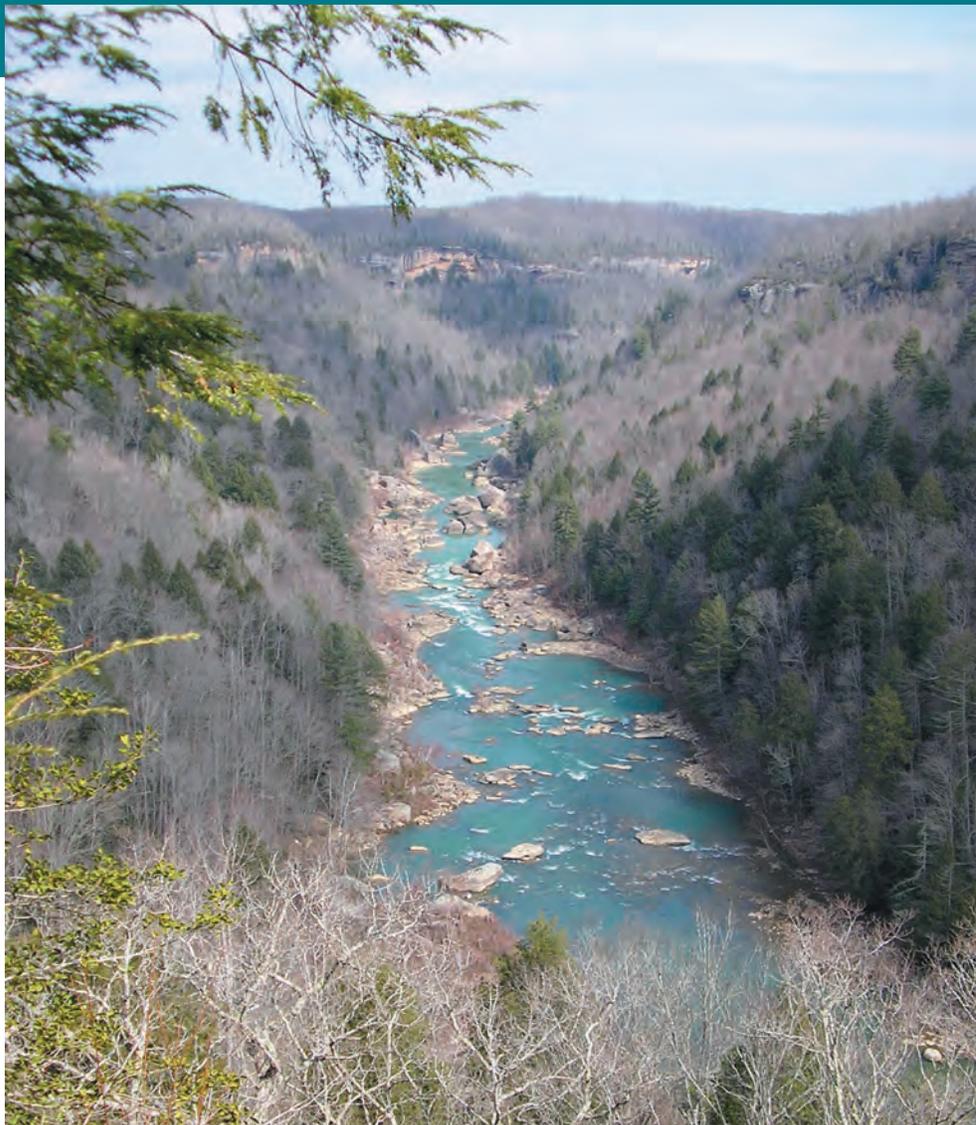




# The Big South Fork National River and Recreation Area and Obed Wild and Scenic River

## Oil and Gas Management Plan/ Environmental Impact Statement



*The National Park Service has begun preparing an oil and gas management plan and environmental impact statement that will address issues related to current and future management of oil and gas operations in both the Big South Fork National River and Recreation Area and Obed Wild and Scenic River. Information about the plan, including its purpose and need, management objectives, and preliminary concept management strategies, is enclosed. You are personally invited and encouraged to participate in this planning process.*



*Over 300 oil and gas wells exist within the Big South Fork National River and Recreation Area, and another six wells exist within the Obed Wild and Scenic River corridor. To aid in the effective regulation and management of nonfederal oil and gas operations, including potential new oil and gas exploration and production, the National Park Service is in the initial stages of developing an Oil and Gas Management Plan/Environmental Impact Statement for both units.*

# Overview and Background

## Big South Fork National River and Recreation Area

Big South Fork National River and Recreation Area encompasses approximately 125,000 acres of rugged terrain on the Cumberland Plateau in northeastern Tennessee and southeastern Kentucky. The focal point of the Big South Fork National River and Recreation Area is the massive gorge with its sheer bluffs towering over wooded talus slopes, and the naturally fluctuating river and its tributaries below. The landscape is dominated by upland and ravine forest communities, although a wide variety of specialized habitats are also supported.

The enabling statute for Big South Fork National River and Recreation Area divided the unit into the “gorge” and “adjacent area” (the plateau). The statute contains specific provisions for activities within these areas, including provisions that relate to oil and gas operations. Specifically:

- In the “gorge,” there is no mineral, petroleum, or gas development.
- In the “adjacent area,” petroleum and gas prospecting and extraction are permitted according to applicable regulations that protect park resources and values.
- The statute does not authorize the issuance of federal oil and gas leases in the unit.

Currently, over 300 private oil and gas wells exist within Big South Fork National River and Recreation Area. Large oil and gas fields are located adjacent to and extend into the park’s boundary. Most of the active oil and gas production at Big South Fork National River and Recreation Area occurs primarily in the south end of the unit, on both deferred properties (fee simple private property within the legislative boundary), as well as on property owned by the United States Government. No new wells have been drilled in the Big South Fork National River and Recreation Area since about

1990. In 1992, 788 producing oil wells and 529 producing gas wells existed in the watershed of the Big South Fork River. The Tennessee Oil and Gas Association has reported that oil and gas permitting in Tennessee increased by nearly 59% during 2005, with even greater demand in the first part of 2006. It is unknown how many of these new permits are within the watershed of the Big South Fork River.

## Obed Wild and Scenic River

The Obed Wild and Scenic River is located in eastern Tennessee on the Cumberland Plateau. The park encompasses approximately 5,056 acres and includes parts of the Obed River, Clear Creek, Daddy’s Creek, and the Emory River. Totalling more than 45 miles of surface waters, these rivers and creeks have cut rugged gorges with bluffs as high as 500 feet above the whitewater. Water resources and riparian environments are the focal point of the Obed Wild and Scenic River; the quality of the water is considered to be among the best in Tennessee. The

*Purpose is a broad statement of goals and objectives that the National Park Service intends to fulfill by taking action. . . .*

*Objectives are a more specific statement of purpose, i.e., what must be accomplished in a large part for the action to be considered a success. Need is a discussion of existing conditions that need to be changed, problems that need to be remedied, decisions that need to be made, and policies or mandates that need to be implemented.*

*Need is why action is being taken at this time.*



## Purpose of and Need for Action

landscape is dominated by upland and ravine forest communities, as well as riparian shrub communities and vegetation associated with sandstone glades, cliffs, and rock houses.

The Obed Wild and Scenic River is located in an area where oil and gas occurs at relatively shallow depths. The area became part of the National Park System in 1976 through an amendment to the Wild and Scenic Rivers Act (16 U.S.C. 1274). The National Park Service draws on this statute and the laws governing the National Park System in administering the unit and recognizes the presence of existing private rights, such as private oil and gas rights, in the unit. Federal oil and gas leasing is not authorized at Obed Wild and Scenic River.

In 1997, there were 944 oil and gas wells in the Emory River Basin. Although oil and gas exploration in the Obed Wild and Scenic River watershed has declined, approximately 71 oil and gas wells are located within 1 mile of the Obed Wild and Scenic River corridor; 44 of these are located less than a half-mile from the unit.

On federally acquired tracts within Obed Wild and Scenic River, new oil and gas exploration is limited to directional drilling from outside the boundary. However, there are six active oil and gas wells in Obed Wild and Scenic River.

In 2002, a well blowout immediately adjacent to the park resulted in an oil spill and fire inside the park. In addition to the direct injury to park resources, the incident forced temporary closure of portions of Clear Creek to public recreation.

### Purpose of the Action

The purpose of the Draft Oil and Gas Management Plan/Environmental Impact Statement for Big South Fork National River and Recreation Area and Obed Wild and Scenic River is to analyze alternative approaches, clearly define a strategy, and provide guidance for the next 15-20 years to ensure that activities undertaken by owners and operators of private oil and gas rights are conducted in a manner that protects park resources and values, visitor

use and experience, and human health and safety.

### Need for Action

There are over 300 private oil and gas operations within Big South Fork National River and Recreation Area and Obed Wild and Scenic River. Many of the past and existing oil and gas operations in these NPS units are adversely impacting resources and values, human health and safety, and visitor use and experience; most are not in compliance with federal and state regulations, most notably, the NPS regulations governing nonfederal oil and gas rights, 36 CFR Part 9, Subpart B. In addition, future oil and gas operations have the potential to damage park resources and values. The plan is needed to provide an efficient and effective strategy for park managers to ensure the units are protected for the enjoyment of future generations. There is also a need for park-specific guidance to help oil and gas operators in their planning efforts.



*Objectives are “what must be achieved to a large degree for the action to be considered a success.” All alternatives selected for detailed analysis must meet all objectives to a large degree, as well as resolve purpose and need for action. Objectives for managing oil and gas operations must be grounded in the enabling legislation, purpose, significance, and mission goals of Big South Fork National River and Recreation Area and Obed Wild and Scenic River, and must be compatible with direction and guidance provided by the general management plan for these NPS units.*

# Management Objectives

## General

Provide owners and operators of private oil and gas rights reasonable access for exploration, production, maintenance, and surface reclamation.

Bring existing operations into compliance with federal and state requirements.

Identify and protect resources that could be adversely affected by impacts from oil and gas operations.

## Water Resources

Protect and enhance water resources from oil and gas operations.

## Threatened and Endangered Species

Protect species of management concern from unacceptable adverse impacts resulting from oil and gas operations.

Protect critical habitat from adverse modification resulting from oil and gas operations.

## Visitor Experience, Conflicts, and Safety

Prevent, minimize, or mitigate conflicts between oil and gas operations and visitor use.

Protect human health and safety from oil and gas operations.

## Cultural Resources

Protect cultural resources, including those on or eligible for listing on the National Register of Historic Places from oil and gas operations.

## Park Management and Operations

Provide pertinent guidance to operators to facilitate planning and compliance with NPS regulations.

Establish an efficient process under NEPA for plugging and reclaiming orphaned or exhausted oil and gas operations.

Shaded items indicate steps that have been completed.

Internal Scoping

Notice of Intent  
Published  
in Federal  
Register

Public  
Scoping

Preparation of  
Draft Plan /  
Environmental  
Impact Statement

Notice of  
Availability of  
Draft Plan /  
Environmental  
Impact Statement

*The National Park Service, as an entity of the federal government, has the authority to regulate nonfederal oil and gas exploration and production in units of the National Park System. The authority to manage and protect federal property arises from the Property Clause of the United States Constitution, which provides that “Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States...”.*



# Overview of “9B” Regulations

The term “9B Regulations” refers to federal regulations located at 36 Code of Federal Regulations (CFR) Part 9, Subpart B. These regulations control activities associated with nonfederal mineral interests on federal land to avoid or minimize harm to park resources and values. The United States does not need to own the mineral interest beneath the parks to regulate rights associated with a private interest that may affect the federally owned surface. However, the National Park Service limits the application of the 9B regulations to operations that require access on, across, or through federally owned or controlled lands or waters to reach oil and gas rights in parks. The critical component of the 9B regulations is the requirement that an

operator submit and obtain NPS approval of a proposed Plan of Operations before commencing oil and gas exploration or production activities (36 CFR § 9.36).

The plan of operations details all activities of the oil and gas development, from exploration work to how reclamation will be completed, and provides the basis for performance bonds. In the plan, operators describe how they will conduct their activities using technologically feasible methods that are least damaging to park resources and also provide for protection of public health and safety. The National Park Service uses the information to evaluate the effects of proposed operations on the environment, visitor uses, and park management.

The regulations allow operators to use directional drilling techniques from a surface location outside the park to reach their oil and gas located in the park. Such operations may qualify for an exemption from the 9B regulations.

Existing transpark oil and gas pipelines and their rights-of-way lie outside the scope of the 9B regulations, but are subject to other applicable federal regulations. With respect to activities within rights-of-way associated with transpark oil and gas pipelines, the National Park Service has existing regulatory authority to control those activities.

60 Days

**Public Comment Period on the Draft Plan / Environmental Impact Statement**

**Preparation of Final Plan / Environmental Impact Statement**

**Notice of Availability of Final Plan / Environmental Impact Statement**

30 Days

**Waiting Period**

**Record of Decision**



*At this point in the planning process, the National Park Service has identified preliminary concept management strategies that meet the project objectives to a large degree while resolving purpose and need for action. These conceptual strategies, described below, include the possibility of taking no action, which is considered a viable option, and provides a baseline against which the other “action” alternatives carried forward in the plan can be compared.*

# Preliminary Concept Management Strategies

## No Action: Continue Current Management

- With current management, there would be no up-front park-specific plan for managing the exploration, production, and transportation of nonfederal oil and gas, as well as the plugging and surface reclamation of well sites at Big South Fork National River and Recreation Area and Obed Wild and Scenic River. NPS staff would continue to manage oil and gas operations on a case-by-case basis, with operating stipulations applied during development and approval of an operators’ plan of operations or during an enforcement action.
- Except as detailed in 36 CFR 9B, operators would not be provided park-specific guidance needed to protect NPS resources in these two units during oil and gas development, plugging, and surface reclamation of well sites.
- All NEPA compliance for well plugging and reclamation projects would be conducted on a case-by-case basis.

## Other Management Strategies

- The National Park Service would pro-actively pursue enforcement of 9B regulatory requirements, including plans of operations for current operators, and would increase inspections and monitoring.
- Priorities for enforcement and plugging/reclaiming abandoned wells would be set by identifying problem areas and evaluating site-specific factors, such as environmental/health and safety issues, road conditions, well status, compliance with state regulations, and operator status. NEPA compliance for plugging/reclamation would be expedited based on the standards and analysis in the Oil and Gas Management Plan/Environmental Impact Statement.
- Special Management Areas (SMAs) would be formally designated for areas where park resources and values are particularly susceptible to oil and gas operations, and would be used to help prioritize enforcement. Designating these SMAs would also give operators more complete information to assist them through the planning and development phases

of their operations. Research is being conducted to determine appropriate operating guidelines for the potential SMAs; at a minimum, they would be consistent with the 9B regulations, which prohibit surface operations within 500 feet of any watercourse, or any structure or facility (excluding roads) used for interpretation, public recreation, or for administration of the unit, unless authorized by an approved plan of operations [36 CFR § 9.41(a)]. Each SMA would contain operating guidelines specific to different phases of oil and gas operations.

- SMAs at Big South Fork National River and Recreation Area would be designated for areas outside of the gorge, where the enabling legislation does not prohibit oil and gas operations, and could include areas such as geomorphologic features, visitor use areas, trails, cemeteries, sensitive viewsheds, State Natural Areas, cliff edges, the potential all terrain vehicle planning area, and waters listed as impaired under Section 303(d) of the Clean Water Act. At Obed Wild and Scenic River, the entire park could be designated an SMA.

*The National Park Service wants to know what you think about the Oil and Gas Management Plan/Environmental Impact Statement for Big South Fork National River and Recreation Area and Obed Wild and Scenic River. What are your interests, issues, and concerns? Your input is vitally important as the National Park Service develops and refines the management alternatives that will be analyzed in the environmental impact statement. You are personally invited to participate!*



## Your Participation is Needed

The National Park Service will maintain a mailing list throughout the process. Informational materials will be distributed during the process to those on the mailing list. In addition, anyone interested in being added to or removed from the mailing list should reply with the enclosed comment form or contact the National Park Service at the address shown to the right.

### Scoping Open Houses: You're Invited

Scoping is the first step for involving the public in the planning process. Because the environmental impact statement will analyze many complex ecological and social issues, your participation is encouraged and needed. At the open houses, posters and fact sheets will provide additional information about the oil and gas management plan. National Park Service staff and resource specialists will be on hand to visit with you, answer questions, and record your input.

Comments will be accepted at the open houses. If you are not able to attend one of the open houses, there are other ways you can submit comments during the scoping process. You can fold and return the enclosed comment form with your comments, or send a letter to either park unit:

Office of the Superintendent  
Reed Detring  
Big South Fork NRRA  
4564 Leatherwood Road  
Oneida, TN, 37841  
phone 423-569-9778

Office of the Unit Manager  
Phil Campbell  
Obed Wild and Scenic River  
208 North Maiden Street  
Wartburg, TN 37887  
Phone 423-346-6294

Or you can submit comments on-line using the NPS Planning, Environment, and Public Comment (PEPC) web site at <http://parkplanning.nps.gov/BISO>. To be most helpful to the scoping process, comments should be received by September 5, 2006.

### Schedule

Public open houses will be held from 6:00-9:00 PM at the dates and locations described below. A presentation on the planning process will begin each night at 6:30 PM.

#### Monday, August 7, 2006:

Fentress County, TN:  
Jamestown Community Center  
629 Main Street N.  
Jamestown, TN 38556

#### Tuesday, August 8, 2006:

Scott County, TN:  
Scott County Office Building Conference Room  
2845 Baker Hwy.  
Huntsville, TN 37756

#### Wednesday, August 9, 2006:

Anderson County, TN:  
Midtown Community Center  
102 Robertsville Road (at the corner of Robertsville Rd. and the Oak Ridge Turnpike)  
Oak Ridge, TN 37830

#### Thursday, August 10, 2006:

McCreary County, KY:  
South Fork Inn/Best Western (formerly Holiday Inn Express) Conference Room  
1116 North Hwy. 27  
Whitely City, KY 42653

OFFICIAL BUSINESS  
PENALTY FOR PRIVATE USE \$300

National Park Service  
U.S. Department of the Interior  
Office of the Superintendent  
Reed Detryng  
Big South Fork NRA  
4564 Leatherwood Road  
Oneida, TN 37841



First Class Mail  
Postage and Fees  
**PAID**  
National Park Service  
Permit Number G-83

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