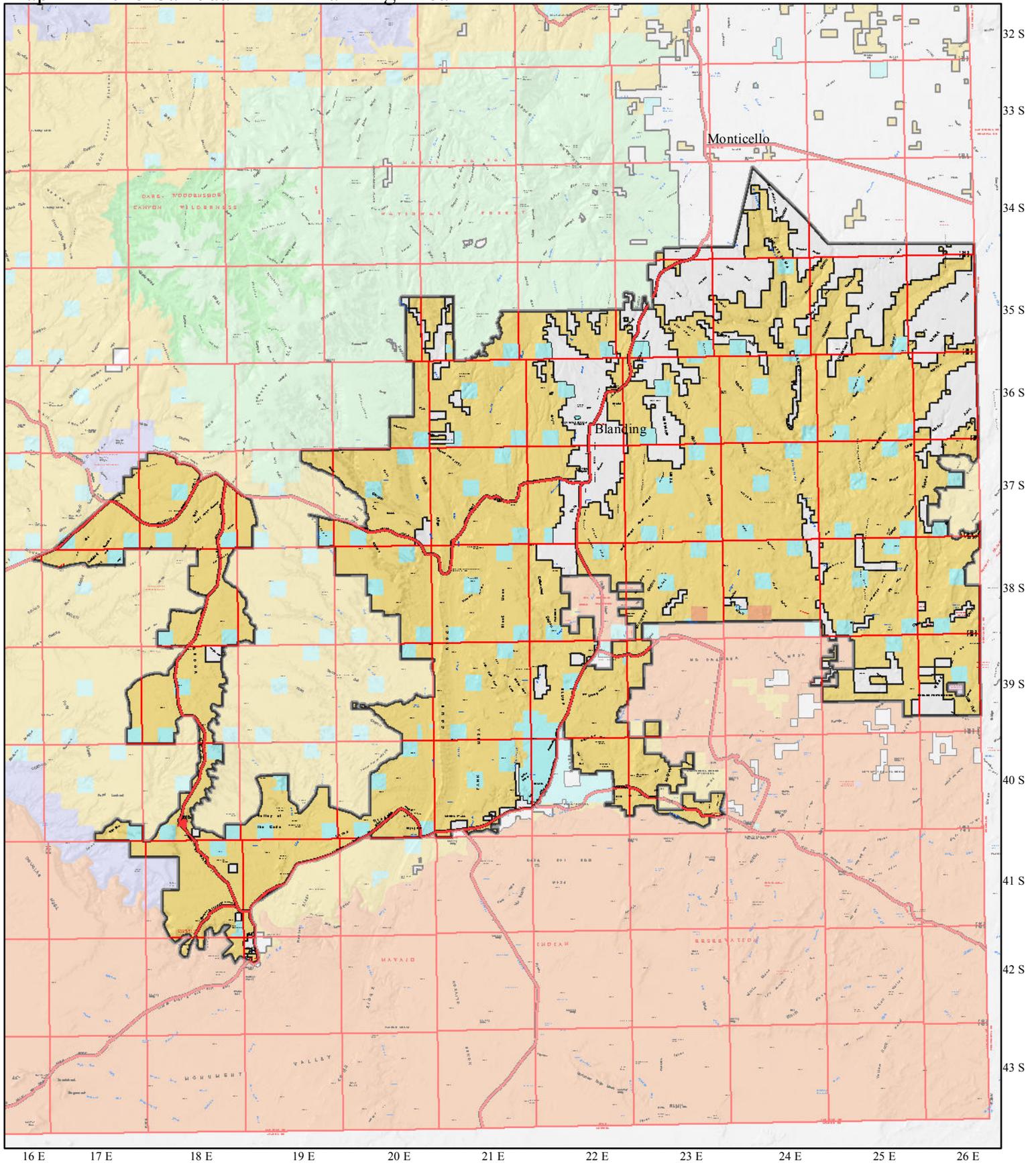
For the reasons described above, I have utilized the discretion provided to State Directors in the BLM’s Planning for Fluid Mineral Resources Manual (H – 1624-1) and revised the San Juan MLP planning area boundary. If you need additional information, please contact Kent Hoffman, BLM-Utah’s Deputy State Director for Lands and Minerals, at (801) 539-4080 or khoffman@blm.gov.



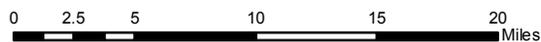
Attachments (9):

- Map 1 – 2015 San Juan MLP Planning Area
- Map 2 – 2011 San Juan MLP Planning Area
- Map 3 – 2013 San Juan MLP Planning Area
- Map 4 – Oil and Gas Leasing Status within the San Juan MLP Planning Area
- Map 5 – Expressions of Interest within the San Juan MLP Planning Area Since 2011
- Map 6 – Oil and Gas Potential within the San Juan MLP Planning Area
- Map 7 – Deferred Parcels within the San Juan MLP Planning Area
- Map 8 – Potential Resource Impacts within the San Juan MLP Planning Area
- Map 9 – 2008 Monticello RMP Oil and Gas Leasing Decisions within the San Juan MLP Planning Area

Map 1 -- 2015 San Juan MLP Planning Area



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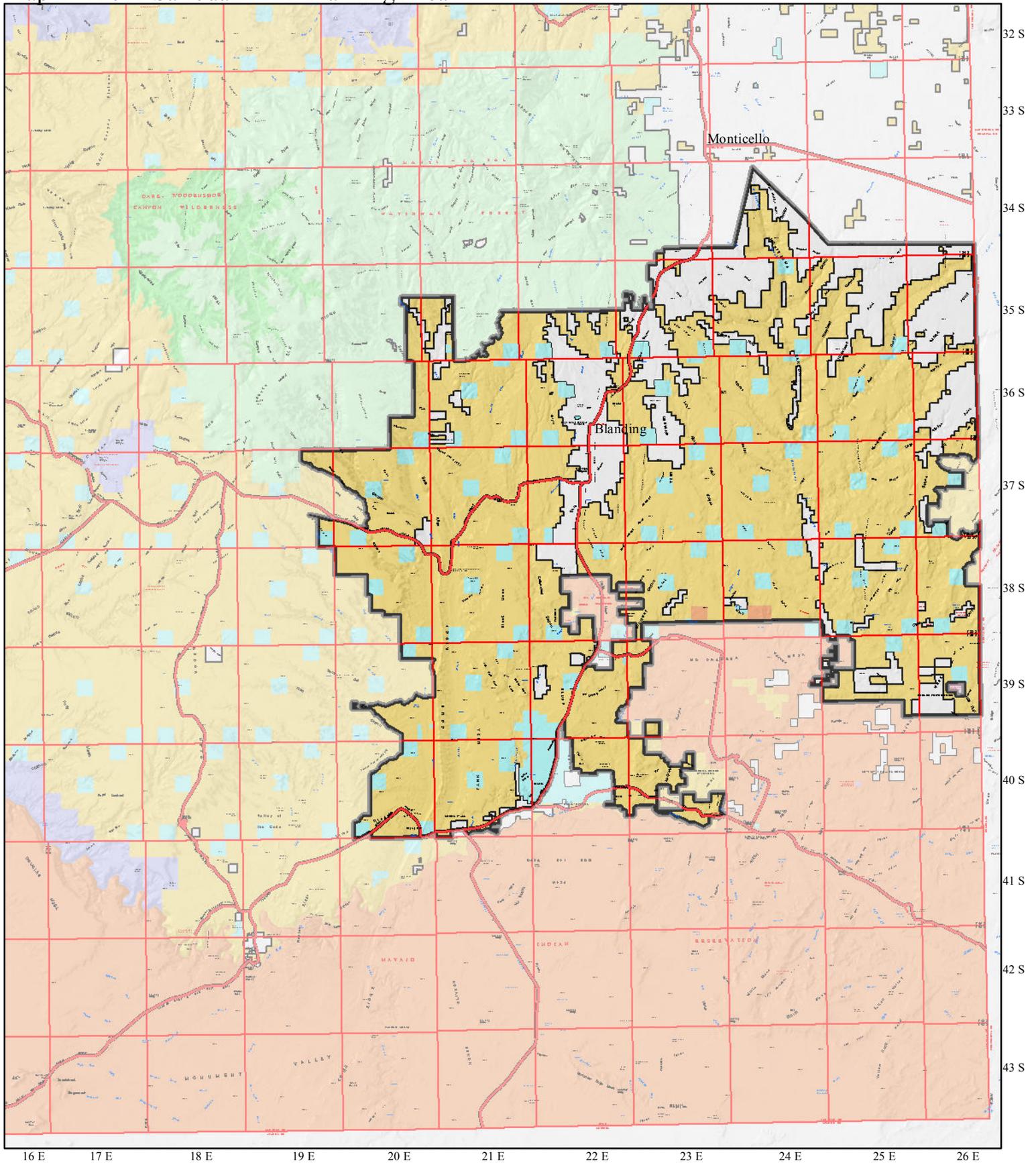


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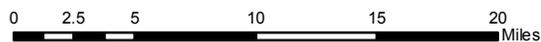
- State Highways
- PLS Township
- San Juan MLP 2015
- Bureau of Land Management (BLM)
- Indian Reservation (IR)
- National Park Service (NPS)
- Private
- State
- State Parks and Recreation
- US Forest Service (USFS)
- USFS Wilderness Area



Map 2 -- 2011 San Juan MLP Planning Area



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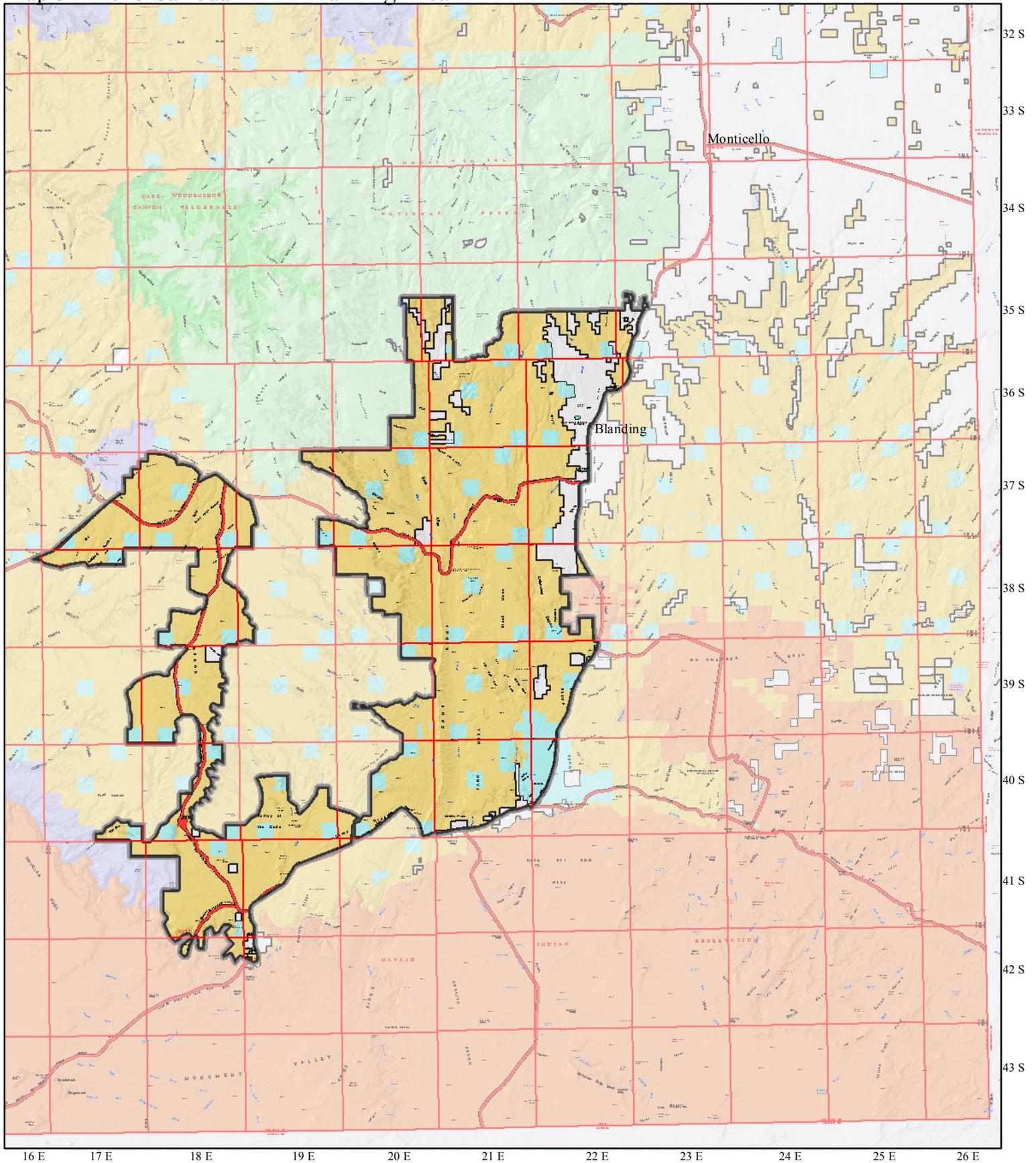


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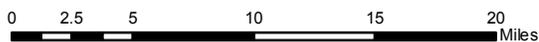
- State Highways
- PLS Township
- San Juan MLP 2011
- Bureau of Land Management (BLM)
- Indian Reservation (IR)
- National Park Service (NPS)
- Private
- State
- State Parks and Recreation
- US Forest Service (USFS)
- USFS Wilderness Area



Map 3 -- 2013 San Juan MLP Planning Area



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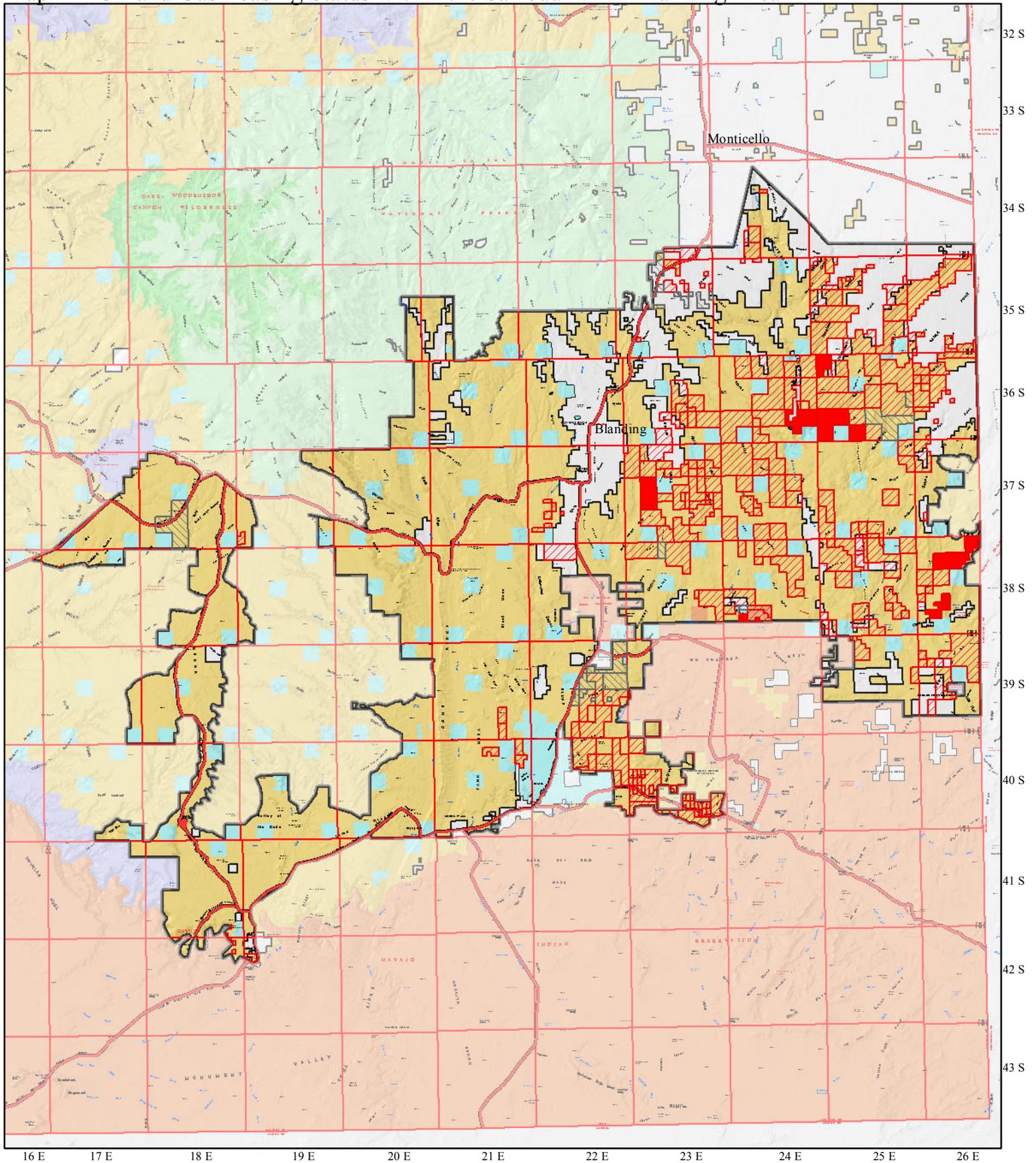


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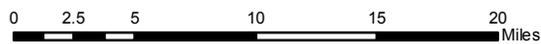
- | | |
|---------------------------------|----------------------------|
| PLS Stowship | Private |
| San Juan MLP 2013 | State |
| State Highways | State Parks and Recreation |
| Bureau of Land Management (BLM) | US Forest Service (USFS) |
| Indian Reservation (IR) | USFS Wilderness Area |
| National Park Service (NPS) | |



Map 4 -- Oil and Gas Leasing Status within the San Juan MLP Planning Area



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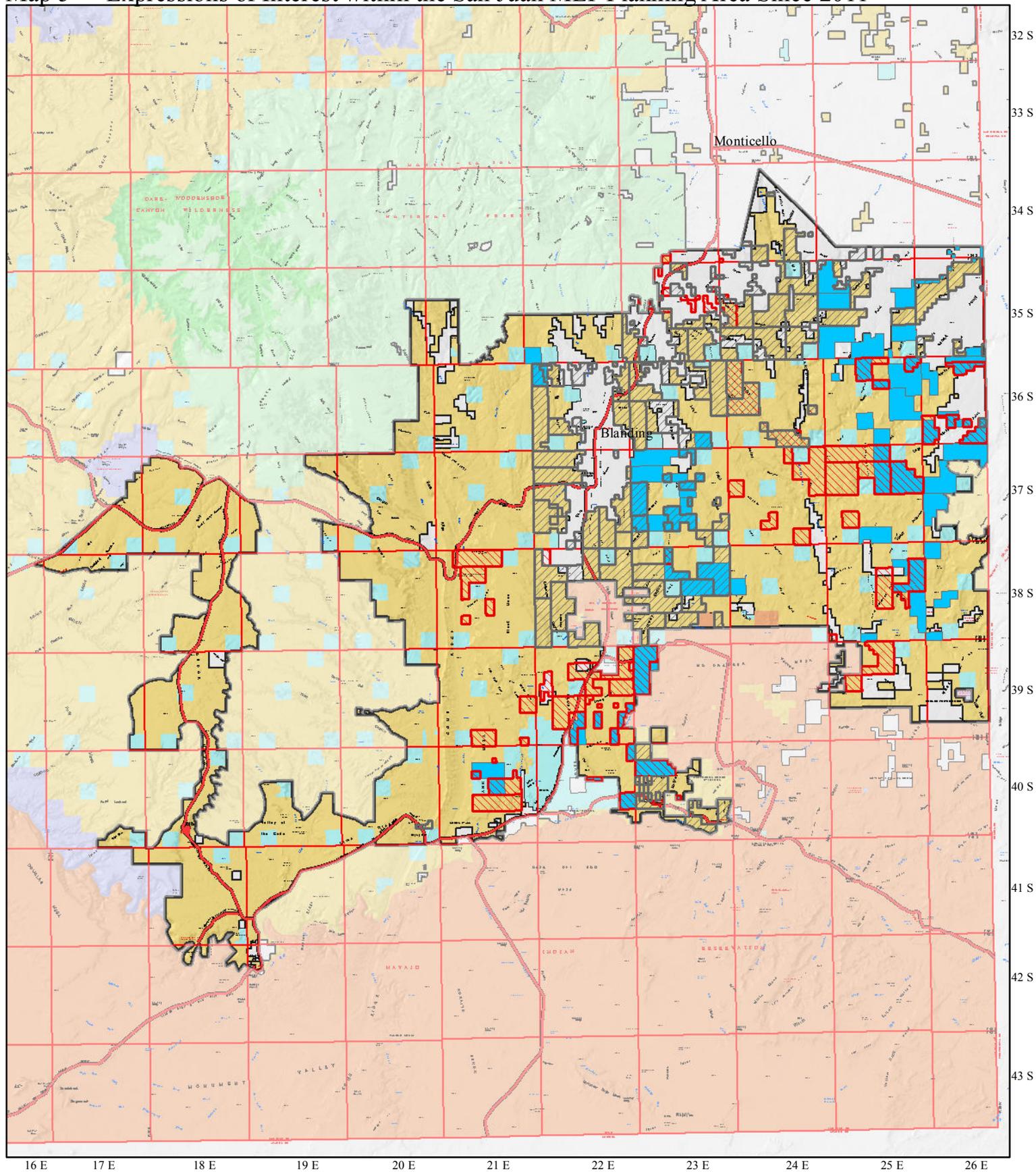


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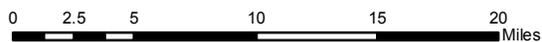
- | | |
|---------------------------------|-----------------------------|
| Authorized | Indian Reservation (IR) |
| Pending | National Park Service (NPS) |
| Suspended Leases | Private |
| State Highways | State |
| PLS Stowship | State Parks and Recreation |
| San Juan MLP 2015 | US Forest Service (USFS) |
| Bureau of Land Management (BLM) | USFS Wilderness Area |



Map 5 -- Expressions of Interest within the San Juan MLP Planning Area Since 2011



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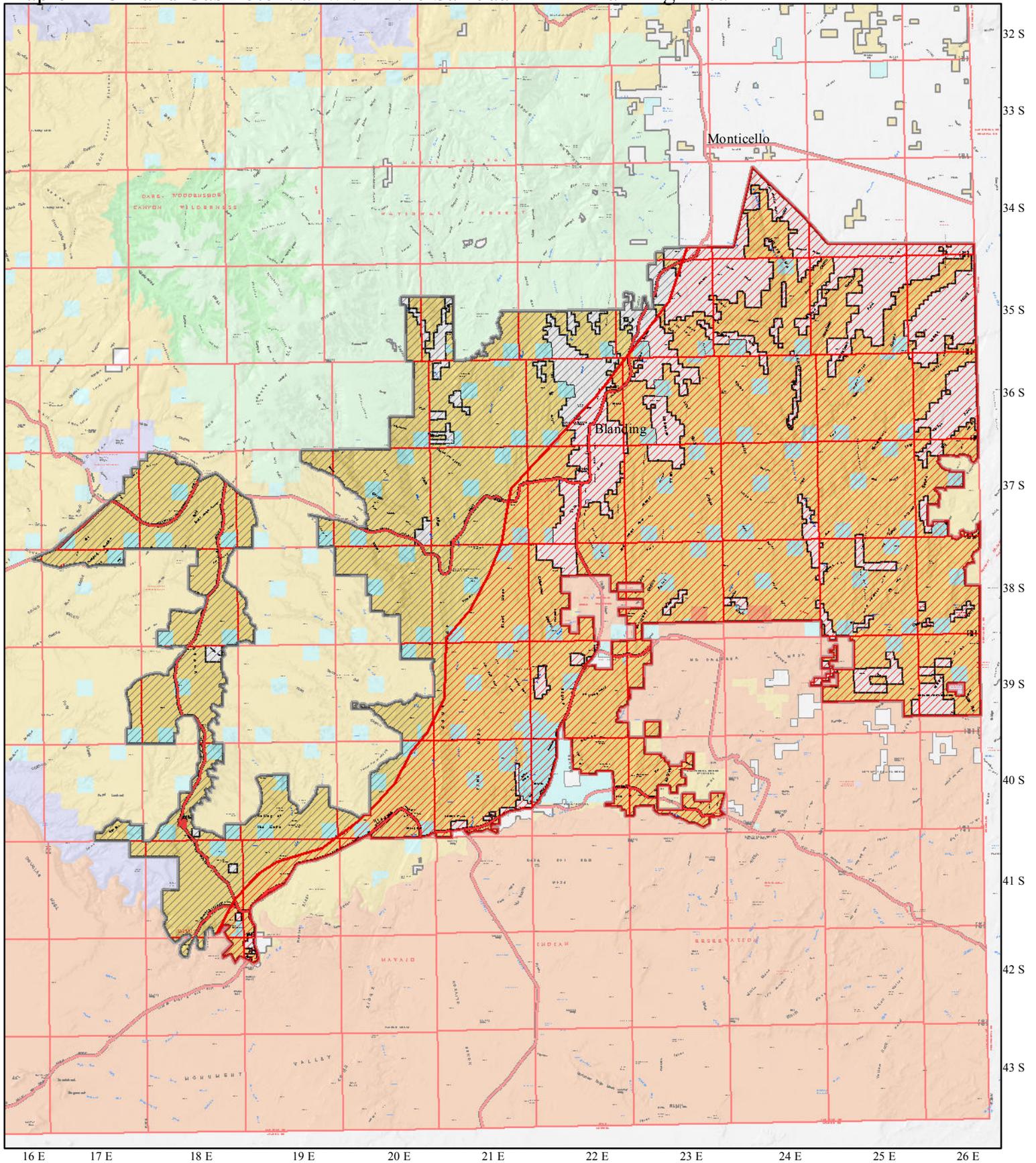


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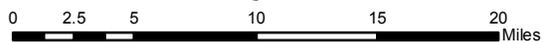
- 2014 Expressions of Interest
- 2015 Expressions of Interest
- 2016 Expressions of Interest
- State Highways
- PLS Stowship
- San Juan MLP 2015
- Bureau of Land Management (BLM)
- Indian Reservation (IR)
- National Park Service (NPS)
- Private
- State Parks and Recreation
- US Forest Service (USFS)
- USFS Wilderness Area



Map 6 -- Oil and Gas Potential within the San Juan MLP Planning Area



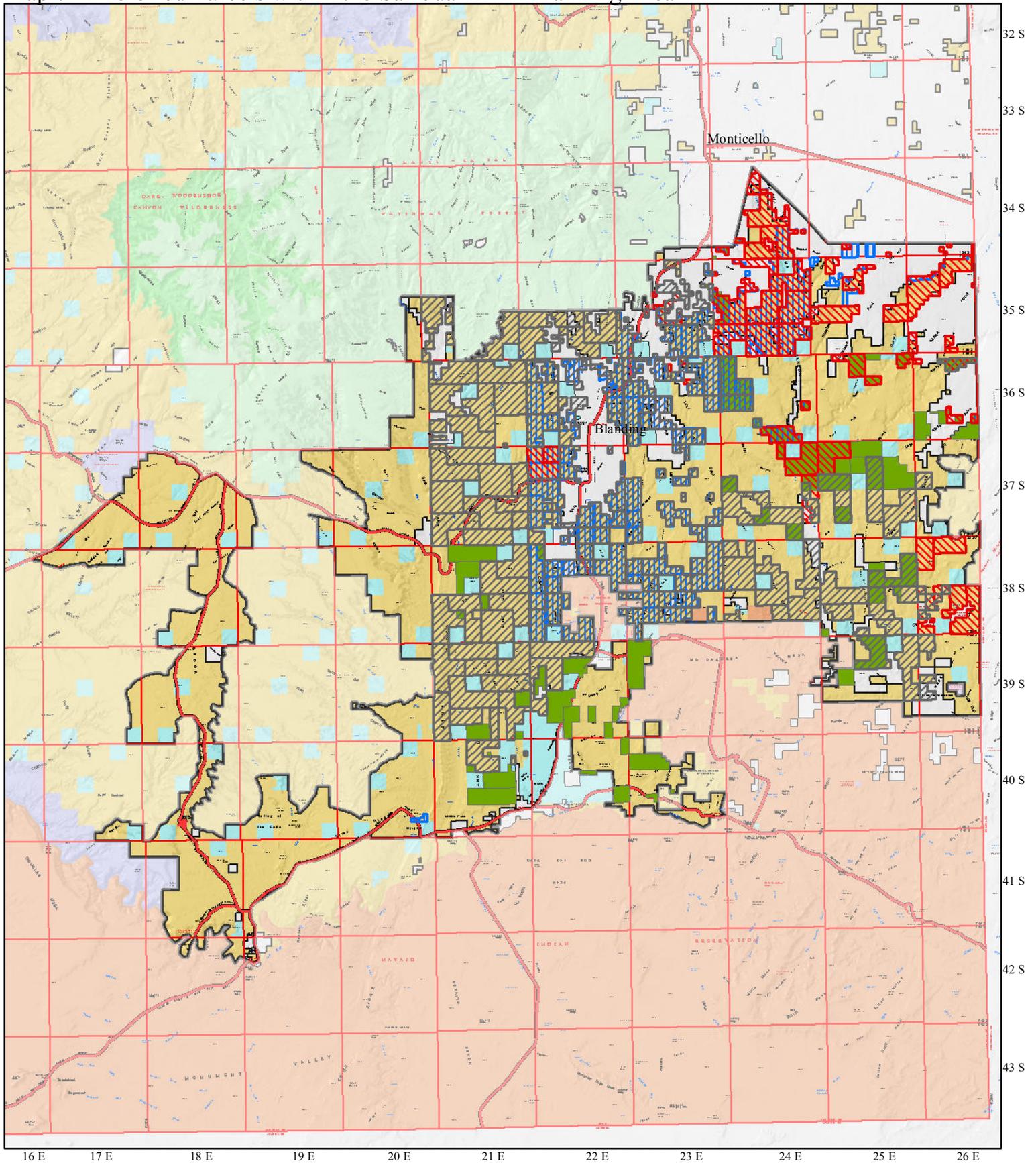
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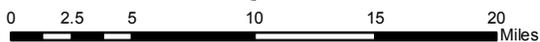
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- High Development Potential for Oil and Gas
- Moderate Development Potential for Oil and Gas
- State Highways
- PLS Township
- San Juan MLP 2015
- Bureau of Land Management (BLM)
- Indian Reservation (IR)
- National Park Service (NPS)
- Private
- State
- State Parks and Recreation
- US Forest Service (USFS)
- USFS Wilderness Area

Map 7 -- Deferred Parcels within the San Juan MLP Planning Area



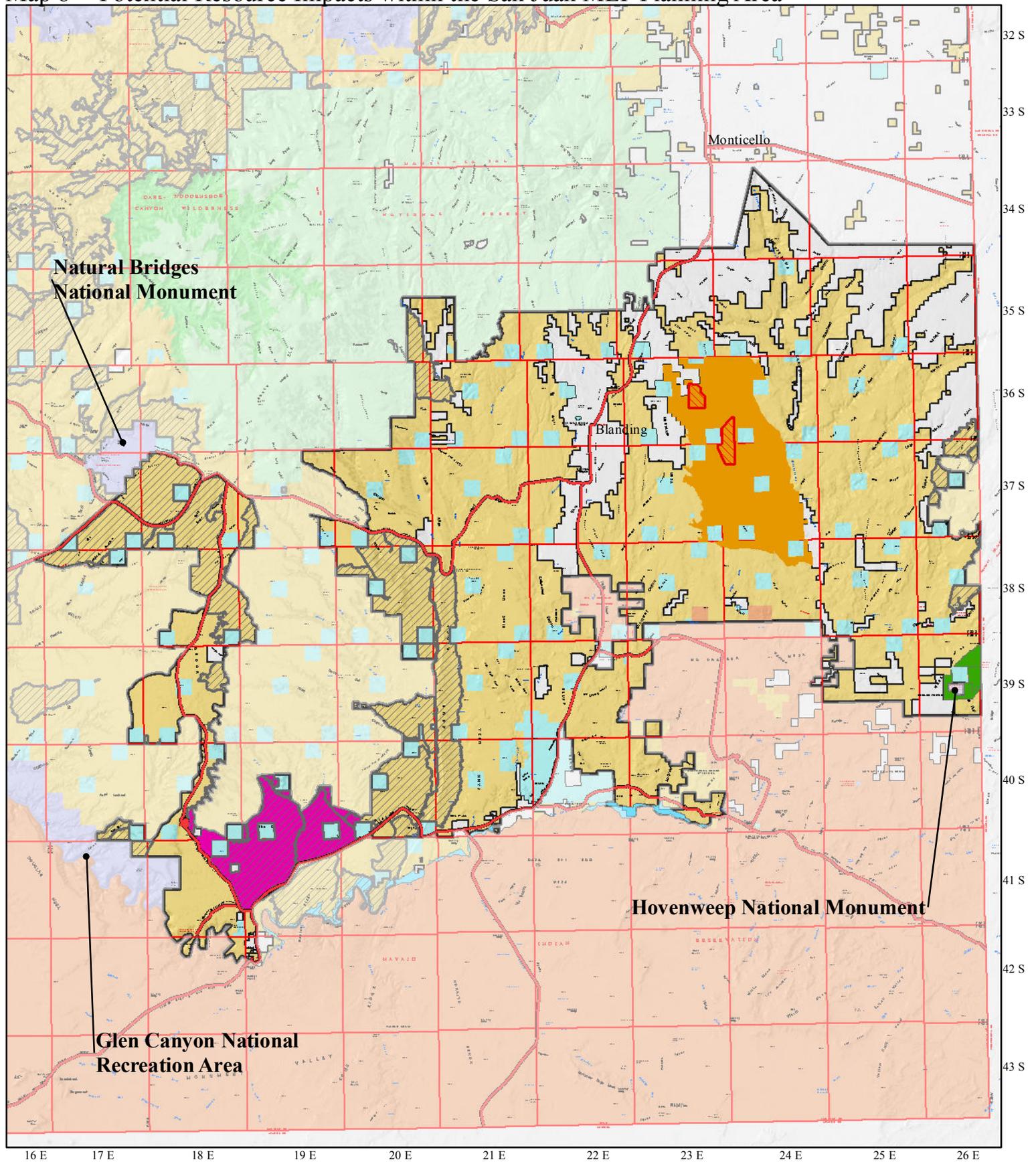
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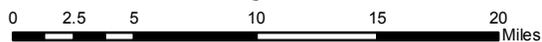
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- deferred 2012
- deferred 2013
- deferred 2014
- deferred 2015
- State Highways
- PLSS Township
- San Juan MLP 2015
- Bureau of Land Management (BLM)
- Indian Reservation (IR)
- National Park Service (NPS)
- Private
- State
- State Parks and Recreation
- US Forest Service (USFS)
- USFS Wilderness Area

Map 8 -- Potential Resource Impacts within the San Juan MLP Planning Area

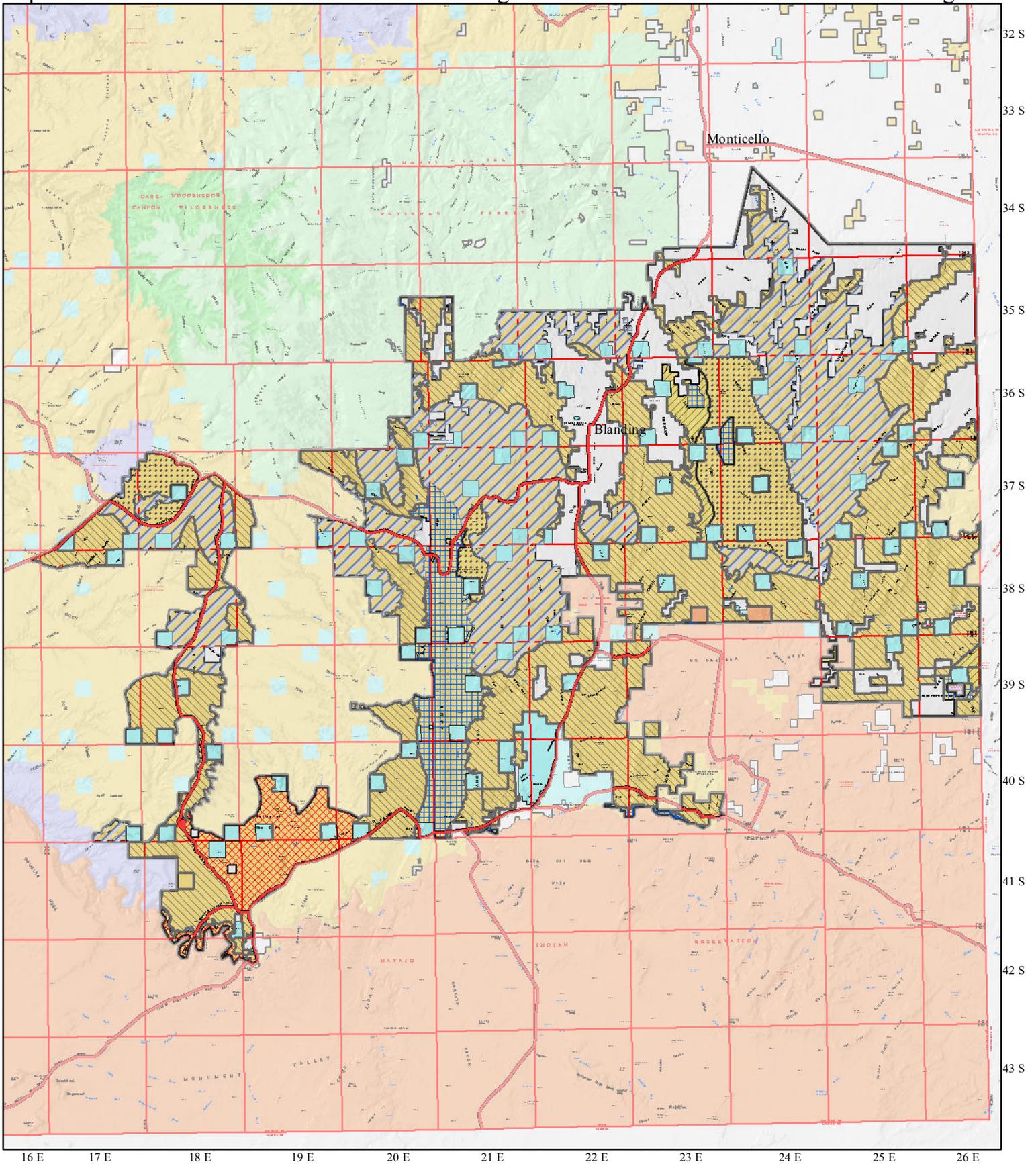


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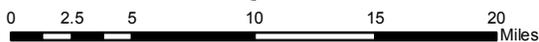


- State Highways
- Lands with Wilderness Character
- Alkali Ridge NHL
- Alkali Ridge ACEC
- Hovenweep ACEC
- San Juan River ACEC
- Valley of the Gods ACEC
- PLS Stowship
- San Juan MLP 2015
- Bureau of Land Management (BLM)
- Indian Reservation (IR)
- National Park Service (NPS)
- Private
- State Parks and Recreation
- US Forest Service (USFS)
- USFS Wilderness Area

Map 9 -- 2008 Monticello RMP Oil and Gas Leasing Decisions within the San Juan MLP Planning Area



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- State Highways
- Open Standard Terms and Conditions
- Open Controlled Surface Use
- Open Timing Limitations
- Open Controlled Surface Use and Timing Limitations
- Open No Surface Occupancy
- Closed to Leasing
- PLS Stowship
- San Juan MLP 2015
- Bureau of Land Management (BLM)
- Indian Reservation (IR)
- National Park Service (NPS)
- Private
- State
- State Parks and Recreation
- US Forest Service (USFS)
- USFS Wilderness Area