

**United States Department of the Interior
Bureau of Land Management**

**Decision Record
Environmental Assessment
DOI-BLM-WY-020-EA-14-7**

August 4, 2014

**BLM-Wyoming
Wind River/Bighorn Basin District Portions
of the August 2014 Competitive Oil and Gas Lease Sale**

Wyoming State Office
5353 Yellowstone Dr.
Cheyenne, Wyoming 82009



DECISION RECORD
DOI-BLM-WY-020-EA-14-7
BLM-Wyoming Wind River/Bighorn Basin District Portions
of the August 2014 Competitive Oil and Gas Lease Sale

Decision:

It is my decision to select Alternative 3 ("Modified and Deferred Alternative") as described and considered in the Environmental Assessment (EA). My decision is to offer (and subsequently issue, should a successful bid be received by the BLM) 18 lease parcels comprised of 12,848.923 acres of Federal fluid mineral estate administered by the Wind River/Bighorn Basin District, as identified in the EA and as further described below, at the August 5, 2014 Competitive Oil and Gas Lease Sale (see attached Sale Notice, identifying the parcels and acreages to be offered). The remaining parcels nominated and reviewed by the BLM within the High Plains District (17 entire parcels and 15 partial parcels) will be deferred and/or deleted for the reasons described in the EA and this Decision Record (DR). Adopting Alternative 3 results in the offering (and leasing, should successful bids be received by the BLM) of 43% of the lands nominated and reviewed by the BLM in the Wind River/Bighorn Basin District for this Sale.

Combined with the concurrent decision pertaining to the parcels for the August 2014 Sale located in the High Plains District, the Sale will result in the offering of 41,804.803 acres, or 53% of the lands nominated and reviewed by the BLM for the Sale. Of the 38 parcels in the Sale intersecting State of Wyoming-designated Greater Sage-Grouse Core Population Areas (Core Areas), all portions of the parcels located within Core Areas have been deferred with the exception of one (final parcel WY-1408-042), in accordance with the BLM Wyoming's sage-grouse screen under Instruction Memorandum (IM) WY-2012-019¹. This parcel is comprised of approximately 1,329 acres, which is approximately 12% of the area nominated and reviewed by the BLM for this Sale in Core Areas.

The BLM received nominations for the August 2014 Sale until September 22, 2013. After preliminary adjudication of the 152 nominated parcels (78,150.913 acres) by the Wyoming State Office (WSO), the 35 parcels (30,022.473 acres) located within the Wind River/Bighorn Basin District were screened by the WSO under the BLM Wyoming's greater sage-grouse lease parcel screen². BLM Wyoming IM No. WY-2012-019 (at pages 13-15 and the IM's attachment number 7) requires the BLM to conduct a sage-grouse screen on every reviewed oil and gas parcel to determine if the parcel should be offered for sale or deferred pending completion of the on-going Resource Management Plan (RMP) amendments and plan revisions in all 10 BLM Wyoming field offices. Screening criteria are described in the IM and the results are provided for all parcels in the August 2014 oil and gas lease sale EAs. The WSO's sage-grouse screen resulted in the deferral of 1 entire and 3 partial parcels (2,357.070 acres) within the Wind River/Bighorn Basin

¹ IM No. WY-2012-019 ("Greater Sage-Grouse Habitat Management Policy on Wyoming Bureau of Land Management (BLM) Administered Public Lands Included the Federal Mineral Estate"), dated February 10, 2012.

² The WSO's screening also includes a component not provided in IM WY-2012-019. This component includes the deferral of any parcel or portion of parcel less than 640.00 acres in contiguous size intersecting Core Areas. Though this component of the screen was not a part of the IM's screening components, as it is related to sage-grouse Core Areas, this component is referred to as being a part of the BLM's greater sage-grouse (GSG) screens.

District, at the BLM's discretion³. The remaining parcels or portions of parcels were then forwarded for review by the appropriate field offices and District Office, including interdisciplinary review, field visits to nominated parcels (where appropriate), review of conformance with the RMP decisions for each planning area, and preparation of an Environmental Assessment (EA) documenting National Environmental Policy Act (NEPA) compliance⁴.

This DR addresses the BLM's final decision as to the 35 parcels nominated and reviewed for the August 2014 Sale located within the Wind River/Bighorn Basin District and as described in the attached Sale Notice , including:

- On May 27, 2014, the WSO issued an Information Notice providing corrections to the Sale Notice. Modifications were made to the acreages for parcels WY-1408-012, WY-1408-064, and WY-1408-072. Additionally, the land description and acreage for parcel WY-1408-036 were modified, and the citations for parcels WY-1408-035 and WY-1408-039 were modified.
- On July 7, 2014, the WSO issued an Information Notice which modified the acreage and land description for parcel WY-1408-036.
- On July 21, 2014, the WSO issued an Information Notice providing corrections to the Sale Notice. Parcel WY-1408-042 will be segregated into separate leases at the time of lease issuance, because a portion of this parcel lies within the Barron Flats Unit, WYW182390X, approved January 16, 2014. All the land described in parcel WY-1408-043 lies within the Barron Flats Unit. Before issuance of a lease for land located within the Barron Flats Unit, prospective lessees may be required to join the unit. Due to the invalidated status of the Handcart Hill Unit, WYW181014X, parcels WY-1408-050 and WYW-1408-054 are no longer committed to this unit. The acreage and land description for parcel WY-1408-074 were modified. Lastly, the total acreage for the Final August 5, 2014, Notice of Competitive Oil and Gas Lease Sale was corrected to 41,804.803.

All areas affected by these modifications were included in the interdisciplinary review for the August 2014 Sale.

Additionally, a Finding of No Significant Impact (FONSI)⁵ has determined the selected alternative, Alternative 3 (the " Modified and Deferred Alternative ") analyzed in DOI-BLM-WY-020-EA-14-7 did not constitute a major Federal action that will adversely impact the quality of the human environment. Therefore, an EIS was determined unnecessary and will not be prepared.

³ See the Mineral Leasing Act of 1920, as amended, providing that lands subject to disposition under the Act "which are known or believed to contain oil or gas deposits may be leased by the Secretary." (Emphasis added). 30 U.S.C. § 226(a). This discretion may be exercised in the interest of conservation, wildlife protection, and other purposes in the public interest.

⁴ <http://www.blm.gov/wy/st/en/info/NEPA/documents/og-ea/2014/august.html>

⁵ Since the RMP EISs have already evaluated potentially significant impacts arising from the BLM's land use planning decisions, the BLM anticipates a "finding of no new significant impacts." See 43 CFR 46.140(c).

Authorities:

The authority for this decision is contained in 43 CFR 3100.

Compliance and Monitoring:

No monitoring would be required in the offering of the lease parcels for sale or for issuance of the leases, should a successful bid be received. Should the parcels be leased and developed, monitoring may be required by the BLM and would be considered under future documentation of National Environmental Policy Act (NEPA) compliance.

Terms/Conditions/Stipulations:

All parcels are subject to standard lease notices 1-3 and the special lease stipulations, numbers 1-3 (as described in the Sale Notice) for cultural resources, threatened or endangered species under the Endangered Species Act, and multiple mineral development operations. Individual parcels are subject to specific stipulations for wildlife resources, paleontological or cultural resources, Visual Resource Management (VRM), and other resources. Please refer to the attached August 5, 2014 Competitive Oil and Gas Lease Sale Notice for a complete description of the stipulations and lease notices applied to each parcel.

Plan Conformance and Consistency:

The proposed action and alternatives have been reviewed and found to be in conformance with the approved RMPs and associated decision(s) in the Grass Creek RMP (1998); the Washakie RMP (1988) the Cody RMP (1990); and Lander RMP (1987).

Pursuant to 40 CFR 1508.28 and 1502.21, this EA tiers to and incorporates by reference the information and analysis contained in the Grass Creek, Washakie, Cody, and Lander RODs, approved RMPs, and FEISs.

Alternatives Considered in the Applicable EA:

Alternative 1 – No Action: Under the No Action Alternative BLM Wyoming would not offer any of the parcels available for lease at the August 2014 lease sale. This would mean that the Expressions of Interest (EOIs), i.e. parcel nominations, to lease would be denied or rejected and all available lease parcels would be withdrawn from lease sale. Surface management would remain the same and ongoing oil and gas development would continue on surrounding federal, private, and state leases.

Alternative 2 – Proposed Action: Alternative 2 would include the parcels available for offer as well as those proposed for deferral in Alternative 3 under the EA. This "Proposed Action"

alternative, then, includes offering all lands except those deferred by the WSO under the sage grouse screens⁶, or a total of 34 parcels comprised of 27,905.403 acres.

Alternative 3 – Modified and Deferred: Of the parcels determined to be available for leasing under the referenced RMPs in the Wind River/Bighorn Basin District, BLM Wyoming would offer 3 entire parcels and portions of 15 additional parcels for lease (as described in the Wind River/Bighorn Basin District's August 2014 EA). The offered parcels are available for oil and gas leasing under the applicable RMPs/RODs. Standard terms and conditions/stipulations would apply. Lease stipulations have been added to each of the 18 total parcels as identified by referenced RMPs to address site specific concerns, and as described in the August 2013 Sale Notice.

Public Comments:

The EA was posted on the BLM Wyoming Oil and Gas Leasing webpage for a 30-day public review and comment period. Comments contained within letters and/or emails received by the BLM along with Agency responses are included in Appendix F attached to the EA.

Rationale for Decision:

The decision to approve the proposed action is based upon the following: 1) consistency with resource management plans and land use plans; 2) national policy; 3) agency statutory requirements; 4) relevant resource and economic issues; 5) application of measures to avoid or minimize environmental impacts; 6) meeting the purpose and need for the project. Alternative 3 was chosen as being the most environmentally sound alternative that meets the purpose and need.

1. This decision is in conformance with the Grass Creek, Washakie, Cody, and Lander RMPs.
2. It is the policy of the BLM as derived from various laws, including the Mineral Leasing Act (MLA) of 1920, as amended (30 U.S.C. 181 *et seq.*) and the Federal Land Policy and Management Act of 1976 (FLPMA), to make mineral resources available for disposal and to encourage development of mineral resources to meet national, regional, and local needs.
3. The decision is consistent with all Federal, state, and county authorizing actions required for implementation of the decision.
4. Economic benefits derived from implementation of the proposed action are considered important and have been analyzed in the EA.
5. Standard terms and conditions as well as special stipulations would apply. Lease stipulations were added to each parcel as identified by the Worland, Cody, and Lander field offices to address site specific concerns.

⁶ Importantly, the description of the Wind River/Bighorn Basin District's "Proposed Action" alternative differs from the approach taken by the High Plains District in their EA for this Sale; the High Plains District defined their "Proposed Action" alternative as offering (and issuing) those parcels after deferrals arising from the review by the district and field offices, and after considering the WSO's sage-grouse screens. This distinction yields two very different types of alternatives considered under the identical title of "proposed action"; the High Plains District's "Proposed Action" alternative is actually analogous to the Wind River/Bighorn Basin District's "Modified and Deferred" alternative. Similarly, the High Plains District's "Offer All Parcels for Sale" alternative is analogous to the Wind River/Bighorn Basin District's "Proposed Action" alternative.

6. The decision meets the stated purpose and need in the EA by providing areas for the potential exploration and development of additional oil and gas resources to help meet the nation's current and expanding need for energy sources without creating the impacts associated with offering leases in sage-grouse key habitat areas meeting the manageability criteria in IM WY-2012-019 and while protecting other resource values in accordance with guiding laws, regulations, and Land Use Planning decisions through application of lease stipulations.

Appeal Information:

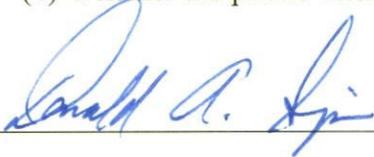
This Decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4 and Form 1842-1 (copy attached). If an appeal is taken, your notice of appeal must be filed in this office within 30 days from your receipt of this Decision. The protestor has the burden of showing that the Decision appealed from is in error.

If you wish to file a petition for a stay of the effectiveness of this Decision 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 is required to show sufficient justification based on the standards listed on the attached document. Copies of the notice of appeal and petition for a stay must be submitted to the Interior Board of Land Appeals and the appropriate Office of the Solicitor (see 43 CFR §4.413) at the same time the original documents are filed with this office. Copy of the notice of appeal and petition for a stay must also be submitted to each adversely affected party named in this decision at the same time the original documents are filed with this office. 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 show sufficient justification based on the following standards:

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



Wyoming State Director



Date