



January 27, 2014

Via email: [blm ut mt Og leasing comments@blm.gov](mailto:blm_ut_mt Og_leasing_comments@blm.gov)

Bureau of Land Management
Monticello Field Office
Attn: Cliff Giffen
365 North Main
Monticello, Utah 84535

RE: Environmental Assessment for the May 2014 Oil and Gas Lease Sale

Dear Mr. Giffen:

Western Energy Alliance wishes to express its support for the May 2014 oil and natural gas lease sale, and we urge BLM to move forward without any further deferrals of parcels. Western Energy Alliance represents over 480 companies engaged in all aspects of environmentally responsible exploration and production of natural gas and oil in Utah and across the West.

Oil and natural gas resources in Utah play a vital role in strengthening the state and local economies, and domestic energy production is the foundation of American energy security. According to the analysis of economist John Dunham, in Utah the exploration and production industry supports over 15,000 high paying jobs with wages totaling nearly \$1 billion, an economic impact of over \$3.4 billion, and \$828 million in federal and state taxes.¹ The tax revenue from oil and natural gas is used to fund infrastructure, education, and other vital services for society.

Background

BLM originally received Expressions of Interest (EOIs) for 105 parcels totaling 126,784 acres, and deferred all or portions of 70 parcels totaling 82,362 acres, leaving 49 parcels and 49,422 acres available for the upcoming lease sale. BLM's reasons for deferral were: possible listing of the Gunnison Sage-Grouse (GuSG), and concerns that existing Resource Management Plans (RMPs) would not offer sufficient protections for the species for parcels nominated in GuSG habitat; location of nominated parcels within the Moab and Bookcliffs Divide-Grand Valley-Cisco Desert Master Leasing Plan (MLP) areas; and staffing constraints. The two primary issues identified during scoping were air quality and migratory birds, including raptors. Our comments will address the deferral of nominated parcels from the sale and the two issues identified during the public scoping period.

¹ [Western Oil and Natural Gas Employs America](#), John Dunham Associates, June 2012

Deferral of Nominated Parcels

We share the concern expressed by San Juan County that such a large proportion of the initially nominated acreage has been deferred by BLM. As the Board of Commissioners pointed out, nearly 63% of the total acreage within their county was deferred from the upcoming sale.² Since federal leasing policy changes implemented in 2010 mean that lease sales are now conducted on a rotational basis, the deferred parcels will not be potentially available again until February 17, 2015. Regarding BLM's reasons for these deferrals, we offer the following comments:

- **Gunnison Sage-Grouse:** We wish to point out that the GuSG is not currently a listed species under the Endangered Species Act (ESA), and therefore it is not appropriate for BLM to defer legitimate uses of public lands. If and when the GuSG is listed as either endangered or threatened, then appropriate measures will be taken, but until such time BLM should operate under the existing land use plan.
- **Inclusion of Parcels within Master Leasing Plans:** The draft Moab MLP is anticipated to be available in the fall of 2014, and the proposed MLP is anticipated for the fall of 2015. As BLM has indicated its preference to defer parcels within the Moab MLP until the process is completed, it is effectively precluding resource development within that boundary for nearly two years.

As we pointed out in our comments for the Notice of Intent (NOI) to prepare the Moab MLP, the existing RMP was finished quite recently (2008), and 5-1/2 years and millions of dollars were spent crafting it.³ It is entirely unnecessary for BLM to pursue an MLP for the area, let alone defer nominated parcels until the project is complete. Oil and natural gas development is explicitly recognized as one of the "principle or major uses of public lands" by the Federal Lands Policy and Management Act (FLPMA), and we strongly opposed the unnecessary deferral of parcels from sale due in order to conduct a redundant MLP.⁴

BLM is operating under the Utah State Office guidance for the Bookcliffs Divide-Grand Valley-Cisco Desert MLP which states "Where MLPs are considered and determined to not be necessary at this time, parcel-specific NEPA analysis will be undertaken to consider EOIs and other proposals to lease."⁵ BLM has pleaded in the Environmental Assessment that it can't do the NEPA for either the MLP or the leases, as both Natural Resource Specialist positions within the Moab Field Office are currently vacant. We believe the State Office should prioritize leasing, since oil

² *San Juan County Scoping Comments*, February 2014 Oil and Gas Lease Sale*, August 5, 2013
(*Lease sale date was delayed due to a lapse in government appropriations in 2013)

³ *Western Energy Alliance Comments, Moab/Monticello MLP*, Western Energy Alliance, May 7, 2012

⁴ 43 U.S.C. § 1702 (l)

⁵ [Oil and Gas Leasing Reform Implementation Plan](#), BLM Utah State Office, September, 2010, Pg. 6

and natural gas leasing is a revenue generating activity, and help the field office conduct the NEPA analysis for these parcels.

- **Staffing Constraints:** BLM has stated that both Natural Resource Specialist positions in the Moab Field Office are vacant, and the district office has only one such position. We fully understand that the NEPA process is a laborious undertaking, and a shortage of staff with the necessary expertise surely creates a backlog in NEPA analyses. Western Energy Alliance has been complaining for some time that the 2010 leasing policy changes from Washington were yet another level of redundant NEPA analysis that will further delay responsible energy development. Since oil and natural gas leasing and production are revenue generating activities for the federal treasury, we urge BLM to prioritize leasing analysis so that the large energy resource potential within the district can be developed. The state BLM office could help the field and district offices conduct the analysis, and work to streamline redundant NEPA processes.

Air Quality

As stated in the Environmental Assessment (EA), both Grand and San Juan Counties are considered to be “in attainment” or unclassified for all criteria pollutants regulated under the Clean Air Act (CAA). The EA states that regional ozone concentration levels in the lease area are of some concern, yet monitored data over many years shows the area remains within the National Ambient Air Quality Standards (NAAQS) for ozone. The EA does recognize that “Project emissions of ozone precursors, whether generated by construction and drilling operations, or by production operations, would be dispersed and/or diluted to the extent where any local ozone impacts from the Proposed Action would be indistinguishable from background or cumulative conditions.”⁶ As such, oil and natural gas leasing in the district should not be delayed for air quality reasons.

Furthermore, the Utah Division of Air Quality stringently regulates air emissions per the CAA, and oil and natural gas wells are subject to strict permitting requirements. Further, recent regulations imposed by the Environmental Protection Agency (EPA) include additional requirements for reducing emissions from the oil and natural gas industry, such as requiring reduced emissions completions technology that captures the vast majority of ozone precursors. We therefore believe that air quality concerns are more than adequately addressed, and the sale of the remaining parcels should move forward as planned.

⁶ [Environmental Assessment, May 2014 Oil and Gas Lease Sale](#), BLM Utah Canyon Country District, December, 2013, Pg. 29

Migratory Birds/Raptors

Migratory birds and raptors are protected under the Migratory Bird Treaty Act (MBTA), and the EA contains comprehensive lists of species that may occur within the leasing area. The EA states that nesting surveys for migratory birds may be required from May 1st through July 31st for all surface disturbing and occupancies, and that necessary precautions may be taken during the project planning phase to minimize impacts. Raptors are afforded seasonal and spatial protection as outlined in the existing RMP. Western Energy Alliance feels these measures are sufficient to mitigate potential impacts from oil and natural gas development. We urge BLM to ensure that any surveys or other project planning measures are carried out in a timely manner so as not to unnecessarily delay project activities.

Conclusion

Domestic oil and natural gas development plays an important role in the economies of Grand and San Juan Counties as well as the state of Utah, and is necessary to promote the recovery and ensure the long-term health of the national economy and American energy security. We disagree with BLM's decision to defer such a large portion of the originally nominated acreage and request that BLM bring the deferred parcels up at the next available auction. We urge BLM to move forward with the sale of the remaining acreage with no further deferrals.

We appreciate the opportunity to comment, and should you have any questions, please do not hesitate to contact me.

Sincerely,



Kathleen Sgamma
Vice President of Government & Public Affairs

Cc: The Honorable Gary Herbert, Governor, State of Utah
The Honorable Orrin Hatch, U.S. Senate
The Honorable Mike Lee, U.S. Senate
The Honorable Jason Chaffetz, U.S. House of Representatives
San Juan County Commission
Grand County Commission