



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

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IN REPLY REFER TO:
3100 (UT920)

May 29, 2015

Memorandum

To: Assistant Director, Energy, Minerals and Realty Management Directorate
(WO-300, MIB, Room 5625)

From: Acting State Director, Utah /s/Jenna Whitlock

Subject: Updated Bureau of Land Management (BLM) Utah Master Leasing Plan (MLP)
Strategy and Initiation of the San Rafael Desert MLP

BACKGROUND

In May 2010, the BLM issued Washington Office (WO) Instruction Memorandum No. 2010-117 (Leasing Reform). This directive introduced significant changes for the BLM's oil and gas lease sale review process as well as the concept of a new land use planning tool known as the MLP. In describing the MLP concept, leasing reform directed BLM state offices to use the following four criteria to identify areas where MLP preparation may be required:

1. A substantial portion of the area is not leased.
2. There is a majority federal mineral interest.
3. The oil and gas industry has expressed a specific interest in leasing, and there is a moderate or high potential for oil and gas confirmed by the discovery of oil and gas in the general area.
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.

An MLP may also be completed under other circumstances at the State Director's discretion.

In February of 2011, the BLM Director approved the BLM-Utah's leasing reform implementation plan, which included preparation of the following five MLPs:

- Moab (Canyon Country District Office)

- San Rafael River¹ (Green River and Color Country District Offices)
- Vernal (Green River District Office)
- Glen Canyon² (Canyon Country District Office)
- Book Cliffs Divide-Cisco (Canyon Country District Office)

All five of BLM-Utah's approved MLPs are within land use planning areas for which Resource Management Plans (RMPs) were completed in 2008. Four of the five MLPs would be prepared as "stand alone" planning efforts; the Vernal MLP would likely be part of a larger plan amendment effort, as discussed below.

The Canyon Country District is currently preparing the Moab MLP, which includes an environmental impact statement (EIS) and will amend the Moab and Monticello RMPs. A public review period for the preliminary alternatives for the Moab MLP concluded on May 28, 2014; the draft MLP/EIS is scheduled to be released for public review in late June of this year, and a Record of Decision is anticipated in Summer 2016. In addition to oil and gas, the Moab MLP addresses potash leasing and development.

Funding and staffing limitations, as well as other planning priorities, have precluded BLM-Utah from initiating any of its other four approved MLPs. In accordance with the discretion afforded to State Directors by Leasing Reform, the BLM-Utah has deferred new leasing proposals submitted for lands within the approved, but pending, MLPs in order to preserve potential alternatives for those MLPs. As a result, millions of acres of land with oil and gas interest have been removed from availability for oil and gas leasing and development for the last several years, and this is likely to continue until the MLPs are completed.

In order to identify actions that could be taken to facilitate the completion of its MLPs in a timelier and more effective manner, BLM-Utah conducted supplemental reviews of its approved MLPs in 2013, 2014 and again in 2015. Based on the latest review, BLM-Utah developed the following strategy for addressing the uninitiated MLPs.

DISCUSSION

San Rafael Desert MLP – Initiate preparation

To more accurately describe the area encompassed by the initially proposed San Rafael River MLP, the name has been changed to the San Rafael Desert. The San Rafael Desert MLP consists of 524,854 acres located in Emery and Wayne Counties. It meets the majority of the criteria for preparation of an MLP as described below:

- 1) A substantial portion (70%) of the MLP is currently unleased. (Meets #1)
- 2) There is a majority Federal mineral interest (83%). (Meets #2)
- 3) There was some industry interest in leasing before designation of the MLP. A few of the December 2008 lease sale parcels, which were later withdrawn, were along the western bank of the Green River. The area has had some exploration for oil and gas in the past resulting in numerous plugged and abandoned wells. There has been no oil or gas production from the MLP

¹ Hereinafter referred to as the San Rafael Desert MLP

² Name now changed to the San Juan MLP

area. Overall, this criterion is not met due to there being no discovery of oil or gas within the MLP area. (Does not meet #3)

4) There could be potential conflicts with resources and values of Canyonlands National Park, east of and downwind from the MLP area. Possibly affected resources could include visuals, air quality, night skies and recreation. (Could meet #4)

The primary reason for initiating an MLP in the San Rafael Desert area is to resolve long-standing lease protests and complete “curative NEPA” for leases which were placed in suspension because of litigation. There are five sold-but-not-issued lease parcels within the San Rafael Desert MLP. The parcels were protested and sold at the February and May, 2006, lease sales. These protests would be resolved in the MLP effort.

Of particular importance is resolution of the 16 suspended oil and gas leases within the MLP area. A summary of the issues regarding the 16 suspended leases is below:

- Leases litigated in United States District Court, District of Utah [Southern Utah Wilderness Alliance (SUWA) et al v. Gale Norton (BLM) 2:04CV574 (DAK) (filed 8/2/2006), in SUWA et al v Lynn Scarlett (BLM) 2:06CV342 (DAK) (filed 4/25/2006) and in SUWA et al v Dirk Kempthorne (BLM) 2:08CV0064 (DAK) (filed 12/16/2008)]. The plaintiffs alleged that BLM violated NEPA and NHPA and had improperly issued the 16 leases discussed here, as well as numerous other leases throughout the state.
- August 1, 2006, the United States District Court ruled on SUWA v Norton [2:04CV574 (DAK)]. The court ruled that BLM violated NEPA by not considering non-wilderness study area (WSA) lands with wilderness characteristics (WC). It reversed the BLM’s decision that denied SUWA’s protest and remanded it back to BLM to consider new information about wilderness values and characteristics on the parcels (leases).
- Lawsuits 2:06CV342 (DAK) and 2:08CV0064 (DAK) were pending before the same judge in the same court. The plaintiffs made the same allegations as those made by SUWA regarding BLM’s failure to consider significant new information on WC in violation of NEPA.
- Because of the similarities in 2:06CV342 (DAK) and 2:08CV0064 (DAK), BLM agreed to suspend the contested leases and motioned the court to have these cases remanded back for further consideration.
- The court agreed to the BLM’s motion and also stated that it was unnecessary to rule on SUWA’s claims of NHPA violations because they had already remanded the cases back to BLM because of the NEPA problems.

The action currently before BLM is to cancel, modify or lift the suspensions on these suspended leases based on a NEPA analysis that includes non-WSA lands with WC. This would be done during the San Rafael Desert MLP effort.

It is anticipated that the San Rafael Desert MLP could be accomplished through an environmental assessment (EA) to be prepared by the Price and Richfield Field Offices. The Price Field Office would be the lead office as the majority of acreage is within that office. The MLP/EA would likely amend leasing decisions in the Price and Richfield Field Office RMPs signed in 2008.

Vernal MLP - Postpone preparation

A plan evaluation “Core Team” composed of staff from the WO-210, Division of Decision Support, Planning and NEPA, the Utah State Office and the Green River District Office completed an evaluation of the 2008 Vernal Field Office RMP between September of 2014 and January of 2015 in order to evaluate implementation of the plan and consider the potential scope of a Vernal MLP. In doing so, it became apparent that there are a number of potential planning actions and/or programmatic resources issues that would only be partially addressed by the analysis in an MLP. For example, a commitment was made by the BLM while resolving protests of the 2008 RMP to address, as part of the next planning process in the Vernal Field Office, two proposed Areas of Critical Environmental Concern (ACECs) that were submitted, but inadvertently overlooked, during the 2008 Vernal RMP preparation process. The potential benefits of utilizing the Vernal MLP to codify certain conservation measures contained within a recently executed conservation agreement for the Graham’s and White River beardtongues, two sensitive plant species with substantial areas of protected habitat within the boundaries of the Vernal MLP were also considered. The team also evaluated reconsidering management decisions in the Vernal RMP related to white-tailed prairie dog and travel management issues.

The evaluation ultimately showed that the resources of concern most needing to be addressed are geographically well beyond the proposed MLP analysis area and beyond the identified scope of the MLP. Therefore, it has been decided to postpone preparation of the MLP and pursue other options to address the resource issues identified. Currently under consideration is to undertake a plan amendment (or amendments) of sufficient geographic scope to address the deficiencies identified in the plan evaluation and include a MLP analysis as part of the overall plan, similar to how MLPs are being conducted in other states.

San Juan MLP - Postpone preparation until the Moab MLP is complete

Considering the level of staff and other resources the Canyon Country District is currently devoting to the Moab MLP, it would be unreasonable to attempt to simultaneously prepare two MLPs within the Canyon Country District.

Books Cliffs Divide - Cisco MLP - Defer preparation

A review of the present conditions within this MLP indicates that it does not meet the criteria for MLP preparation specified in leasing reform, and there would likely be minimal benefit achieved from the preparation of a MLP for this area. We intend to re-evaluate the need for an MLP in this area after other higher priority MLPs are completed.

NEXT STEPS

Complete the Moab MLP - Following publication of the Draft MLP/EIS scheduled for late June 2015, comments will be analyzed and incorporated into the Final MLP/EIS with a Record of Decision expected in Summer 2016.

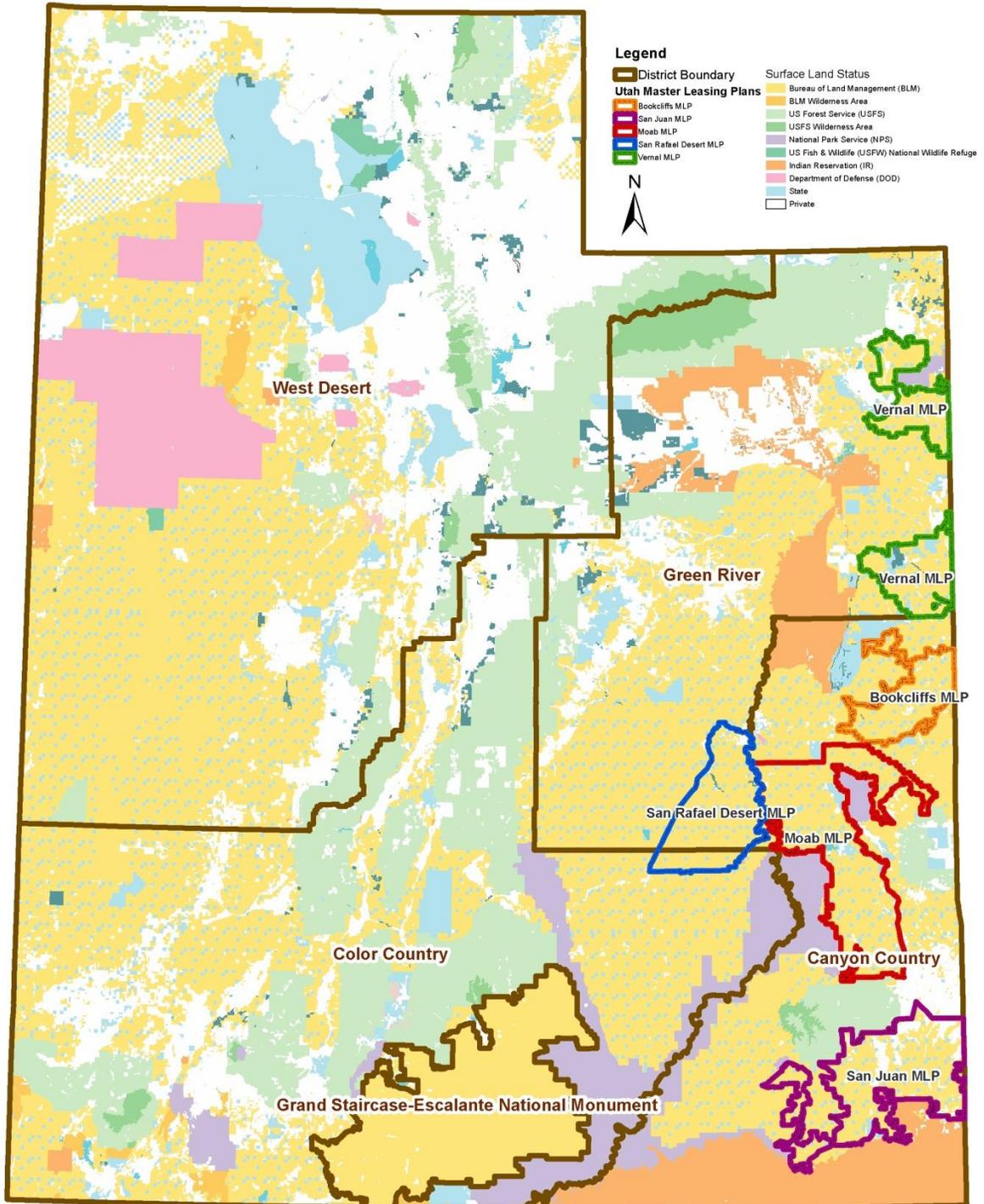
Initiate San Rafael Desert MLP - Initiate formal preparation of San Rafael Desert MLP by publishing a Notice of Intent (NOI) in the *Federal Register* to provide for potential amendment of leasing decisions in the Price Field Office (Green River District) and Richfield Field Office

(Color Country District) RMPs. At this time, we estimate 25 months from NOI to complete an EA-level MLP. BLM-Utah has identified \$200,000 from its FY2015 budget to initiate the planning effort this FY; \$773,000 in additional funding would be needed in FY16 and FY17 to complete the project.

Attachments:

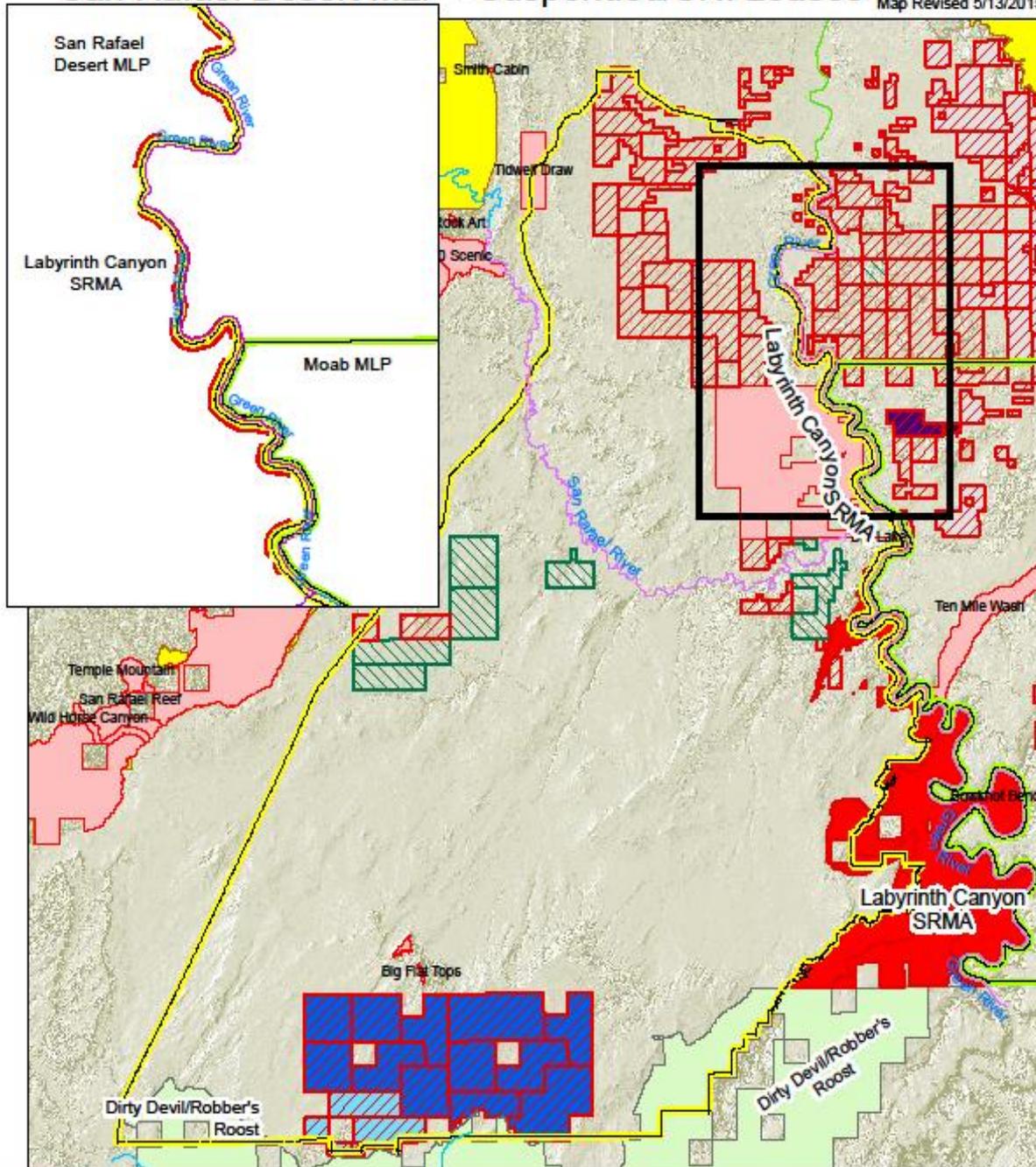
1. Map of BLM Utah MLPs (1 pp)
2. Map of the San Rafael Desert MLP (1 pp)

BLM Utah MLPs



San Rafael Desert MLP - Suspended/SNI Leases

Map Revised 5/13/2015



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|---|---|---|
|  Sold But Not Issued |  San Rafael Desert MLP | Suspended Leases |
|  Authorized |  Moab MLP |  DC 2:08CV0064 (DAK3) |
|  SRMA - Price | Wild & Scenic River |  2:04CV574 (DAK1) |
|  SRMA - Richfield | Eligible |  Wilderness Study Area |
|  Area of Critical Environmental Concern (ACEC) | Designated | |

