



December 21, 2022

Submitted to ahaines@blm.gov

Angela Haines
Bureau of Land Management
Ely District Office
702 North Industrial Way
Ely, NV 89301

Re: Scoping Comments on the Third Quarter 2023 Nevada Competitive Oil and Gas Lease Sale

Dear Ms. Haines:

Western Energy Alliance welcomes BLM's announcement of its intent to conduct a Third Quarter 2023 lease sale for Nevada, particularly as oil and natural gas development delivers value not just to the federal government and American people but also sustains rural communities and western states. Our members operate in good faith on public lands in an environmentally responsible manner and, as such, we look forward to announcements of additional sales in Nevada and other states in 2023. We encourage BLM to refrain from arbitrarily deferring parcels and to recognize during its analysis the numerous restrictions and stipulations attached to individual parcels, the significant technological advances in horizontal drilling which greatly reduce our operational footprint, and the governing Resource Management Plans (RMP) that designated these lands as open for oil and natural gas development.

Western Energy Alliance represents 200 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas in Nevada and across the West. The Alliance represents independents, the majority of which are small businesses with an average of fourteen employees.

The Mineral Leasing Act mandates that the Interior Secretary hold oil and natural gas lease sales "for each State where eligible lands are available at least quarterly and more frequently if the Secretary of the Interior determines such sales are necessary."¹ However, the Department of the Interior announcement states that the lease sale is only being held to comply with the Inflation Reduction Act (IRA),² which mandates that BLM cannot issue wind or solar rights-of-way unless it has held an onshore oil and natural gas lease sale within the preceding 120 days and offered not less than two million acres or 50% of the

¹ 30 U.S.C. §226(b).

² ["Interior Department Moves Forward with Leasing Provisions Mandated in Inflation Reduction Act"](#), Department of the Interior, October 6, 2022.

acreage nominated within the previous year.³ While IRA arguably incentivizes additional *discretionary* oil and gas leasing, IRA neither eliminates nor modifies the Secretary of the Interior's existing obligation under the Mineral Leasing Act to conduct quarterly lease sales "where eligible lands are available."⁴ Because BLM has not conducted any lease sales in Nevada since June 2022, despite the existence of eligible lands being available within the state, BLM is already out of compliance with this statutory obligation.

Even if IRA were the relevant legal justification, BLM has not provided the public with information to determine whether IRA's leasing provisions have been satisfied. BLM has not made Expression of Interest (EOI) data available for 2022, and therefore, stakeholders are unable to assess whether BLM has met the 50% threshold. We request that BLM make that data available as soon as possible and within this scoping process. While we disagree with the Interior Secretary's decision to make IRA and not the Mineral Leasing Act the motivating factor for the sale, BLM needs to move forward with more leasing on a regular basis. We hope to see further announcements of sales in Nevada and other states, and substantially more acreage offered for sale in 2023.

We appreciate that BLM is proposing to offer an increased number of parcels and acreage compared to the five parcels proposed for the June 2022 lease sale. However, there is a lack of transparency and understanding surrounding the process BLM used to select parcels for this lease sale. As such, we request BLM provide clarification on how it selected parcels for the sale.

Lastly, BLM needs to ensure it does not arbitrarily defer parcels that are eligible to be offered for lease, including parcels within existing federal oil and natural gas units and producing fields, and/or adjacent to existing infrastructure, particularly where deferral is not supported by the administrative record or the governing RMPs.

Western Energy Alliance appreciates the opportunity to comment. Please do not hesitate to contact me with any questions.

Sincerely,



Kathleen M. Sgamma
President

³ [Inflation Reduction Act](#), August 16, 2022.

⁴ 30 U.S.C. § 226(b)(1)(A).