

MEMORANDUM OF UNDERSTANDING
BETWEEN
UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
AND
UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE

CONCERNING OIL AND GAS LEASING AND OPERATIONS

Forest Service Agreement No. 06-SU-11132428-052

This MEMORANDUM OF UNDERSTANDING is hereby made and entered into by and between, the United States Department of the Interior, Bureau of Land Management, hereinafter referred to as the BLM, and the United States Department of Agriculture Forest Service, hereinafter referred to as the Forest Service.

I. PURPOSE

The purpose of this Memorandum of Understanding (MOU) is to establish joint BLM and Forest Service policies and procedures for managing oil and gas leasing and operational activities pursuant to oil and gas leases on National Forest System (NFS) lands.

This MOU satisfies requirements of Section 363 of the Energy Policy Act of 2005, PL 109-58 (the Act), which directs the Secretary of the Interior and the Secretary of Agriculture to enter into a memorandum of understanding regarding oil and gas leasing on public land under the jurisdiction of the Secretary of the Interior, and on NFS land under the jurisdiction of the Secretary of Agriculture.

This MOU supersedes the BLM and Forest Service Interagency Agreements on leasing and operations dated November 1991.

II. GOALS

The BLM and Forest Service share joint goals in managing Federal oil and gas leasing and operations pursuant to Federal oil and gas leases on NFS lands. As required in Section 363 of the Act, this MOU will identify administrative procedures and lines of authority that ensure timely processing of:

- oil and gas lease applications;
- surface use plans of operation, including steps for processing Surface Use Plans of Operations (SUPOs); and
- Applications for Permits to Drill (APDs) consistent with applicable timelines.

A. Leasing - The BLM and Forest Service will coordinate leasing decisions and application of lease stipulations to ensure consistency and appropriate applicability of

lease stipulations. Lease stipulations will be consistent across administrative boundaries and only as restrictive as necessary to protect the resources(s) for which they are applied.

- B. Operations - Oil and gas operations on Federal lands will demonstrate responsible stewardship of surface and subsurface resources. The BLM and Forest Service will promote such stewardship and demonstrate responsible use of the public's resources by consciously eliminating duplication of effort and jointly developing and applying consistent administrative practices that sustain energy supply, ecological systems, and local communities.
- C. Service - Service to customers, both industry and the general public, will be prompt, efficient, and seamless. Responses to applications and any environmental analysis required before offering lands for leasing and approving permits will occur promptly and within designated timeframes based on close coordination and consistency between agencies.
- D. Information - The BLM, Forest Service, and the public will have electronic access to non-confidential information on Federal leases and operations on those leases, including status of applications and requests. The BLM and Forest Service offices with duties for administering oil and gas activities on NFS lands will have joint access to spatial data and mapping capabilities for oil and gas leases, permits, and operations. Such information and data will be able to be integrated with data and mapping capabilities for other resources. The BLM and Forest Service have a stewardship agreement that defines each agency's role, responsibilities and access to the oil and gas data. Each agency will create, update and delete data on its respective lands, but will have read only access to the other agency's data. The BLM is responsible for subsurface oil and gas data.

III. STATEMENT OF MUTUAL BENEFITS AND INTERESTS

A. Regulatory and management responsibilities

- 1. Joint agency roles - The BLM administers more than 261 million surface acres of public lands and 700 million acres of Federal subsurface mineral estate underlying lands owned or managed by other parties, including the Forest Service, the National Park Service, the U.S. Fish and Wildlife Service, the Bureau of Reclamation, and state and private landowners. The Forest Service is responsible for the surface management of 192 million acres of NFS Lands. The Mineral Leasing Act of 1920, as amended, the Federal Onshore Oil and Gas Leasing Reform Act, and the Mineral Leasing Act for Acquired Lands define the role of the Forest Service in the management of oil and gas resources and the subsurface mineral estate administered by the BLM.
- 2. BLM role - In managing the Federal mineral estate underlying NFS lands, the BLM cooperates with the Forest Service to ensure that mutual management goals and objectives for oil and gas exploration and development activities are achieved. The BLM issues and administers oil and gas leases on NFS lands only after the Forest Service authorizes leasing for specific lands.

The BLM has the authority and responsibility to provide final approval of all APDs, including those for operations on Federal leases on NFS lands. Each APD includes a SUPO and a drilling plan. The BLM has the authority and responsibility to regulate all down-hole operations and directly related surface activities and use, and provide approval of the drilling plan and final approval of the APD on NFS lands.

3. Forest Service role - For leases and oil and gas operations on NFS lands, the Forest Service cooperates with the BLM to ensure that management goals and objectives for oil and gas exploration and development activities are achieved, that operations are conducted to minimize effects on natural resources, and that the land affected by operations is reclaimed. The Forest Service must authorize the BLM to offer specific lands for lease before the BLM can issue leases on those lands.

Once a Federal lease is issued on NFS lands, the Forest Service has the full responsibility and authority to approve and regulate all surface-disturbing activities associated with oil and gas exploration and development through analysis and approval of the SUPO component of an APD.

B. Mutual benefits

As described in this MOU, clearly defined joint policies and procedures for carrying out responsibilities described in this MOU, Section V, will benefit both the BLM and Forest Service with enhanced process efficiencies, elimination of unnecessary redundancies, and increased effectiveness of environmentally sound techniques and procedures applied to oil and gas operations. Process efficiencies and eliminated redundancies in turn result in more effective use of limited funds and staff and in exemplary customer service.

IV. AUTHORITIES

- A. Mineral Leasing Act of 1920, as amended, 30 U.S.C. 181 *et seq.*
- B. Mineral Leasing Act for Acquired Lands of 1947, 30 U.S.C. 351 *et seq.*
- C. Federal Onshore Oil and Gas Leasing Reform Act of 1987 (amendment to Mineral Leasing Act), 30 U.S.C. 226.
- D. Energy Policy Act of 2005 (Public Law 109-58), Section 363.

V. ROLES AND RESPONSIBILITIES

The BLM and Forest Service share responsibilities in managing oil and gas activities on NFS lands. Responsibilities fall in three general categories: leasing, operations (use authorizations), and inspection and enforcement (compliance). In all of these areas, the BLM and Forest Service must coordinate their responses and actions.

Exhibits 1 and 2 identify specific responsibilities of each agency in carrying out joint responsibilities in managing leasing and operations on NFS lands.

In general, for leasing and operations on NFS lands,

- A. Department of the Interior (DOI), BLM will:

1. Serve as co-lead or cooperating agency for **environmental analyses** for oil and gas leasing availability, and as co-lead or cooperating **agency** for environmental analyses required for APDs and related Special Use **Permits**, field or area-wide oil and gas exploration or development projects, and Sundry Notices;
 2. Provide petroleum engineers, geologists, and other resource specialists as necessary on interdisciplinary teams performing environmental review and analysis for leasing and operations, especially with respect to down-hole operations and related ground water issues;
 3. Coordinate with the Forest Service on the signing and release of decision documents for leasing and operations;
 4. Issue Federal leases, and provide final APD approval on Federal leases on NFS lands;
 5. Determine infrastructure, protocols, and procedures necessary to provide secure access to joint data retrieval systems and joint geographic information systems, and provide all associated security requirements to Forest Service;
 6. Provide designated Forest Service staff with the appropriate level of access to the BLM's oil and gas data tracking and retrieval systems including the National Integrated Land System (NILS), Legacy Rehost 2000 (LR 2000), the National Oil and Gas Lease Sale System (LSS), and the Automated Fluid Minerals Support System (AFMSS). These systems have been developed to support BLM's mission of managing oil and gas resources on all Federal lands and to protect other resources on those lands. These systems will accommodate Forest Service data/information and be used by Forest Service personnel in their own offices to support their mission of managing and protecting surface resource values. The details and specifics of how the FS will access and use BLM systems will be documented in a Service Level Agreement consistent with BLM/DOI policies;
 7. Develop GIS databases that are jointly accessible by the BLM and Forest Service specialists. Such databases will be specifically developed to assist with leasing, permitting, reclamation, and monitoring; and
 8. Provide assistance and/or training as necessary for Forest Service oil and gas specialists to perform compliance inspections on NFS lands.
- B. Department of Agriculture, Forest Service will:
1. Serve as lead agency for oil and gas leasing availability analyses and decisions, and for any environmental analyses required for APDs and related Special Use Permits, field or area-wide oil and gas exploration or development projects, and Sundry Notices (i.e., will include near surface impacts from supporting documentation submitted by the BLM).
 2. Ensure that interdisciplinary teams performing environmental analyses for leasing and operations have sufficient expertise to perform thorough and comprehensive analysis of both surface and subsurface resources, including ground water;
 3. Coordinate with the BLM on the signing and release of decision documents for leasing and operations;

4. Authorize leasing before the BLM can offer leases on NFS lands. Provide approved SUPOs to the BLM for BLM's final approval of APDs and Sundry Notices on NFS lands;
5. Work with the BLM program and information technology staffs to enhance capabilities of the BLM data retrieval systems to include Forest Service information and data related to Federal oil and gas leases and operations on leases on NFS lands;
6. Perform surface compliance inspections of oil and gas operations on NFS lands and coordinate with the BLM on compliance issues;
7. Establish infrastructure, protocols, and procedures to meet the security requirements as determined by BLM for access to joint data retrieval systems and geographic information systems by designated Forest Service staff; and
8. Enter and maintain Forest Service information and data into the joint systems supporting management of Federal oil and gas resources which are NILS, LR2000, LSS, and AFMSS per the detailed procedures documented in a Service Level Agreement consistent with BLM/DOI policies.

VI. ACTIONS NECESSARY TO CARRY OUT PROVISIONS OF THIS MOU

Exhibits 1 and 2 provide details of actions necessary to carry out provisions of this MOU. In addition, BLM and Forest Service will work together at various levels to develop and offer training in carrying out the provisions of this MOU.

VII. MEASURES OF SUCCESS OR CHANGE FOR JOINT BLM AND FOREST SERVICE MANAGEMENT OF OIL AND GAS LEASING AND OPERATIONS ON NFS LANDS

Upon the signing of this MOU, the BLM and Forest Service will appoint a team to define measures of success for meeting the goals of this MOU. The team will define measures of success within 6 month of the signing of this MOU. Such measures will address the lease request backlog, the APD backlog, processing timeframes, and surface compliance.

VIII. MUTUAL UNDERSTANDING AND AGREEMENT

- A. Freedom of Information Act (FOIA) - Any information furnished to the BLM and Forest Service under this instrument is subject to the Freedom of Information Act (5 U.S.C. 552).
- B. Participation in similar activities - This instrument in no way restricts the BLM or Forest Service from participating in similar activities with other public or private agencies, organizations, and individuals.
- C. Responsibilities of parties - The BLM and Forest Service and their respective offices will handle their own activities and use their own resources, including the expenditures of their own funds, in pursuing these objectives. Each party will carry out its separate activities in a coordinated and mutually beneficial manner.

D. Principal Contacts -

U.S. Forest Service
Director, Minerals and Geology Management
1400 Independence Ave., SW
Washington, DC 20250
(703) 605-4791

Department of Interior – Bureau of Land Management
Assistant Director, Minerals, Realty, and Resource Protection
U.S. Department of the Interior
1849 C Street, N.W.
Washington, DC 20240
(202) 208-4201

IX. NON-FUND OBLIGATING DOCUMENT

Nothing in this MOU shall obligate either the BLM or the Forest Service to obligate or transfer any funds. Specific work projects or activities that involve the transfer of funds, services, or property among the various agencies and offices of the BLM and Forest Service will require execution of separate agreements and be contingent upon the availability of appropriated funds. Such activities must be independently authorized by appropriate statutory authority. This MOU does not provide such authority. Negotiation, execution, and administration of each such agreement must comply with all applicable statutes and regulations.

X. COMMENCEMENT/EXPIRATION/TERMINATION AND MODIFICATION

This MOU takes effect upon the signature of the Director of the Bureau of Land Management and the Chief of the Forest Service and shall remain in effect as long as the BLM and Forest Service have joint statutory and regulatory responsibilities for oil and gas leasing and for activities pursuant to Federal oil and gas leases on NFS lands. This MOU may be modified or amended upon written request of either the BLM or Forest Service. Either the BLM or Forest Service may terminate this MOU with a 60-day written notice to the other party.

XI. DISPUTE RESOLUTION

If a dispute arises under this MOU that is not resolved informally between the BLM and Forest Service, then either Agency may pursue the following dispute resolution procedure:

- A. The party that seeks resolution will provide a written statement of its dispute, along with any rationale or supporting documents, to the other party. The parties will engage in discussions in an attempt to arrive at a consensus and resolve the dispute.

- B. If no resolution is reached within thirty (30) calendar days of receipt of the statement of dispute, then the dispute may be elevated to either or both Agencies' respective headquarters-level officials, or their designees. The headquarters-level officials for the parties will engage in discussions in an attempt to arrive at a consensus. If consensus is not achieved by the headquarters-level officials within thirty (30) calendar days of their receipt of the statement of dispute, the parties will promptly elevate the matter to the principal contacts for the respective parties, who will resolve the matter.
- C. The time limits in the preceding paragraph may be extended on the agreement of the parties to the dispute.

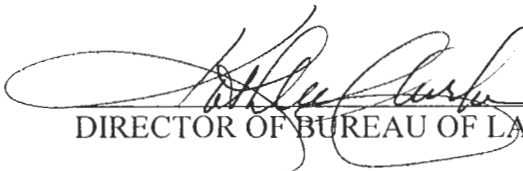
XII. SUPPLEMENTAL AGREEMENTS

Subsequent to the signing of this MOU, additional Federal or state interagency agreements may be required for the purposes of outlining more specific interagency relationships or for transferring funds from the BLM to such state or Federal agencies.

XIII. NO PRIVATE RIGHT OF ACTION AND LIMITED APPLICABILITY

This MOU is not intended to and does not create any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity, by a person against the United States, its agencies, its officers, or any person. This MOU does not direct or apply to any person outside of the signatory parties.

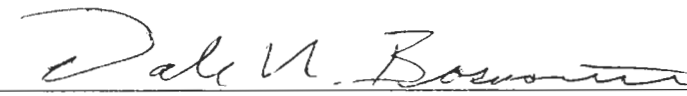
ACCORDINGLY, the parties have signed this Memorandum of Understanding on the dates set forth below, to be effective for all purposes as of the date last signed. The signatures may be executed using counterpart original documents.



DIRECTOR OF BUREAU OF LAND MANAGEMENT

4/5/06

DATE



CHIEF OF FOREST SERVICE

4/14/06

DATE

EXHIBIT 1
Oil and Gas Leasing on NFS Lands

The BLM and Forest Service will coordinate oil and gas leasing activities on NFS lands as follows:

J = joint responsibility

S = sole responsibility

Action	Responsible Agency		Remarks
	BLM	USFS	
Prioritize leasing availability analyses.	J	J	Forest Supervisors must develop, in cooperation with the BLM and with public input, a schedule for analyzing lands not already analyzed for leasing, and revise or make additions to the schedule at least annually. (36 CFR 228.102).
Perform timely environmental analysis for oil and gas leasing on NFS lands.			
Make leasing availability decisions based on the same analysis.	J	J	
Serve as lead agency for oil and gas leasing availability analyses and decisions and conduct analysis as directed in 36 CFR 228.102.		S	
Participate as co-lead agency or cooperating agency for oil and gas leasing availability analyses and decisions for NFS lands.	S		
Analyze split estate lands (private surface/Federal minerals) within boundaries of NFS units.	J	J	Analysis and decision-making on <u>all</u> lands under Federal authority (both the BLM and Forest Service) within a defined leasing area will ensure consistency in oil and gas resource management.
Provide expertise in the areas of petroleum engineering and petroleum geology on interdisciplinary teams performing environmental analyses for leasing on NFS lands.	S		The BLM must provide expertise in delegated program areas in oil and gas operations, including ground water protection.
Provide Reasonably Foreseeable Development Scenario (RFD) for oil and gas leasing on NFS lands, if requested.	S		Analysis must include information on oil/gas reservoirs, resource distribution, and production characteristics, and must address downhole operations. The BLM must provide the following, if requested: <ul style="list-style-type: none"> - Description of the manner in which exploration, development, production and abandonment are administered, including a brief explanation of how lease stipulations, sections 2 and 6 of the standard lease form, Onshore Oil and Gas Orders, and Notices to Lessees and Operators are used to direct and control operations. - Description of historic and current leasing, exploration and production trends in the area and an assessment of the potential for occurrence of oil and gas. High, moderate, and low potential areas are to be shown on maps. - Projection of the type and amount of activity that is reasonably foreseeable in the analysis area based on

Action	Responsible Agency		Remarks
	BLM	USFS	
			geologic assessment of potential for occurrence of oil and gas, along with drilling trends in the area. Description of potential for occurrence and projection of activity will follow the Interagency Reference Guide "Reasonably Foreseeable Development Scenarios and Cumulative Effects Analysis". Forest Service may need to provide information on surface use (roads, etc.) for inclusion or consideration in the RFD. RFD may be developed by other parties. If so, BLM should provide final review.
Ensure consistency in lease stipulations across jurisdictional boundaries.	J	J	
Develop lease stipulations for NFS lands that are only as restrictive as necessary to protect the resources for which they are applied.		S	Forest Service should develop stipulations with the BLM input for consistency. (See above.)
Perform analysis of the effect of lease stipulations on oil and gas resource recovery as required under the Energy Policy Conservation Act of 2000.	J	J	
Issue leasing availability decision.		S	Forest Service and the BLM should coordinate the signing and release of decision documents on leasing of NFS lands. NOTE: The BLM has sole decision authority for split estate lands (Federal minerals/private or State surface) within boundaries of Forest Service administrative units.
Adopt FS leasing analysis and issue decision.	S		
Process lease requests on NFS lands in a timely manner.			
Accept nominations and expressions of interest (EOI) for leasing on NFS lands.	S		
Review nominations and EOIs and prepare proposed lease parcels.	S		
Forward proposed lease parcels on NFS lands to the appropriate Forest Service office.	S		
Provide the BLM with stipulations and other necessary and appropriate documentation of NEPA compliance and LRMP consistency within 60 days of receipt of proposed lease parcels.		S	If stipulations and documentation cannot be provided within 60 days, notify the BLM of the reason for delay and indicate when the BLM can expect to receive final parcel(s) with stipulations. If a leasing availability decision has not been made for an area requested for leasing, Forest Service should proceed promptly with any necessary environmental analysis and decision. See above for process.
Forward draft sale notices that include parcels on NFS lands to Forest Service in sufficient time to allow for a 30-day review prior to required publication of final sale notice.	S		
Respond within 30 days to a draft sale notice, confirming correctness of parcels and stipulations, or providing the BLM with		S	

Action	Responsible Agency		Remarks
	BLM	USFS	
corrections to the sale notice.			
Respond to protests of parcels on NFS lands.	S		The BLM may request assistance from FS in responding to the protest.
Provide assistance to the BLM in responding to protests of lease parcels on NFS lands, if so requested.		S	If the BLM requests assistance in responding to protests of lease parcels on NFS lands, provide response within 45 days of receipt of request.
Issue competitive leases.	S		
Respond to appeals to IBLA of lease issuance.	S		If the BLM requests assistance in responding to IBLA appeals of lease parcels on NFS lands, FS will provide response.
Ensure appropriate stipulations are attached to non-competitive, re-configured lease parcels prior to lease issuance.	J	J	The BLM must provide Forest Service a 30-day opportunity to review requests for non-competitive leases with re-configured boundaries. Forest Service must respond within 30 days to the BLM requests for stipulation verification on non-competitive lease parcels with re-configured boundaries.
Issue non-competitive leases.	S		
Maintain complete files of leases on NFS lands.	J	J	The BLM will promptly forward copies of new leases, including lease stipulations, to the appropriate Forest Service office. The BLM will also promptly forward documentation of any subsequent actions on leases on NFS lands to the appropriate Forest Service office.
Determine infrastructure, protocols, and procedures necessary to provide secure access to joint data retrieval systems and joint geographic information system. Provide security requirements to Forest Service.	S		The BLM program and IT staff will work with corresponding staff in Forest Service to determine standards.
Establish infrastructure, protocols, and procedures to meet the security requirements as determined by BLM for access to joint data retrieval systems and geographic information systems by designated Forest Service staff		S	Implement security requirements to meet BLM standards for those Forest Service staff requiring access to the joint data retrieval systems.
Provide designated Forest Service staff with the appropriate level of access to the BLM's oil and gas data tracking and retrieval systems. These systems have been developed to support BLM's mission of managing oil and gas resources on all Federal lands and protect other resources on those lands. These joint data retrieval systems will accommodate Forest Service data/information and be used by Forest Service personnel in their own offices to support their mission of managing and protecting surface resource values.	S		Access for users will be formally requested. At the initiation of this MOU, these systems include the National Integrated Land System (NILS), Land and Mineral Use Records (LR2000), the National Oil and Gas Lease Sale System (NLSS), and the Automated Fluid Minerals Support System (AFMSS). The details and specifics of how the FS will access and use BLM systems will be documented in a Service Level Agreement consistent with BLM/DOI policies.
Enter and maintain Forest Service leasing availability and stipulation information and	J	J	Both the BLM and Forest Service will provide adequate system performance and security to maintain data integrity.

Action	Responsible Agency		Remarks
	BLM	USFS	
data in the joint data retrieval systems.			

EXHIBIT 2
Oil and Gas Operations (Use Authorizations) on NFS Lands

The BLM and Forest Service will coordinate operational activities (use authorizations) on NFS lands as follows. An “action”, “operation”, or “project” is defined as an APD, Sundry Notice, an area-wide project proposal (more than one proposed or potential location for exploration or development wells), or a field-wide development proposal (multiple wells in a pre-existing field). APDs and Sundry Notices do not necessarily need to be filed prior to analysis of a project.

J = joint responsibility

S = sole responsibility

Action	Responsible Agency		Remarks
	BLM	USFS	
Develop best management practices (BMPs) for operations based on local conditions and resource protection needs			
Develop oil and gas surface best management practices (BMPs) based on local conditions and resource protection needs.	J	J	Forest Service must consider the BLM surface management practices in the area when developing practices to be applied to oil and gas activities on NFS lands. The BLM must provide input to Forest Service surface management practices to ensure consistency in practices throughout the greater area of Forest Service and the BLM jurisdiction. The BLM must provide expertise in delegated program areas in oil and gas operations, including ground water protection.
Develop and apply surface and subsurface best management practices (BMPs) that provide necessary and appropriate protection of ground water systems, other mineral resources, and public health and safety as they relate to oil and gas operations.	J	J	Forest Service must identify and describe ground water systems potentially affected by surface and subsurface operations proposed on NFS lands. The BLM must assist in analyzing impacts by providing information and data about downhole operations and procedures and their potential effects on ground water systems.
Process APDs within timeframes prescribed in the Energy Policy Act of 2005, Sec. 366, and as required in Onshore Oil and Gas Order No. 1.			
Immediately forward all Notices of Staking (NOSs) and APDs on NFS lands to the appropriate Forest Service office.	S		Use the most expedient means to forward NOSs and APDs. Any documents that are faxed must be followed up by hard copy.
Post all APDs and NOSs on NFS lands for 30 days public notice.	J	J	Both the BLM and Forest Service offices of jurisdiction must post NOS/APDs consistent with direction in the Federal Onshore Oil and Gas Leasing Reform Act and 43 CFR 3162.3-1.
Schedule onsite inspection for APD/NOS with operator in accordance with Onshore Order No. 1.		S	Be sure onsite is scheduled to include the BLM representative in the inspection, if the BLM presence is necessary.
Perform onsite inspection with operator.	J	J	Based on resource concerns in the area proposed for drilling, the following Forest Service and/or BLM personnel may participate in the onsite inspection: deciding official, petroleum engineer, geologist, hydrologist, hydrogeologist, soil scientist, road engineer, wildlife biologist, botanist, archeologist, recreation specialist, and others as identified.

Action	Responsible Agency		Remarks
	BLM	USFS	
			The BLM must provide expertise in delegated program areas in oil and gas operations, including ground water protection.
Provide operator with surface use conditions and reclamation standards based upon onsite inspection.		S	The BLM may need to provide input depending on operations, e.g., road locations and escape routes.
Review APD for technical and administrative completeness.	J	J	Forest Service is responsible for reviewing the SUPO component, and the BLM is responsible for reviewing the drilling plan component. Review of SUPO and drilling plan by each agency should occur concurrently with communication between Forest Service and the BLM personnel. All deficiencies must be identified for inclusion in the 10-day letter.
Prepare and send 10-day letter notifying operator that an APD is complete as submitted or identifying deficiencies in the APD.	S		Any deficiencies identified by Forest Service must be included in the 10-day letter. Specify information required for application to be considered complete.
Immediately forward all complete APDs to appropriate Forest Service office.	S		Based upon agreement between local offices, operators may file APDs/NOSs concurrently with both offices of jurisdiction.
Review and approve SUPO. (See discussion of environmental analysis process, below.)		S	The BLM and Forest Service personnel should be in direct communication throughout the process of reviewing each component of the APD to cover the overlap between each component.
Review and approve drilling plan.	S		
Issue approved APD or deny APD. OR	S		Operator must be notified within 30 days of receipt of a complete APD that the APD is approved, denied, or additional information is needed. The BLM APD approval is subject to State Director review procedures. The APD is in full force and effect when approved.
Defer decision and notify applicant of: - Steps that should be taken for permit to be issued; - Actions that must be taken by the BLM and/or Forest Service to comply with applicable laws, including NEPA, together with timelines and deadlines for completing those actions.	S		If NEPA is required, the Forest Service, as lead for the NEPA process, can send the letter, but must advise the BLM of the actions that must be taken and the timeframe in which those actions will be completed.
Assist operator in designing operations with BMPs.			
Assist operators in planning and designing drilling and development operations on NFS lands.	J	J	The BLM and Forest Service should assist with designing operations to include environmental protection measures built into the design before the filing of formal applications or proposals. Such design may require extensive communication among the BLM, Forest Service, and operator before the operator officially files an APD or project proposal. In design of projects and development of mitigation, the BLM and Forest Service must ensure that requirements on operations are only as restrictive as necessary to protect the resources for which they are applied.

Action	Responsible Agency		Remarks
	BLM	USFS	
Perform timely environmental analysis for oil and gas projects on NFS lands.			
Serve as lead agency for decisions on oil and gas operations.		S	
Participate as co-lead agency or cooperating agency for decisions on oil and gas operations.	S		
Identify Purpose & Need for action on an operator's proposal.	J	J	
Prepare Agencies' proposed action.	J	J	The Federal action that will be subject to NEPA analysis must be the Agencies' proposed action. The Agencies should develop their own proposed action based on the operator's proposal. In some cases, the Agencies can use the operator's proposal as the Agencies' proposed action. The proposed action should include design features that incorporate BMPs and reduce environmental impacts.
Prepare scoping notice.		S	Scoping notice must include purpose and need for action, the Agencies' proposed action, and possible alternatives to the proposed action.
Prepare NEPA document for APDs	J	J	Follow the same procedures for NEPA for single APDs, multiple APDs, or formal project proposals covering multiple wells, such as Master Development Plans and Master APDs.
Provide expertise in the areas of petroleum engineering and petroleum geology on interdisciplinary teams performing environmental analyses for operations on NFS lands.	S		The BLM must provide expertise in delegated program areas in oil and gas operations, including ground water protection, other mineral resources, and public health and safety.
Consider waivers, exceptions, and modifications (WEMs) to lease stipulations.	J	J	If an operator requests a WEM at the time operations are proposed, analysis of the proposed operations must address the WEM. The BLM must have FS authorization to grant WEMs.
Prepare NEPA decision documents for proposed oil and gas operations.	J	J	Forest Service and the BLM must coordinate the preparation, signing, and release of decision documents for operations on NFS lands.
Respond to appeals of SUPO decision.		S	Forest Service issues a decision on the SUPO that is appealable through Forest Service NEPA appeal procedures. The BLM may need to assist if challenge is based on its contribution to NEPA document.
Respond to appeals of BLM decision for operations.	S		FS may need to assist if challenge is based on its contributions to NEPA document.
Forward approved SUPO to BLM.		S	After any appeals of the Forest Service decision on the SUPO are resolved, Forest Service must provide final approved SUPO to the BLM.
Issue approved APD.	S		The BLM issues a final approved APD after receiving the

Action	Responsible Agency		Remarks
	BLM	USFS	
			approved SUPO from the Forest Service.
Implementing decisions and administering operations			
Immediately forward copies of Sundry Notices (SN) for operations on NFS lands to the appropriate Forest Service office.	S		Forest Service authorization is required if action involves surface disturbance.
Provide conditions of approval to the BLM for application to the SN.		S	
Approve SN with incorporated FS conditions of approval.	S		
Review the BLM bond to determine if it is adequate to cover restoration of NFS lands.		S	In consultation with the BLM, Forest Service should determine the need for additional reclamation bonding prior to or during operations and inform the operator and the BLM of the amount. Forest Service will offer the operator the option of increasing the bond held by the BLM or of posting a separate bond with the Forest Service. The Forest Service will notify the BLM of the operator's decision and will provide copies of all correspondence with the Operator relative to the bond. The BLM must facilitate any additional bonding with Forest Service and the operator when Forest Service requires additional bonding and the operator elects to increase the bond held by the BLM.
Perform regular drilling, production, and environmental compliance inspections during drilling, production, and reclamation.	S		Even though FS is responsible for ensuring compliance with the SUPO, the BLM is responsible for ensuring compliance with the approved APD/SN, which includes the SUPO. Inspection actions must be coordinated to avoid gaps in inspection and to ensure adequate actions when inspection responsibilities overlap (e.g., oil in pits, which is both a surface use and production accountability event). Local offices may enter into agreements providing for one agency to perform certain inspection duties on behalf of the other.
Perform regular inspections of surface use during drilling, production, and reclamation.		S	Forest Service is responsible for inspection of surface use and ensuring compliance with the SUPO.
Enforce operator compliance with permit requirements and applicable statutes and regulations.	J	J	Each Agency must follow its own compliance procedures. The BLM and Forest Service personnel should be in direct communication throughout the inspection and compliance process. If requested, the BLM must assist FS in enforcing compliance.
Document inspections, enforcement actions, and administration actions.	J	J	Inspections, enforcement actions, and administration of all aspects of operations must be documented in AFMSS promptly and be accessible to both the BLM and Forest Service personnel.
Respond to undesirable events.	J	J	In the case of an undesirable event that presents imminent danger to public health and safety or serious harm to resources, the Agency first aware of the situation must take immediate action to abate the situation and notify the other Agency. Forest

Action	Responsible Agency		Remarks
	BLM	USFS	
			Service must notify the BLM immediately of any situation requiring shutdown of operations. The BLM must respond immediately, order the operator to shut down operations, and oversee the shutdown to ensure it is handled in a safe and efficient manner.