

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WASHINGTON, D.C. 20240
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December 27, 2017

In Reply Refer To:
3100(310) P

EMS Transmission: December 27, 2017

Instruction Memorandum No. 2018-26

Expires: 09/30/2021

To: Washington Office, State Offices and Field Office in Greater Sage-Grouse
Habitat

From: Assistant Director, Energy, Minerals and Realty Management

Subject: Implementation of Greater Sage-Grouse Resource Management Plan Revisions
or Amendments – Oil & Gas Leasing and Development Prioritization
Objective

Program Areas: Fluid Minerals Leasing and Operations, Resource Management Planning,
and Wildlife Management.

Purpose: This Instruction Memorandum (IM) replaces IM 2016-143. The purpose of this IM is to ensure consistency, certainty, and clarity when implementing an objective in the 2015 Greater Sage-Grouse (GRSG) Approved Resource Management Plan Revisions and Amendments (GRSG Plans) to prioritize oil and gas leasing outside of GRSG habitat,¹ while

¹ Although the 2014 Lander (Wyoming) Record of Decision (ROD) and Approved Resource Management Plan (RMP) do not include an objective to prioritize oil and gas leasing outside of GRSG habitat, the procedures in this IM will be followed in the areas covered by that RMP in order to ensure consistency in the BLM's oil and gas leasing and development activities throughout the GRSG range. The prioritization of leasing and development is an administrative function, not an allocation decision, and so the Lander RMP does not need to be updated to adopt this approach to leasing and development.

In addition to Priority Habitat Management Area (PHMA), Sagebrush Focal Areas (SFA), and General Habitat Management Areas (GHMA), other designations were made in the GRSG Plans. These include: "Important Habitat Management Areas" (IHMAs – only applicable to Idaho), "Linkage Connectivity Habitat Management Areas" (LCHMA – applicable only in Colorado), "Restoration Habitat Management Areas" (RHMA – applicable only in the Billings and Miles City Field Offices), and "Other Habitat Management Areas" (OHMAs – only applicable to Nevada and Northeastern California). Wyoming's "Core Areas" are generally designated PHMAs. Refer to your approved RMP, as revised or amended.

continuing to move forward expeditiously with oil and gas leasing and development, yet providing protections for GRSG and GRSG habitat management areas.

Policy/Action: The GRSG Plans established an objective to prioritize oil and gas leasing and development outside of GRSG habitat management areas,² but to allow for leasing with appropriate stipulations on all BLM mineral estate designated in the GRSG Plans as “open” for leasing. In effect, the BLM does not need to lease and develop outside of GRSG habitat management areas before considering any leasing and development within GRSG habitat. This policy should allow for the BLM to efficiently conduct lease sales and permit oil and gas development while still protecting GRSG and GRSG habitat.

Leasing

- Where the BLM has a backlog of Expressions of Interest for leasing, the BLM will prioritize its work first in non-habitat management areas, followed by lower priority habitat management areas (e.g., GHMA) and then higher priority habitat management areas (i.e., PHMA, then SFA).
- Stipulations such as No Surface Occupancy (NSO) and Controlled Surface Use may be used as the BLM implements the GRSG Plans. The BLM can use these stipulations to encourage lessees to acquire leases outside of GRSG PHMA due to fewer restrictions in those areas than in higher priority habitat management areas. In addition, the BLM will continue to work with parties who file expressions of interest and potential lessees to voluntarily prioritize leasing in less-sensitive areas. Consistent with the GRSG Plans, however, parcels may be leased within GRSG habitat management areas without first leasing parcels in non-habitat areas.

Leasing and Development

- The BLM will continue to work cooperatively with stakeholders, including state agencies, lessees, operators, landowners, and leasing proponents to avoid and minimize impacts to designated GRSG habitats.
- BLM Offices may also take into consideration other prioritization considerations, but only insofar as they are consistent with the governing land use plan. An example would be to prioritize outside of areas where a GRSG adaptive management trigger has been tripped. Other prioritization considerations may include office workload capacity, first-in/first-out, priority for unit obligation wells, processing the easiest applications first, operator drilling plans, operator proposals for units, potential drainage cases, and other resource values that must be considered.

² This includes split estate lands.

Development

The BLM must honor valid existing rights, such as in cases where the BLM issued a lease prior to the GRSG Plans, with terms and stipulations that may be different from those provided for in the GRSG Plans.³ When approving permits on these leases, apply reasonable and appropriate site-specific mitigation as conditions of approval,⁴ such as applicable Best Management Practices (BMP) and Required Design Features (RDF), as described in the GRSG Plans. If proposed development lies within an area that the GRSG Plans designate for an NSO stipulation, but the lease pre-dates the GRSG Plans, work cooperatively with the operator and respective stakeholders to find a location with the least impact to GRSG and other resources, to the greatest extent possible. The BLM will continue to work with stakeholders to use the best available science regarding GRSG and GRSG habitat when analyzing the impacts of leasing and development decisions in NEPA documents and when applying appropriate avoidance and minimization protective measures. If the authorized officer determines through an environmental analysis that the potential environmental impacts of approving a permit could be significant, the authorized officer will prepare an Environmental Impact Statement before taking action.

- The authorized officer will continue to work with operators and stakeholders to timely restore well sites with the appropriate habitat seed mixes.

Timeframe: This IM is effective immediately.

Budget Impact: This policy will result in nominal costs for increased planning, coordination, National Environmental Policy Act review, GIS, responding to administrative challenges, and associated program costs. It is anticipated that performance targets/units of accomplishment for the resource programs will adjust to reflect the added complexities and responsibilities. Timelines for leasing and permitting activities within GRSG habitat management areas may take longer to process; however, parcels and permits outside of GRSG habitat will be prioritized for processing.

Background: The BLM authorized officer, acting under the delegated authority of the Secretary of the Interior, has discretion to determine which public lands will be offered at a lease sale. The Mineral Leasing Act of 1920 (MLA), as amended, provides 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.” (30 U.S.C. § 226(a) (emphasis added)).

³ See for example, Rocky Mountain Record of Decision (RM ROD) at page 2-2, Great Basin Record of Decision (GB ROD) at page 2-2.

⁴ 43 CFR 3101.1-2, 43 CFR 3162.3-1(h)(1), and 43 CFR 3162.5-1(a). In addition, Lease Form 3100-11 says: *to the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures.* Lease Form 3100-11 also discusses ceasing operations to protect species of scientific interest and denying the permit if impacts would be substantially different or greater than those associated with normal drilling operations.

On September 21, 2015, the Department of the Interior and the BLM approved the GRSG RODs. Concurrently, the BLM amended or revised the Plans in GRSG habitat to provide conservation measures protective of GRSG and their habitats.

The prior IM 2016-143 addressed leases sold, but not yet issued, and deferred parcels prior to the signing of the GRSG plan ROD. These have since been processed and no longer need to be discussed.

Manual/Handbook Sections Affected: None.

Coordination: This IM was coordinated with the U.S. Department of the Interior, Office of the Solicitor; BLM State Offices; the Renewable Resources and Planning Directorate; and the Energy, Minerals and Realty Management Directorate.

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