

United States Department of the Interior

BUREAU OF LAND MANAGEMENT



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In Reply Refer To: 3120 (310) P Supersedes IM 2023-006, 2023-007, and 2023-010

EMS TRANSMISSION: 05/13/2025 Instruction Memorandum No. 2025-028

Expires: 9/30/2028

To: All Field Officials

From: Assistant Director, Energy, Minerals, and Realty Management

Oil and Gas Leasing – Land Use Planning and Lease Parcel Reviews Subject:

Program Areas: Oil and Gas, Planning, and National Environmental Policy Act (NEPA).

Purpose: This Instruction Memorandum (IM) sets out the policy of the Bureau of Land Management (BLM) to increase the lands offered for onshore oil and gas lease sales, to decrease leasing timeframes, and to ensure that oil and gas lease sales are held in accordance with the Mineral Leasing Act (MLA) (30 U.S.C. 181 et seq.) and other applicable laws. This IM supersedes IM 2023-006, Implementation of Section 50265 in the Inflation Reduction Act for Expressions of Interest for Oil and Gas Lease Sales, IM 2023-007, Evaluating Competitive Oil and Gas Lease Sale Parcels for Future Lease Sales, and IM 2023-010, Oil and Gas Leasing -Land Use Planning and Lease Parcel Reviews, and supersedes any conflicting guidance or directive found in the BLM Manuals or Handbooks.

Administrative or Mission Related: Mission Related

Policy/Action: This policy applies to the leasing of Federal oil and gas under the BLM administered surface, ¹ state-owned surface, and private surface estates. ² The BLM does not manage leasing on Indian lands; therefore, this policy does not apply to Indian lands. This policy addresses land use planning, lease parcel review, lease sales, lease issuance, and IM implementation and directs the BLM to incorporate the revised policy, as appropriate, into the affected BLM handbooks and manuals.

I. Land Use Planning

As outlined in the BLM Handbook H-1601-1, *Land Use Planning*, Resource Management Plans (RMPs) underlie oil and gas leasing decisions. Through effective monitoring and periodic RMP evaluations, state and field offices will examine resource management decisions to determine whether the existing decisions in the RMPs remain relevant and applicable to current land conditions in a constantly changing environment (H-1601-1, Chapter 4). The results of such reviews and evaluations may require a state/field office to update resource information through land use plan maintenance, amendment, or revision.

It is the BLM's policy that existing land use plan decisions remain in effect until an amendment or revision is complete or approved. Therefore, the BLM will not defer leasing pending the completion of an RMP amendment or revision. When necessary, state/field offices will maintain or amend RMPs to accommodate changes in lease stipulations in accordance with guidance found in H-1610-1, *Land Use Planning*, sections VI.H and VII.B.

II. Lease Parcel Review

The purpose of a lease parcel review by the state and field offices is to determine the conditions under which leasing may be allowed to proceed and to ensure conformance with the approved RMP. Lease parcel reviews will be conducted and documented simultaneously with the NEPA compliance process for oil and gas lease sales.

A. Expressions of Interest Subject to Lease Parcel Review

The BLM will evaluate and consider all expressions of interest (EOIs) to determine whether the lands are eligible for leasing. Consistent with longstanding practice, the BLM will conduct an initial screening of all timely submitted EOIs and determine whether they include lands that the BLM has the authority to lease. The BLM will then update the lands within BLM's National

¹ This policy will be implemented across the BLM as described herein. Certain provisions in this policy will not apply in some contexts, including to elements of leasing within the National Petroleum Reserve in Alaska (NPR-A), because the BLM manages that area under other statutory authorities, such as the Naval Petroleum Reserves Production Act of 1976, 42 U.S.C. 6501 *et seq.*, that apply only to that area.

² With limited exception, this policy does not apply to the leasing of Federal oil and gas under lands managed by other Federal Surface Management Agencies. The policy, however, does apply to split estate lands within National Forest System (NFS) units (i.e., lands with Federal subsurface ownership and non-Federal surface ownership).

Fluid Lease Sale System (NFLSS) to the appropriate land status and form parcels based on the eligible lands within the EOIs.

B. Lease Sale Process Timeframes and Parcel Review

State offices are required by statute (Mineral Leasing Act, 30 U.S.C. 226(b)(1)(A)) and implementing regulation (43 CFR 3120.12(a)) to hold quarterly lease sales, when eligible lands are available for competitive lease. The BLM's goal is to complete parcel review and offer parcels in an oil and gas lease sale within a 6-month timeframe from the start of scoping until the lease sale. State offices with eligible parcels will plan for a lease sale as soon as practical, recognizing this timeframe accounts for the public participation posting timeframes outlined in 43 CFR 3120.42. The BLM will develop a quarterly sale schedule.

C. Review of Lease Sale Parcels

State and field offices may form an Interdisciplinary Parcel Review (IDPR) Team of resource specialists to review lease sale parcels as part of compliance with NEPA and other legal and policy requirements for adequate review of parcels. Lease sale parcel review may include the following steps:

1. Gather and Assess Existing Information

State and field offices will gather and evaluate existing environmental resource information and compile documentation of compliance with applicable laws, regulations, and executive orders (e.g., NEPA analysis, Endangered Species Act (ESA) (16 U.S.C. 1531 *et seq.*), and National Historic Preservation Act (NHPA) (54 U.S.C. 300101 *et seq.*)). The BLM will determine the need for additional information and develop strategies to obtain any data that may be required to support a leasing decision.

2. Site Visits

Site visits are not required but may be deemed necessary by the authorized officer on a case-by-case basis, such as for Tribal or stakeholder considerations or when existing data is not adequate.

3. Identification of Potential Lease Sale Parcels

The BLM will include all eligible lands, including parcels deferred from previous sales, in its scoping notice for upcoming oil and gas lease sales. The BLM will identify parcels for consideration during the lease sale review process based on EOIs that are submitted pursuant to Section III.A, below, including EOIs that were deferred from consideration for prior sales where the BLM determines that the issue(s) underlying the deferral(s) have been fully resolved. The BLM will consider re-offering parcels that were previously offered at competitive lease sales, but which did not result in the issuance of a lease.

D. ESA, NHPA, and Tribal Consultation Compliance Documentation

State and field offices will meet all requirements related to the ESA and the NHPA, as well as fulfill all Tribal consultation requirements (refer to the BLM Manual 1780, *Tribal Relations*, and the BLM Handbook H-1780-1, *Improving and Sustaining BLM-Tribal Relations*), and will attach the standard ESA and NHPA lease stipulations or appropriate stipulations consistent with the applicable RMP to any lease that is offered.

E. NEPA Compliance Documentation

The BLM³ will complete site-specific NEPA compliance documentation for all the BLM surface and split estate⁴ lease sale parcels. If the authorizing official confirms that the proposed leasing action is adequately analyzed in an existing NEPA document and is in conformance with the approved RMP, a Determination of NEPA Adequacy (DNA) may be used to document NEPA compliance for the leasing decision (H-1790-1, National Environmental Policy Act Handbook, section 5.1).⁵ It is expected that the DNA process will be considered to be appropriate in cases where the existing NEPA documentation is consistent with the most current program-specific guidance. If the BLM finds that it cannot rely on a DNA, then the field office will determine the appropriate NEPA compliance documentation (e.g., environmental assessment (EA) or environmental impact statement (EIS)) to be prepared. Based on 43 CFR 3120.42, the NEPA compliance documentation for oil and gas leasing will include two opportunities for public participation: (1) scoping period (30 days) and (2) draft NEPA document review and comment period (30 days). Based on 43 CFR 3120.42 and the MLA, the BLM will also provide for a protest period (30 days), which is not part of the NEPA process.

1. Public Participation/Coordination

State and field offices will identify groups and individuals with an interest in the local BLM oil and gas leasing, including surface owners of split estate lands where Federal minerals are being considered for leasing. Interested groups, individuals, and potentially affected split estate surface owners⁶ will be provided with public notification and opportunity for engagement.

2. Scoping Period and Leasing Preference

³ This requirement does not apply to split estate lands within National Forest System units if leasing decisions for such lands are analyzed in documentation prepared jointly by the FS and the BLM for lands within the external boundaries of National Forest System units.

⁴ For split estate lands within National Forest System units, the necessary NEPA analysis for a leasing decision may be done through documentation prepared jointly by the FS and the BLM or prepared by the FS and adopted by the BLM.

⁵ The NEPA document to which the DNA refers must contain sufficient detail to address the potential effects of the proposed action(s). Consideration must be given to new information, new or revised program-specific guidance, and new or revised lease stipulations contemplated for the lease parcel that may or may not be analyzed in the existing NEPA document.

⁶ For split estate lands within National Forest System units, the necessary environmental analysis under NEPA for a leasing decision may be done through documentation prepared jointly by the Forest Service (FS) and the BLM or prepared by the FS and adopted by the BLM.

As required by 43 CFR 3120.42(a), the BLM will allow the public a comment period of 30 calendar days to provide comment on the preliminary parcel list for the upcoming lease sale. The preliminary parcel list is not subject to protests or appeals.

As provided by 43 CFR 3120.32, the BLM will also evaluate all parcels for leasing preference during the scoping period and incorporate its analysis into the draft NEPA compliance document. The BLM will complete an evaluation of the parcels based on five factors. First, is the proximity to existing oil and gas development, including active wells, infrastructure, and drainage potential (43 CFR 3120.32(a)). The second factor is the presence of important fish and wildlife habitats that would have a high potential for conflict (43 CFR 3120.32(b)). The third factor is the presence of historic properties, sacred sites, and other high value cultural resources that would pose a high potential of conflict (43 CFR 3120.32(c)). The fourth factor is the presence of recreation and other important uses (43 CFR 3120.32(d)). The final and fifth factor is the potential for oil and gas development based on BLM's Reasonably Foreseeable Development scenarios (43 CFR 3120.32(e)).

Overall Leasing Preference

In the draft NEPA compliance document, the BLM will identify parcels with an overall high or low preference for leasing based on the five factors above. Based on the reconsideration of the comments received from the Fluid Mineral Leases and Leasing Process rule (89 FR 30916) that the preference review could eliminate the opportunity for exploration for oil and gas on Federal lands, the BLM will include low preference parcels on its sales even when there are high preference parcels. The BLM will move forward with processing all eligible parcels and regularly schedule oil and gas lease sales to meet the overall goals and objectives outlined in President Trump's January 20, 2025 Executive Order (E.O.) 14156, *Declaring a National Energy Emergency*; President Trump's January 20, 2025 E.O. 14154, *Unleashing American Energy*; and Secretary Burgum's February 3, 2025 Secretary Order 3418, *Unleashing American Energy*.

The BLM will analyze a no action alternative (no leasing) and a proposed leasing action (leasing the parcel(s) in conformance with the land use plan). The BLM will move forward with offering all eligible parcels.

3. Comment Period

The BLM will include all parcels scoped and found to be in conformance with the land use plan in its draft NEPA compliance documents. As required by 43 CFR 3120.42(b), the BLM will allow the public a comment period of 30 calendar days to provide comments on the draft NEPA compliance documents for an upcoming lease sale. The draft NEPA documents are not subject to protests or appeals. The BLM will finalize the NEPA documents after considering any public comment received on those documents.

III. Lease Sales and Lease Issuance

A. Public Notification of Lease Sale

The state office must post the Notice of Competitive Lease Sale (sale notice) at least 60 days prior to the start of the lease sale, consistent with the BLM regulations, 43 CFR 3120.42(c). The BLM should post the sale notice on the National Fluid Lease Sale System (NFLSS) and make it available in the public room. Also, the BLM should display the NFLSS website link on the state office website and the ePlanning project page for the sale to reduce duplicate postings and minimize the BLM's workload. Field or state offices will post the NEPA compliance documentation on the BLM ePlanning website and in the public room at least 60 days prior to the start of the sale.

The NFLSS will communicate directly with the internet auction provider. The provider may contact the state office as needed, and the state office may contact the provider as needed. The BLM will not remove any parcels from a lease sale during the active bidding period.

B. Lease Sale Parcel Protests

As required by 43 CFR 3120.42(d), a 30-day protest period will begin the day the sale notice is posted. State offices should attempt to resolve protests before the sale of the protested parcels. Protests that are not resolved will not prevent bidding on protested parcels at the auction. Protest decisions should advise the protesting parties of their right to appeal denied protests to the Interior Board of Land Appeals but should state that appeals will not automatically halt the auction or issuance of leases. State offices will post all timely filed protest documents on the NFLSS website.

C. Lease Issuance

The BLM cannot issue a lease for a protested parcel until the protest is resolved. The BLM will strive to resolve protests prior to holding lease sales. If a state office is unable to resolve all protests before the date of a sale, the sale may proceed, and the state office should work to resolve the protests and decide whether to issue the affected leases within 60 days after the BLM receives full payment from the successful bidder for the bonus bid, first year rental, and administrative fees. Refer to 30 U.S.C. 226(b)(1)(A). If the BLM grants a protest after the date of sale (and before lease issuance), the BLM should reject the bid and refund the bonus bids and rentals paid. State offices will post all protest resolution documents on the NFLSS.

If the BLM cannot resolve the protests and issue the lease within 60 days from the date that the BLM receives full payment from the successful bidder for the bonus bid, first year rental, and administrative fees, the BLM should issue a notice to the successful bidder and provide the successful bidder with an opportunity to decline the lease. If the successful bidder declines, the BLM will not issue the lease and will refund the bonus bid and advanced rental paid to the remitter. The BLM may reoffer the lands at a future competitive sale.

IV. Re-Offer Not Sold Parcels

All States Offices will consider offering lands that the BLM previously offered with adequate NEPA and that did not receive a bid.

V. Application

This IM governs the BLM procedure and organization and is not a substantive rule, regulation, or other legally binding instrument, and the recommendations it contains may not apply to a particular situation based upon the individual facts and circumstances. Nothing in this IM is intended to modify or amend any Federal laws or regulations, nor create any rights or cause of action or trust obligation that any person or party may enforce through litigation or otherwise against the United States Government or any of its employees or officers. This IM is not legally enforceable. To the extent that there is any inconsistency between the provisions of this IM and any Federal regulations or laws, the regulations or laws will control.

Timeframe: This policy is effective immediately. This policy will guide leasing procedures for all current and future parcels under review by the field offices as of the date of this IM.

Budget Impact: This policy will result in a minimal impact to the BLM's budget. The BLM expects a short-term increase in workload related to creating and holding a new Notice of Competitive Lease sale to offer unsold parcels from 2023-2024.

Background: This IM aims to decrease the leasing process timeframe for more efficient and effective oil and gas lease management. These efforts will create jobs, lower energy costs for Americans, and strengthen the nation's energy security. These changes will empower the oil and gas industry to innovate and thrive, ensuring the United States remains a global leader in energy production. This IM is consistent Secretarial Orders (SO) on the National Energy Emergency (SO 3417), Unleashing American Energy (SO 3418), and Lowering the Costs for Hardworking American Families (SO 3419).

Manual/ Handbook Sections Affected: This IM transmits policy that will be incorporated into Handbooks H-1790-1, *National Environmental Policy Act* (Rel. 1-1710, 1/30/2008); H-1624-1, *Planning for Fluid Mineral Resources* (Rel. 1-1749, 1/28/2013); H-3101-1, *Issuance of Leases* (Rel. 3-308, 2/2/1996); H-3120-1, *Competitive Leases* (Rel. 3-338, 2/18/2013); and Manual MS-3120, *Competitive Leases* (Rel. 3-337, 2/18/2013).

Coordination: This policy was coordinated with the U.S. Department of the Interior's Office of the Solicitor and the BLM Headquarters, Energy, Minerals, and Realty Management (HQ-300).

Contact: If you have questions or concerns regarding this IM, please contact John Ajak, Deputy Division Chief of Fluid Minerals, (HQ-310) at jajak@blm.gov or 202-912-7147; Matthew Warren, National Oil and Gas Program Lead at mwarren@blm.gov or 505-216-8832; or Peter Cowan, Senior Mineral Leasing Specialist (HQ-310) at picowan@blm.gov or 720-838-1641.

Signed by: Authenticated by:

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