

*US Bureau of Indian Affairs  
Eastern Oklahoma Regional Office*

# OSAGE COUNTY OIL AND GAS ENVIRONMENTAL IMPACT STATEMENT

Alternatives Listening Session

March 9, 2015



# Welcome!

- This is your opportunity to tell the United States Bureau of Indian Affairs (BIA) your opinions and concerns about the range of alternatives being considered for the BIA's management of oil and gas development in Osage County.
- Format
  - Introductory Presentation
  - Public verbal comments (2 minutes each)
  - Written comments also accepted until March 11, 2015.



# Project Background

- EIS concerns management of oil and gas resources administered by the BIA in Osage County, OK
- BIA has authority to approve leases and permits for oil and gas development in the county (Osage Minerals Council executes leases)
- EIS will analyze impacts on surface lands and subsurface mineral estate



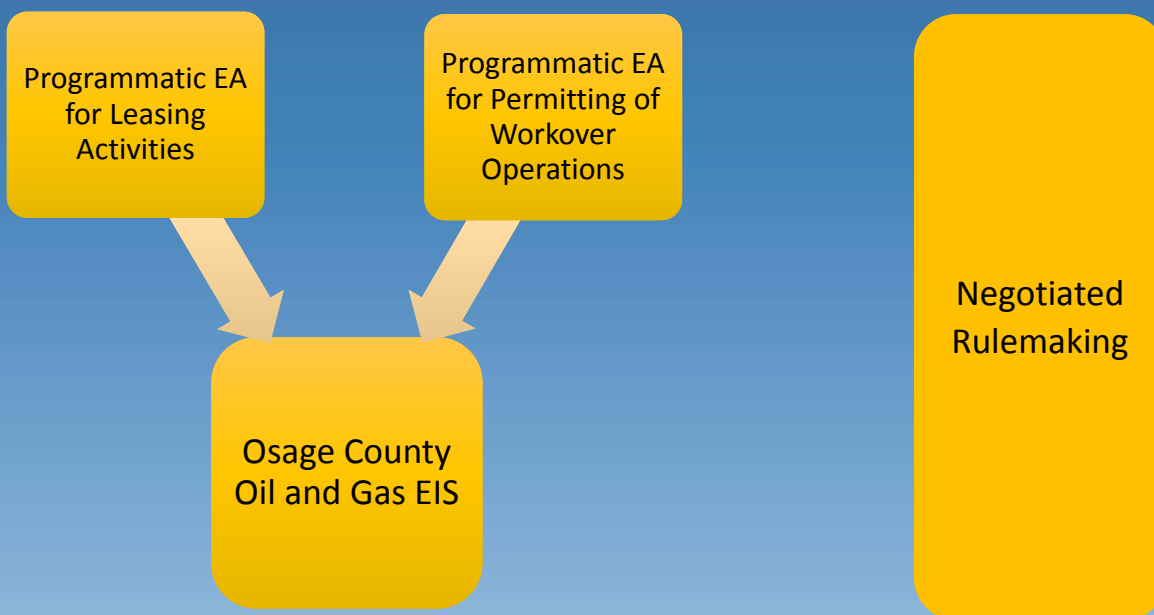
# Project Background *(continued)*

- EIS is not the final review on which approval of all actions in the project area would be based
  - Site-specific environmental analyses and additional National Environmental Policy Act (NEPA) compliance (e.g., an environmental assessment [EA] or EIS) may be required for all site-specific actions
  - The scope of the additional approval process would be streamlined and facilitated by the programmatic evaluation of impacts contained in this EIS
  - Leases and workover permits would be fully covered by this NEPA analysis. Applications for permits to drill would have tiered NEPA analysis.





# How Does This EIS Fit In With Other Projects in Osage County?



# Objectives of NEPA

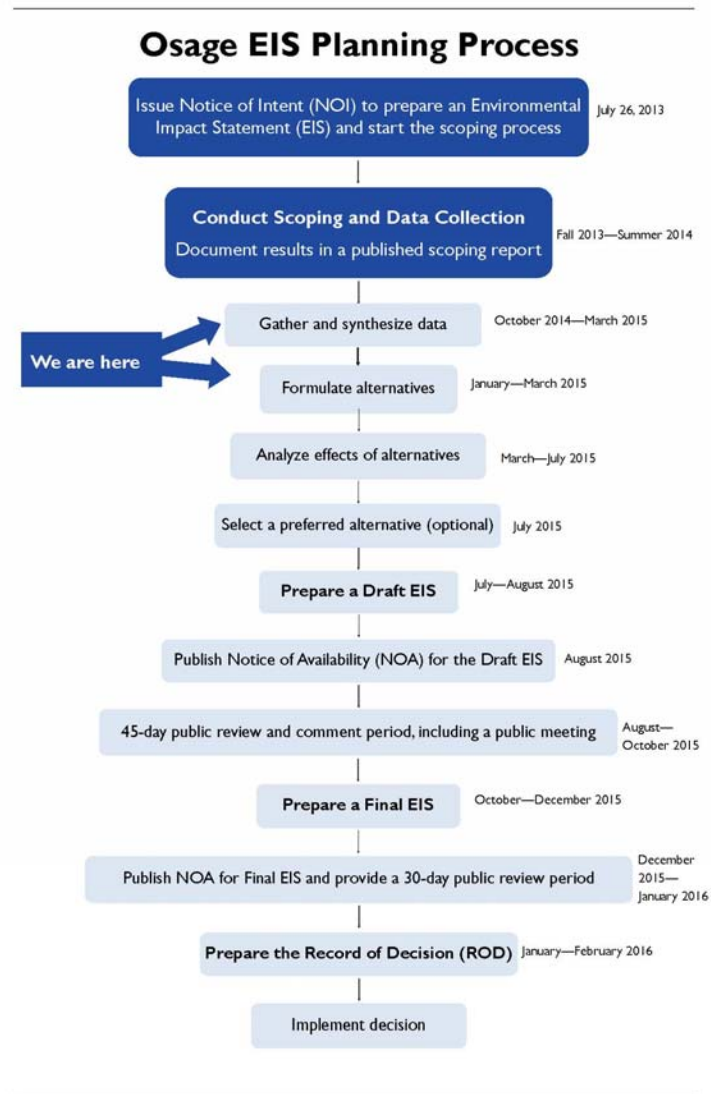
1. Ensure agencies consider every significant aspect of the environmental impact of the proposed action
2. Inform and involve the public in identification of potential impacts and alternatives

***“The impact statement [or assessment] itself is not important. The important thing is that proper judgments are made reflecting environmental considerations in the decision process.”***

- Rep. John Dingell



# Steps in the NEPA Process



# Cooperating Agencies/Entities

*Federal, state, or local agencies or Indian tribes with jurisdiction by law or special expertise*

Agencies/Entities Accepting the BIA's Invitation:

- Osage Nation
- Osage Minerals Council
- Oklahoma Department of Wildlife Conservation
- US Environmental Protection Agency (EPA), Region 6





# Alternatives (40 CFR 1502.14)

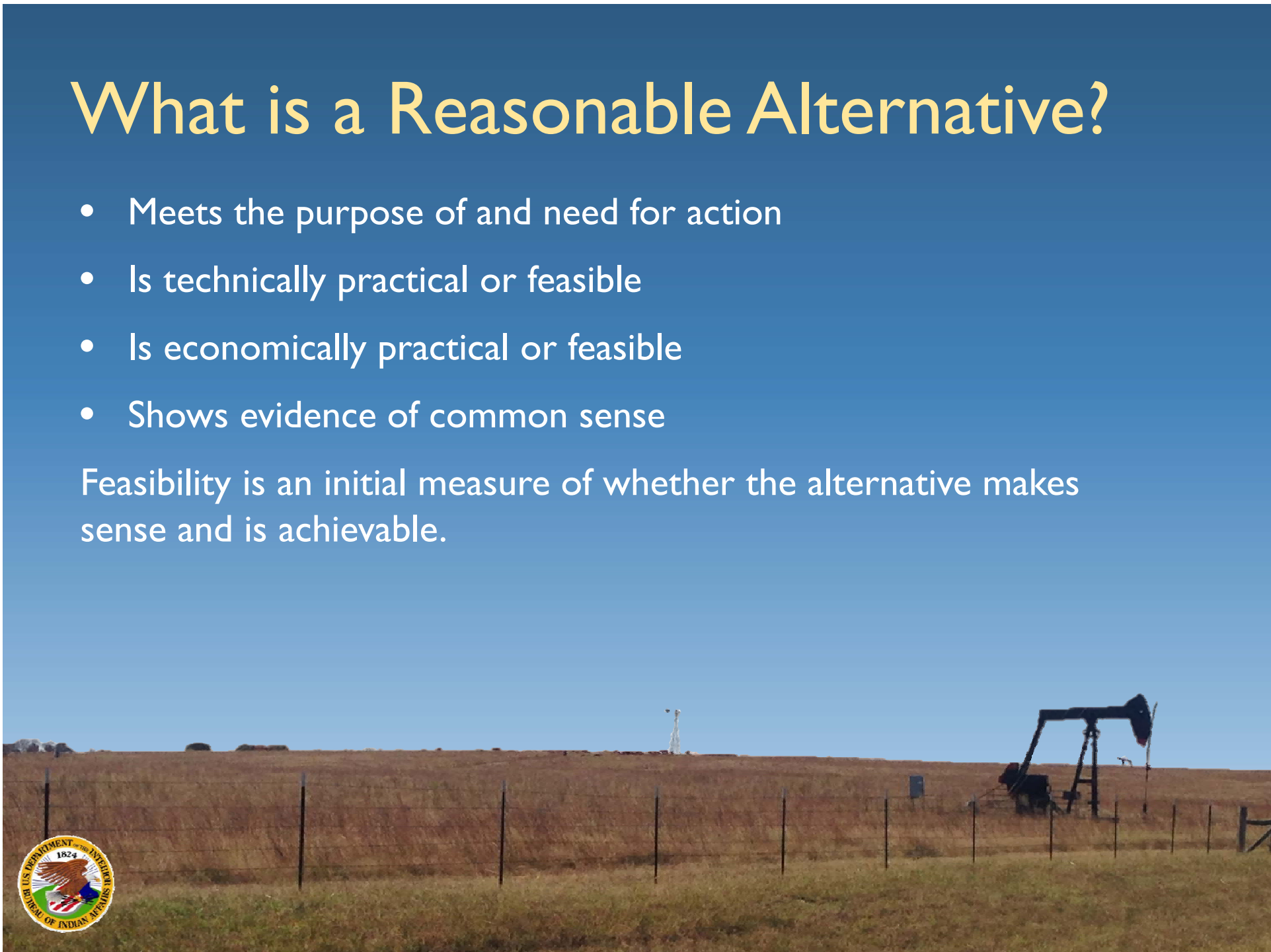
- Evaluate all reasonable alternatives; explain elimination of some alternatives
- Provide substantive treatment of alternatives
- Include alternatives outside jurisdiction
- Include “no action” (current management) alternative
- Identify preferred alternative
- Include mitigation



# What is a Reasonable Alternative?

- Meets the purpose of and need for action
- Is technically practical or feasible
- Is economically practical or feasible
- Shows evidence of common sense

Feasibility is an initial measure of whether the alternative makes sense and is achievable.



# Purpose of & Need for BIA's Action

Under the Osage Allotment Act of 1906, the United States reserved all rights to the mineral estate in Osage County for the benefit of the Osage. The mineral estate is held in trust, and the BIA approves oil and gas leases, applications for permits to drill, and other site-specific permit applications in Osage County under the authority of the 1906 Act and 25 Code of Federal Regulations (CFR), Part 226.

The BIA, under delegation from the Secretary of the Interior, is responsible for administering the development of oil and gas resources in Osage County for the benefit of the Osage. The federal actions, including approvals of leases and issuance of permits, are needed for the BIA to fulfill a portion of its trust responsibility to the Osage and facilitate the development of the mineral estate.

The purpose of the BIA's action is to facilitate oil and gas production, in a manner that is efficient, environmentally compatible, and consistent with the mandates of federal law in coordination with the Osage Minerals Council. Through this action, the BIA also intends to streamline the permitting process and provide certainty to developers regarding permit conditions and restrictions.



# Draft Alternatives

1. No Action Alternative  
(Business as Usual)

2. Action Alternative 1  
(Streamlined Management)

3. Action Alternative 2  
(Upfront Protective Management)





# Draft Alternatives Summary Matrix

BIA Management Issue <sup>1</sup>	No Action Alternative (Business as Usual)	Action Alternative 1 (Streamlined Management)	Action Alternative 2 (Up-front Protective Management)
<b>Regulatory Uncertainty</b>	<p>Best management practices (BMPs) applied as permit conditions on a case-by-case basis based on site-specific conditions</p> <p>Terms in Osage Oil and Gas Leasing Regulations interpreted on a case-by-case basis</p>	<p>Standard resource conservation measures tailored to county-specific conditions and issues applied as permit conditions. Exceptions would apply where a listed resource conservation measure is not applicable or where a measure proposed by the permit applicant better achieves the purpose of the resource conservation measure.</p> <p>Define “established watering places” to be protected by 200-foot buffers in 25 CFR 226.33</p>	<p>Same as Action Alternative 1, plus additional resource conservation measures proactively applied in areas to protect sensitive resources</p>
<b>Leasing</b>	<p>Leasing Programmatic EA (PEA) decisions are applied based on the standalone PEA</p>	<p>Leasing PEA decisions would be applied through incorporation into the EIS</p>	<p>Same as Action Alternative 1</p>
<b>Workovers</b>	<p>Forthcoming Workover PEA decisions would be applied based on the standalone PEA</p>	<p>To be determined</p>	<p>To be determined</p>

<sup>1</sup>Other BMPs or resource conservation measures would be applied as needed to protect resources.





# Draft Alternatives Summary Matrix

## (part 2)

BIA Management Issue	No Action Alternative (Business as Usual)	Action Alternative 1 (Streamlined Management)	Action Alternative 2 (Upfront Protective Management)
<b>National Historic Preservation Act Compliance</b>	BMPs applied as permit conditions on a case-by-case basis based on site-specific conditions and consultation under Section 106	Resource conservation measures applied as permit conditions on a case-by-case basis based on site-specific conditions and consultation under Section 106	Resource conservation measures applied as permit conditions to prohibit drilling within buffers of varying sizes around culturally sensitive areas. Buffers and criteria for variation defined in an appendix. Additional measures may be applied based on site-specific Section 106 consultation.
<b>Endangered Species Act Compliance</b>	BMPs applied as permit conditions on a case-by-case basis based on site-specific conditions and consultation with the US Fish and Wildlife Service under Section 7	Resource conservation measures applied as permit conditions based on consultation with the US Fish and Wildlife Service under Section 7.	Same as Action Alternative 1
<b>Migratory Bird Treaty Act Compliance</b>	BMPs applied as permit conditions on a case-by-case basis based on site-specific conditions	Resource conservation measures applied as permit conditions on a case-by-case basis based on site-specific conditions	Resource conservation measures applied as permit conditions to minimize destruction and fragmentation of grassland prairie habitat



# Draft Alternatives Summary Matrix

## (part 3)

BIA Management Issue	No Action Alternative (Business as Usual)	Action Alternative 1 (Streamlined Management)	Action Alternative 2 (Upfront Protective Management)
Clean Water Act Compliance	BMPs applied as permit conditions on a case-by-case basis based on site-specific conditions	Resource conservation measures applied as permit conditions to contribute to compliance with Total Maximum Daily Loads (TMDLs; once established) for streams listed as impaired by oil and gas activities under Section 303(d)	Resource conservation measures applied as permit conditions to prevent further impairment of streams listed as impaired by oil and gas activities under Section 303(d) until TMDLs are established. Once TMDLs are established, resource conservation measures may be removed or replaced.
Safe Drinking Water Act Compliance	BMPs applied as permit conditions on a case-by-case basis based on site-specific conditions	Resource conservation measures applied as permit conditions to restrict oil and gas development in source water protection areas and groundwater wellhead protection areas	Same as Action Alternative 1



# Example Resource Conservation Measures

## *Action Alternative 1 (Streamlined Management)*

- Keep sites clean and free of any litter, trash, old equipment, contaminated soil or unused containers. Promptly dispose of any wastes at appropriate recycling facility, approved landfill or other approved location. Remove any unused equipment not necessary to the operation of the lease after drilling activities have been completed.
- If the well is successful, all production equipment, facilities and tanks including well-head and above-ground piping/equipment shall be properly enclosed to exclude livestock if present.
- Do not conduct activities within stream channels or wetlands without proper authorization, and avoid any discharge of soil or contaminants or removal of stream water that could result in a violation of applicable federally- approved water quality standards.
- Lessee must follow guidance in the US Fish and Wildlife Service “Oklahoma Ecological Services Field Office Migratory Bird and Eagle Impact Avoidance Measures for Actions Associated with Oil and Gas Projects (April 2014)



# Example Resource Conservation Measures

## *Action Alternative 2 (Up-front Protective Management)*

- In important grassland areas/high importance habitat for the greater prairie chicken, no new surface disturbance will be allowed. Developers would be required to access oil and gas resources via directional or horizontal drilling whenever possible. Provided that, if new surface disturbance is deemed necessary in these areas to preserve the viability of the lease, it must be located near other existing structures, or at the edge of the open prairie and off of prairie ridges and hilltops.
- No drilling would be allowed within 100 meters of graves, rock cairns, and family plots. This no-drilling buffer may be extended beyond 100 meters based on site-specific conditions identified during the consultation process under Section 106 of the National Historic Preservation Act.





# Next Steps

- The BIA will finalize the range of alternatives to be considered
- The BIA will continue data collection efforts and analyze the impacts of each alternative on the natural and human environment
- Draft EIS published Fall 2015
- 45-day public comment period
- Final EIS published December 2015
- Record of Decision March 2016





# Tell Us What You Think!

- **We need your feedback!**
  - For the issues that are being addressed, is there another alternative for management that should be considered?
  - Are there other issues associated with oil and gas development that should be addressed through the alternatives?
- Comment verbally tonight or submit written comments by Wednesday, March 11
  - Email [osagecountyoilgaseis@bia.gov](mailto:osagecountyoilgaseis@bia.gov)
  - Mail to Jeannine Hale, BIA Osage Agency, PO Box 1539, Pawhuska, OK 74056



# Contact Us With Questions

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