

**U.S. Department of the Interior
Bureau of Land Management
Little Snake Field Office
455 Emerson Street
Craig, CO 81625**

**DOCUMENTATION OF LAND USE PLAN
CONFORMANCE AND NEPA ADEQUACY**

NUMBER: DOI-BLM-CO-N010-2012-0005-DNA

PROJECT NAME: May 2012 - Colorado Competitive Oil & Gas Lease Sale, Little Snake Field Office

LEGAL DESCRIPTION: See Attachment A for all parcels
See Attachment B for parcels recommended for deferral
See Attachment C for parcels recommended for leasing

INTRODUCTION: It is the policy of the Bureau of Land Management (BLM), as derived from various laws, including the Mineral Leasing Act of 1920 and the Federal Land Policy and Management Act of 1976, to make mineral resources available for disposal and to encourage development of mineral resources to meet national, regional, and local needs.

The BLM Colorado State Office (BLM CSO) conducts a quarterly competitive lease sale to sell available oil and gas lease parcels. A Notice of Competitive Lease Sale, which lists lease parcels to be offered at the auction, is published by the BLM CSO at least 45 days before the auction is held. Lease stipulations applicable to each parcel are specified in the Sale Notice. The decision as to which public lands and minerals are open for leasing and what leasing stipulations may be necessary, based on information available at the time, is made during the land use planning process. Surface management of non-BLM administered lands overlaying federal minerals is determined by BLM in consultation with the appropriate surface management agency or the private surface owner.

In the process of preparing a lease sale the BLM CSO sends a draft parcel list to each Field Office where the parcels are located. Field Office staff then review the legal descriptions of the parcels to determine if they are in areas open to leasing; if appropriate stipulations have been included; if new information has become available which might change any analysis conducted during the planning process; if appropriate consultations have been conducted, and if there are special resource conditions of which potential bidders should be made aware. Once the draft parcel review is completed and returned to the BLM CSO, a list of available lease parcels and stipulations is made available to the public through a Notice of Competitive Lease Sale (NCLS). Lease sale notices are posted on the Colorado BLM website: www.co.blm.gov/oilandgas/leasinfo.htm. On rare occasions, additional information obtained after the publication of the NCLS may result in withdrawal of certain parcels prior to the day of the lease sale.

The following Documentation of NEPA Adequacy (DNA) documents the review of the parcels offered in the May 2012 Competitive Oil and Gas Lease Sale that is under the administration of the Little Snake Field Office (LSFO). It serves to verify conformance with the approved land use plan and provides the rationale for deferring or dropping parcels from a lease sale as well as providing rationale for attaching additional lease stipulations to specific parcels.

A. DESCRIPTION OF PROPOSED ACTION

The Proposed Action would be to recommend to the BLM CSO the leasing of three (3) parcels, totaling 1510.56 acres of Federal mineral estate within the LSFO, for potential oil and gas exploration and production. These parcels are identified in Attachment C. The BLM and private landowners manage the surface estate. The mineral estate is administered by the BLM.

Seven (7) parcels, totaling 5162.96 acres, were nominated to be leased and are identified in Attachment A and Map 1. Six (6) parcels, totaling 3,162.96 acres are in Moffat County. Of the parcels in Moffat County, all 3,162.96 acres are on BLM managed surface and there are no split-estate parcels. One (1) parcel, totaling 2000.00 acres is in Rio Blanco County. 1,400.00 acres of the parcel in Rio Blanco County are on BLM managed surface with Federal minerals and 600.00 acres on privately owned surface with Federal minerals. The legal descriptions and applicable land use stipulations are identified in Attachment A. The three (3) parcels, totaling 1510.56 acres, identified in Attachment C are recommended for leasing. The six (6) parcels, totaling 3652.4 acres, identified in Attachment B are recommended for deferral due to the presence of Preliminary Priority Sage Grouse Habitat.

Once sold, the lease purchaser would have the right to use as much of the leased lands as is reasonably necessary to explore and drill for all of the oil and gas resources within the lease boundaries, subject to the stipulations attached to the lease (43 CFR 3101). Oil and gas leases are issued for a 10-year period and continue for as long thereafter as oil or gas is produced in paying quantities. If a lease holder fails to produce oil and gas, does not make annual rental payments, does not comply with the terms and conditions of the lease, or relinquishes the lease, ownership of the minerals leased reverts back to the federal government and the lease can be resold. Drilling of wells on a lease would not be permitted until the lease owner or operator meets the site specific requirements specified in 43 CFR 3162.

Once sold, the lease purchaser would have the right to use as much of the leased lands as is reasonably necessary to explore and drill for all of the oil and gas resources within the lease boundaries, subject to the stipulations attached to the lease (43 CFR 3101). Oil and gas leases are issued for a 10-year period and continue for as long thereafter as oil or gas is produced in paying quantities. If a lease holder fails to produce oil and gas, does not make annual rental payments, does not comply with the terms and conditions of the lease, or relinquishes the lease, ownership of the minerals leased reverts back to the federal government and the lease can be resold. Drilling of wells on a lease would not be permitted until the lease owner or operator meets the site specific requirements specified in 43 CFR 3162.

As part of the LSFO review, parcels are reviewed to make sure the appropriate stipulations will be attached at the time of the lease sale. All of the parcels or portions of parcels that have been

recommended to be deferred from leasing at this time are listed in Attachment B. All of the parcels listed in Attachment C are recommended for leasing and have the correct stipulations identified in Attachment C.

Recent research offers strong indications that traditional forms and application of sage-grouse protection measures, formerly endorsed by State and Federal wildlife managers, are ineffective in maintaining local sage-grouse populations in the face of even modest levels of fluid mineral development (e.g., Holloran 2005, Doherty et al. 2008, Walker et al. 2007). These data suggest that reduced lek attendance, avoidance and displacement from areas of energy development, lower survival of nesting hens, and reduced nest success are attributable to oil and gas development at well densities that exceed one well per section. To ensure new mitigation measures that may be developed during the Colorado Northwest District Greater Sage-grouse EIS are not precluded in priority habitats, all parcels that are within Priority Habitat (per WO IM No. 2012-043) would be deferred at this time.

As part of the 2010 oil and gas leasing policy reform, the BLM Washington Office (WO) directed each state to form an Interdisciplinary Consistency Review Team to ensure lease stipulations are consistent within each BLM State Office for the protection of similar resources or resource settings, and stipulations edge-match across administrative boundaries. This process will culminate in new stipulations in BLM Colorado land use plans, which would be integrated during Resource Management Plan (RMP) revision processes or as RMP amendments. The LSFO RMP will be amended when the statewide stipulations are approved, which will include the 0.4 mile No Surface Occupancy buffer for Columbian sharp-tailed grouse leks.

B. LAND USE PLAN (LUP) CONFORMANCE

The proposed action was reviewed for conformance (43 CFR 1610.5, BLM 1617.3) with the following plan:

Name of Plan(s): Little Snake Record of Decision and Resource Management Plan (RMP)

Date(s) Approved: October 2011

Results: The Proposed Action is in conformance with the LUP because it is specifically provided for in the following LUP goals, objectives, and management decisions as follows:

Allow for the availability of the federal oil and gas estate (including coalbed natural gas) for exploration and development. Objectives for achieving these goals include:

- Identify and make available the federal oil and gas estate (including coalbed natural gas) for exploration and development.
- Facilitate reasonable, economical, and environmentally sound exploration and development of oil and gas resources (including coalbed natural gas).

Section/Page: Section 2.13 Energy and Minerals/ page RMP-36

C. Identify applicable NEPA documents and other related documents that cover the proposed action.

Name of Plans:

Colorado Oil and Gas Leasing & Development Final Environmental Impact Statement Plan Amendment, October 1991. (EIS)

D. NEPA ADEQUACY CRITERIA

1. Is the current proposed action substantially the same action (or is a part of that action) as previously analyzed? Is the current proposed action located at a site specifically analyzed in an existing document?

Yes, the proposed lease parcels are within the area analyzed by the LSFO RMP and the management action for oil and gas leasing is the same as proposed there in. That action is to lease with standard lease term and conditions in addition to specified stipulations. Areas have been designated for leasing with standard, Controlled Surface Use (CSU), No Surface Occupancy (NSO), and timing limit stipulations. Some areas are designated as unavailable or closed to leasing for the life of the LSFO RMP.

According to the Tenth Circuit Court of Appeals, site-specific NEPA analysis is not possible absent concrete proposals. Filing of an Application for Permit to Drill is the first useful point at which a site-specific environmental appraisal can be undertaken (Park County Resource Council, Inc. v. U.S. Department of Agriculture, 10th Cir., April 17, 1987). In addition, the Interior Board of Land Appeals has decided that, BLM is not required to undertake a site-specific environmental review before issuing an oil and gas lease when it previously analyzed the environmental consequences of leasing the land (Colorado Environmental Coalition Et AL., IBLA 96-243, decided June 10, 1999).

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the current proposed action, given current environmental concerns, interests, and resource values?

Yes, the alternatives analyzed in the LSFO RMP included four alternatives considered in detail. The LSFO RMP analyzed a broad range of alternatives and adequately addressed current environmental concerns, interests, and resource values.

3. Is the existing analysis valid in light of any new information or circumstances?

Yes, the following are two WO-IMs that affect the analysis of the proposed parcels. After analysis under the WO-IMs it was found that either the parcels were not affected or they were recommended for deferral, pending more information.

The proposed project areas were analyzed for lands with wilderness characteristics under WO-IM 2011-154, *Requirement to Conduct and Maintain Inventory Information for Wilderness Characteristics and to Consider Lands with Wilderness Characteristics in Land Use Plans*. Based on this analysis, no parcels are subject to WO-IM 2011-154.

To ensure new mitigation measures that may be developed during the Colorado Northwest District Greater Sage-grouse EIS are not precluded in priority habitats, all parcels (6163, 6174, 6182, and 6183) that are within Priority Habitat (per WO IM No. 2012-043) are being deferred at this time. Portions of Parcel 6164 and 6175 were deferred due to Priority Habitat.

4. Do the methodology and analytical approach used in the existing NEPA document(s) continue to be appropriate for the current proposed action?

Yes, the methodology and analytical approach used in the 1991 Leasing EIS and 2011 LSFO RMP are appropriate for this proposed action. The use of new methodologies or approaches would result in the same impact conclusion and leasing decisions.

5. Are the direct and indirect impacts of the current proposed action substantially unchanged from those identified in the existing NEPA document(s)? Does the existing NEPA document analyze site-specific impacts related to the current proposed action?

Yes. The direct and indirect impacts of the current proposed action are substantially unchanged from those identified in the 1991 Leasing EIS and 2011 LSFO RMP. (See also D.1. above.)

6. Are the cumulative impacts that would result from implementation of the current proposed action substantially unchanged from those analyzed in the existing NEPA document(s)?

Yes, the actual cumulative impacts are well within the parameters addressed in the 1991 leasing EIS on pages 2-27 thru 4-29. To date, the amount of surface disturbance on public land has been less than predicted and added to past present and reasonably foreseeable actions of BLM and others, the impact prediction remains accurate. Implementing the proposed action will not substantially change the cumulative impact analysis.

7. Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action?

Yes. Full public review occurred during the RMP/EIS process. The current proposed lease sale would fall under the public and interagency review procedure for the LSFO RMP. In addition, a notice of competitive lease sale is posted in all BLM and US Forest Service offices approximately 90 days prior to the sale or on the BLM web site, www.co.blm.gov/oilandgas/leasinfo.htm.

The preliminary DNA was posted in the public room and NEPA register (http://www.blm.gov/co/st/en/BLM_Information/nepa/lsfo.html) of the BLM CSO for a 30-day

public review period. The comment period began November 28, 2011. A press release went out on December 5, 2011 and was distributed to the BLM’s statewide media list, constituent list, and congressional list. The comment period closed 5:00 PM Mountain time, January 4, 2012.

Four (4) letters of comment were received. Comments are addressed in the Decision Record.

E. INTERDISCIPLINARY ANALYSIS:

Title	Resource Represented	Date
Ecologist	Air Quality, Floodplains, Prime/Unique Farmlands, Surface Water Quality, Wetlands/Riparian Zones	11/07/11
Archaeologist	Cultural Resources, Native American Concerns	11/07/11
Land Law Examiner	Legal Verification	11/15/11
Outdoor Recreation Specialist	WSA, W&S Rivers, Lands with Wilderness Characteristics	11/02/11
Rangeland Management Specialist	Sensitive Plants, T&E Plant	11/07/11
Wildlife Biologist	T&E Animal	03/26/12

REMARKS

CULTURAL RESOURCES

These remarks pertain to the four parcels recommended for leasing (6163, 6164, 6171, and 6175) as identified in Attachment C. The leasing of federal mineral rights for potential oil and gas exploration and production is considered an undertaking pursuant to Section 106 of the National Historic Preservation Act (NHPA).

The prehistoric and historic cultural context for northwestern Colorado has been described in several recent regional contexts. Reed and Metcalf’s (1999) context for the Northern Colorado River Basin is applicable for the prehistoric context and historical contexts include overviews compiled by Frederic J. Athearn (1982) and Michael B. Husband (1984). A historical archaeology context has also been prepared for the state of Colorado by Church and others (2007). In addition, significant cultural resources administered by the Bureau of Land Management-Little Snake Field Office (BLM-LSFO) have been identified in a Class 1 overview (McDonald and Metcalf 2006). A Class I literature and record search specific to each of the four parcels recommended for leasing was also conducted by the BLM-LSFO.

Parcel 6163-Two cultural resource studies have been conducted within the parcel resulting in the inventory of less than 1 acre (1 percent) of the total 40 acres within the parcel. No cultural resources were identified as a result of these studies. No potential unrecorded historic resources were identified on the General Land Office (GLO) plats or historic topographic maps of the area. The potential for undocumented cultural resources is unknown due to the lack of inventory in the

region. The terrain is rugged, which is not generally conducive to prehistoric and historic site locations. Site density is relatively low nearby. Any undiscovered cultural resources have the potential to be determined eligible for the National Register of Historic Places (NRHP).

Parcel 6164-Only the portions of the parcel within the Little Snake Field Office Resource Management Area was reviewed. The portions of the parcel administered by White River Field Office (those in Section 22) have been deferred from leasing. Two studies have been conducted within the parcel resulting in the inventory of 382 acres (19 percent) of the total 2,000 acres within the parcel. These studies did not result in the discovery of any cultural resources. However, one multicomponent prehistoric/historic archaeological site is previously documented in the parcel. This site was recorded over 30 years ago and consists of an open architectural site. The site's has not been evaluated for eligibility to the NRHP but is very likely eligible. A potential historic resource is depicted on the 1892 and 1908 GLO plats. This resource consists of a wagon road labeled "Thornburgh Wagon Road" on the 1892 GLO plat. The alignment of the Wagon Road may follow the current alignment of Moffat County Route 45.

The Thornburgh/Battle of Milk Creek battlefield is located approximately one mile to the south on private surface/private minerals. The battlefield is a historic property listed on the NRHP as it represents a significant event in the history of Colorado and the nation. In anticipation of the potential for oil and gas leasing and development near the battlefield, the BLM-LSFO developed a controlled surface use (CSU) stipulation in its Resource Management Plan (RMP). The BLM-LSFO consulted with the State Historic Preservation Office (SHPO) on the draft RMP in 2007, which included the CSU stipulation. SHPO offered no comments concerning the CSU and the battlefield. The CSU was developed in order to move a proposed undertaking outside the battlefield viewshed. The viewshed and the stipulation are attached as Exhibit A. Exhibit A allows the BLM-LSFO to move the proposed location of any future development (e.g. a well pad and or related infrastructure) more than 300 feet from any development proposed in an Application for Permit to Drill (APD). No development will be allowed in the battlefield viewshed. The viewshed was initially designed in 2008 (Scott 2008) and has since been refined by the BLM-White River Field Office (BLM-WRFO) and used for this undertaking.

While the site density in the area appears to be relatively low, the Thornburgh/Battle of Milk Creek battlefield is nearby. Any newly discovered sites associated with the battle will very likely be determined eligible for the NRHP. Any other undiscovered cultural resources have the potential to be determined eligible for the NRHP.

Parcel 6171-Two cultural resource studies have been conducted within the parcel resulting in the inventory of 14 acres (4 percent) of the total 376 acres within the parcel. No cultural resources were identified as a result of these studies. No potential unrecorded historic resources were identified on the GLO plats or historic topographic maps of the area. The potential for undocumented cultural resources is unknown due to the lack of inventory in the region. Site density is low to moderate in the region. Any other undiscovered cultural resources have the potential to be determined eligible for the NRHP.

Parcel 6175-One cultural resource study has been conducted within the parcel resulting in the inventory of 10 acres (5 percent) of the total 200 acres within the parcel. No cultural resources

were identified within the parcel as a result of these studies and no potential unrecorded historic resources were identified on the GLO plats or historic topographic maps of the area. The potential for undocumented cultural resources is unknown due to the lack of inventory. Much of the terrain is rugged, which is not generally conducive to prehistoric and historic site locations. Site density is relatively high along the highway to the west. Any undiscovered cultural resources have the potential to be determined eligible for the NRHP.

Because the proposed lease sale does not authorize ground disturbance, the proposed undertaking will have no direct impacts on historic properties. Exhibit CSU-39 provides adequate protection of historic properties from future oil and gas development in the lease area. The lease sale will have indirect impacts on the visual setting of the Battle of Milk River battlefield, since Parcel 6164 is located within its viewshed (See Exhibit A). Exhibit A provides adequate protection of the battlefield viewshed from future oil and gas development in the lease area.

Site specific surveys, evaluation and any mitigation will be completed prior to the issuance of any permit for oil and gas development in the lease area per lease stipulation Exhibit CO-39. BLM-LSFO requires a minimum 10-acre inventory block around any proposed well location. Class III cultural resource surveys will be required for associated roads (new or improved), pipelines, and other associated infrastructure. Where “adverse effects” to historic properties are identified, the BLM-LSFO’s preferred mitigation is to relocate the proposed well pad(s) or infrastructure to avoid the sites by more than 100 meters, or relocation such that the undertaking is determined to have “no effect” to historic properties. If a “no effect” determination cannot be reached, specific mitigation will be developed in consultation with SHPO under Section 106 of the NHPA during the NEPA review of individual Applications for Permit to Drill (APDs) or related undertakings.

By applying the oil and gas lease stipulations in Exhibit CO-39 to all lease parcels and Exhibit A to Parcel 6164, the proposed undertaking will have “no effect” on historic properties.

References

Athearn, Frederic J.

1982 *An Isolated Empire: A History of Northwest Colorado*. Bureau of Land Management-COLORADO. Cultural Resource Series No. 2, Second Edition. Denver.

Church, Minette C., Steven G. Baker, Bonnie J. Clark, Richard f. Carrillo, Jonathan C. Horn, Carl D. Spath, David R. Guilfoyle, and E. Steve Cassells

2007 *Colorado History: A Context for Historical Archaeology*. Colorado Council of Professional Archaeologists, Denver.

Husband, Michael B.

1984 *Plateau Country Historic Context*. Office of Archaeology and Historic Preservation, State Historic Preservation Office, Denver.

McDonald Kae and Michael Metcalf

2006 *Regional Class I Overview of Cultural Resources for the BLM Little Snake Field Office*. Metcalf Archaeological Consultants, Inc. Eagle, Colorado.

Scott, Douglas D.

2008 *Thornburgh Mountain and the Milk Creek Battle Area, Moffat and Rio Blanco Counties, Colorado: An Archaeological Inventory of a Proposed Oil and Gas Lease Area.* Midwest Archaeological Center, National Park Service. Lincoln, Nebraska.

Reed, Alan D. and Michael Metcalf

1999 *Colorado Prehistory: A Context for the Northern Colorado River Basin.* Colorado Council of Professional Archaeologists, Denver, Colorado.

NATIVE AMERICAN RELIGIOUS CONCERNS

These remarks pertain to the four parcels recommended for leasing (6163, 6164, 6171, and 6175) as identified in Attachment C. BLM-LSFO is aware of a previously identified Native American concern regarding lease parcel 6164 and the Thornburgh/Battle of Milk Creek battlefield. The battlefield represents a significant event in the history of Native Americans and holds great traditional and cultural values for Native American groups particularly for the Ute tribes.

Oil and gas leasing in the vicinity of the battlefield was initially proposed and consulted on with interested Tribes in 2007. At that time BLM-LSFO was also soliciting comments regarding the BLM-LSFO RMP which also included the proposed leasing near the battlefield. A meeting regarding the RMP was conducted with the Uintah and Ouray Tribal Business Council (Northern Ute) in the spring of 2007. At the meeting concerns were raised about the potential adverse effects of oil and gas development to the battlefield. As the boundaries of the battlefield (particularly those on BLM administered surface) were not well known, the BLM-LSFO initiated a study (Scott 2008) to define the site boundary (particularly the components related to the Utes) and to develop a viewshed analysis to aid in identifying potential adverse visual impacts. Due to these concerns, the leases were deferred from the 2007 lease sale. Subsequent consultations regarding the study and the site in general were conducted via letter and phone calls with Betsy Chapoose, Northern Ute NAGPRA representative in 2007 and 2008. Ms. Chapoose and Northern Ute tribal elder Clifford Duncan visited the battlefield in the fall of 2007 with BLM-LSFO archaeologist Robyn Morris to discuss potential adverse impacts from oil and gas development. Mr. Duncan expressed that if development was kept low and out of sight outside the viewshed that development could proceed. The issue of adverse effects from the noise of oil and gas production was also discussed but no recommendations were made.

Due to the battlefield NRHP listing and traditional cultural values, the BLM-LSFO placed a controlled surface use (CSU) stipulation into the final RMP regarding oil and gas development within the viewshed of the battlefield. The CSU allows the BLM-LSFO to move the proposed location of any future development (e.g. a well pad, road, and or related infrastructure) outside the viewshed in Parcel 6164.

Tribal consultation for this lease sale was initiated by letter with the Uinta and Ouray Tribal Council (Northern Ute), Southern Ute Tribal Council, Ute Mountain Utes Tribal Council, and Shoshone Tribal Historic Preservation Officer in November of 2011. BLM-LSFO requested review of the four parcels to see if any traditional cultural properties or religious cultural values in addition to the battlefield are present that BLM should be aware of prior to issuing the new leases. Letters were followed up with phone calls. A conversation was conducted with Northern Ute representative Betsy Chapoose on 12/20/2011 regarding parcel 6164 and the battlefield. Ms.

Chapoose expressed concern with the proposed lease of 6164 and wanted assurances that oil and gas development have “reverence” for the battlefield. Field Office Archaeologist Ethan Morton summarized the prior consultation and explained the development of the CSU stipulation within the RMP. Ms. Chapoose concurred that the CSU stipulation represented appropriate mitigation for the Northern Ute. The potential adverse effect of noise was also discussed and was not identified as an “adverse effect” as long as the best noise reduction technologies are employed to limit noise pollution during exploration and production. Comments were not received from the other tribes.

In addition to the stipulations for the protection of cultural resources if new information is brought forward by Native Americans, additional or edited terms and conditions for mitigation may have to be negotiated or enforced to protect resource values during analysis of any future APDS. Prior to any BLM-permitted oil and gas development in the lease area (Applications to Drill, roads, pipelines, ect.), BLM-LSFO will consult directly with Native American groups regarding the proposed undertaking and any required mitigation.

Scott, Douglas D.

2008 *Thornburgh Mountain and the Milk Creek Battle Area, Moffat and Rio Blanco Counties, Colorado: An Archaeological Inventory of a Proposed Oil and Gas Lease Area.* Midwest Archaeological Center, National Park Service. Lincoln, Nebraska.

WILDERNESS CHARACTERISTICS

The proposed project areas were analyzed for lands with wilderness characteristics under WO-IM 2011-154, *Requirement to Conduct and Maintain Inventory Information for Wilderness Characteristics and to Consider Lands with Wilderness Characteristics in Land Use Plans.* Only four of the project areas for proposed parcels, 6173, 6175, 6182 (current oil and gas roads), and 6183 (Identifier No. CO-010-275, Oct 28, 2011) met the size, but not roadless criteria. Proposed parcels 6164, 6171 and 6174 did not meet the size criteria for wilderness characteristics. Based on this analysis, none of the parcels would be subject to WO-IM 2011-154. All parcels are either on split estate in which BLM does not control the surface, or GIS analysis for the areas where BLM controls the surface demonstrate that none of the parcels are in areas that meet the roadless areas greater than 5,000 acres, or parcels do not meet the size criteria.

WILDLIFE

Greater sage-grouse:

Recent research offers strong indications that traditional forms and application of sage-grouse protection measures, formerly endorsed by State and Federal wildlife managers, are ineffective in maintaining local sage-grouse populations in the face of even modest levels of fluid mineral development (e.g., Holloran 2005, Doherty et al. 2008, Walker et al. 2007). These data suggest that reduced lek attendance, avoidance and displacement from areas of energy development, lower survival of nesting hens, and reduced nest success are attributable to oil and gas

development at well densities that exceed one well per section. To ensure new mitigation measures that may be developed during the Colorado Northwest District Greater Sage-grouse EIS are not precluded in priority habitats, all parcels (6163, 6174, 6182, and 6183) that are within Priority Habitat (per WO IM No. 2012-043) are being deferred at this time. Portions of Parcel 6164 and Parcel 6175 that contain Priority Habitat are also being deferred.

Parcels 6171, 6175 and the western portion of parcel 6164 are not within Priority Habitat and the LSFO has determined that these parcels are appropriate to lease with stipulations developed to protect greater sage-grouse in the LSFO RMP (October 2011). All three parcels have a 5% disturbance threshold stipulation designed to reduce fragmentation of sagebrush habitats.

T&E Species:

Colorado River Fish - Cumulative water depletions from the Colorado River Basin are considered likely to jeopardize the continued existence of the Colorado pikeminnow, humpback chub, bonytail and razorback sucker and result in the destruction or adverse modification of their critical habitat. In 2008, BLM prepared a Programmatic Biological Assessment (PBA) that addressed water depleting activities associated with BLM's fluid minerals program in the Colorado River Basin in Colorado, including water used for well drilling, hydrostatic testing of pipelines and dust abatement on roads. In response, the U.S. Fish and Wildlife Service (FWS) prepared a Programmatic Biological Opinion (PBO) that addressed water depletions associated with fluid minerals development on public land. The PBO included reasonable and prudent alternatives which allowed BLM to authorize oil and gas wells that result in water depletions while avoiding the likelihood of jeopardy to the endangered fishes and avoiding destruction or adverse modification of their critical habitat. The reasonable and prudent alternative authorized BLM to solicit a one-time contribution to the Recovery Implementation Program for Endangered Fish Species in the Upper Colorado River Basin (Recovery Program) in an amount based on the average annual acre-feet depleted by fluid minerals activities on public land. Development associated with this lease sale would be covered by this agreement and water use would be entered into the LSFO water depletion log that is submitted to the BLM CSO at the end of each fiscal year.

F. PERSONS/AGENCIES CONSULTED: Colorado Parks and Wildlife, Uintah and Ouray Tribal Council, Colorado Native American Commission, Colorado State Historic Preservation Office.

Note: Refer to the EA/EIS for a complete list of the team members participating in the preparation of the original environmental analysis or planning documents.

CONCLUSION

Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitute BLM's compliance with the requirements of NEPA.

Signature of Lead Specialist: _____

Yvonne W. [Signature]

Date May 9, 2012

Signature of NEPA Coordinator Barbara A. Staley

Date 05/09/12

Signature of the Authorizing Official Lonny R. Bagley

Date 5/9/2012

Note: The signed Conclusion on this document is part of an interim step in the BLM's internal decision process and does not constitute an appealable decision.

Attachments:

Map 1 of all parcels

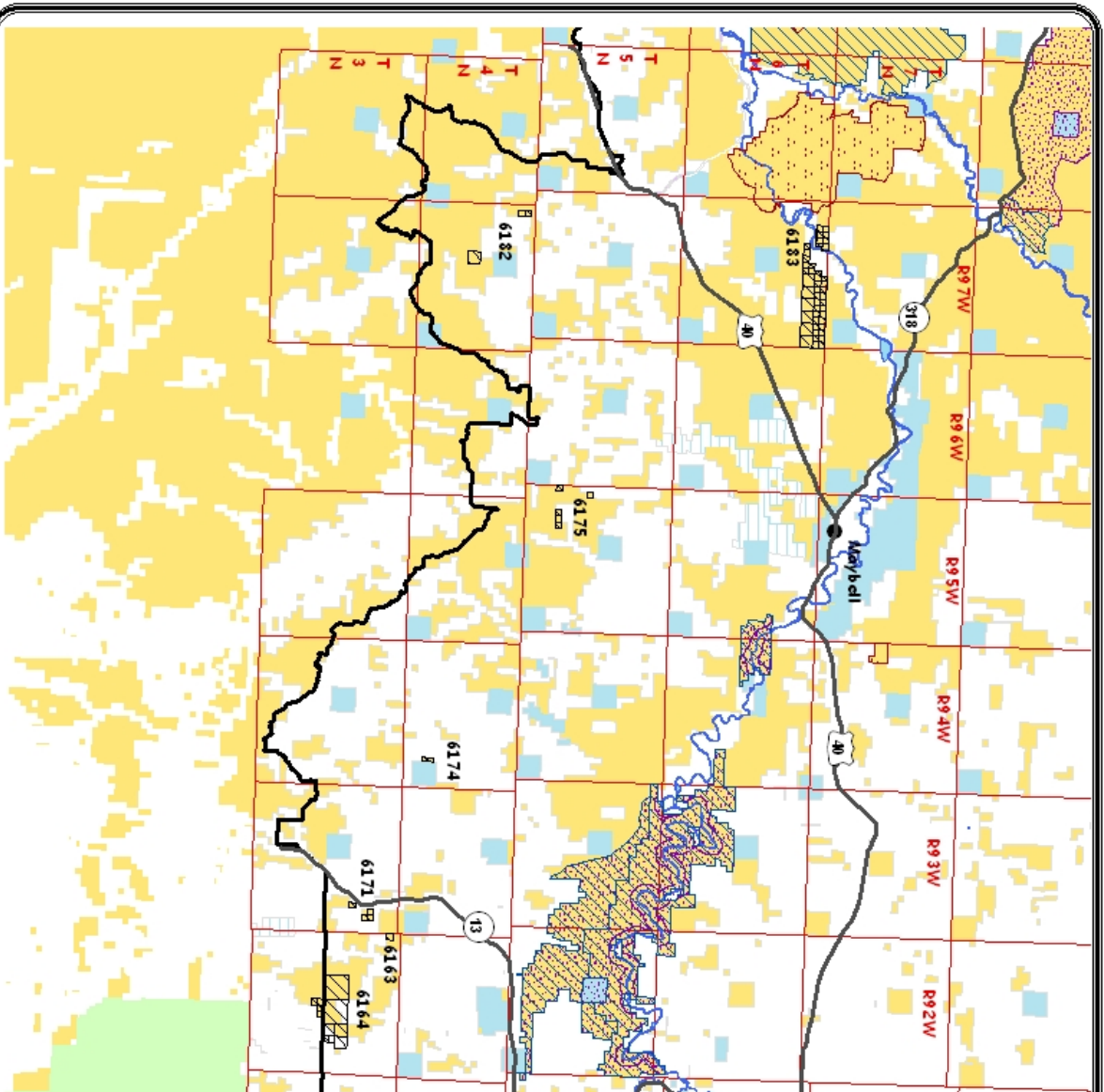
Attachment A: All Parcels

Attachment B: Parcels Recommended for Deferral

Attachment C: Parcels Recommended for Leasing

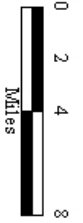
Decision Record: Comments and Responses

Little Snake Field Office May 2012 Oil & Gas Lease Sale



Legend

- Oil & Gas Lease Sale Parcels (05/2012)
- Field Office Boundary
- OHV Restrictions (Off Highway Vehicle)
- Closed
- Designated Roads & Trails
- SRM A (Special Recreation Management Area)
- Surface Management Status**
- Private
- State DOW
- State Land Board
- US BLM
- * All other BLM lands limited to Existing Roads & Trails Only pending Transportation Management Planning



No warranty is made by the Bureau of Land Management as to the accuracy, reliability, or completeness of these data for individual use or aggregation use with other data. All boundaries are an approximate representation.



11/01/11