

UNITED STATES DEPARTMENT OF THE INTERIOR
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Revision of 9B Regulations Governing
 Non-Federal Oil and Gas Activities/
 Draft Environmental Impact Statement and Proposed Rule

October 2015

National Park Service
 U.S. Department of the Interior



**WHERE CAN I VIEW THE
 PROPOSED RULE AND DEIS?**

Digital copies are available for download
 online at: <http://parkplanning.nps.gov> and
<http://regulations.gov>

CDs and a limited number of hard copies
 of the Proposed Rule and DEIS may be
 requested by mail, as long as supplies last.
 To request a copy, contact:

Edward Kassman
 Geologic Resources Division
 National Park Service
 P.O. Box 25287
 Denver, CO 80225
edward_kassman@nps.gov
 303-969-2146

**INFORMATIONAL WEBINAR
 DATES AND TIMES**

The NPS is providing a pre-recorded webinar
 discussing the Proposed Rule and DEIS,
 which can be viewed at the following
 internet link: [http://www.nature.nps.gov/
 geology/oil_and_gas/9b_index.cfm](http://www.nature.nps.gov/geology/oil_and_gas/9b_index.cfm).

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HOW TO PARTICIPATE

The Proposed Rule and DEIS will be released separately for a 60-day public comment period.

During this period, the public is invited to identify any issues or concerns they might have so the NPS can appropriately consider them in the final Rule Revision/EIS. You may provide comments using any one of the following methods:

- View an informational webinar at the following weblink: http://www.nature.nps.gov/geology/oil_and_gas/9b_index.cfm.
- Comment online at <http://parkplanning.nps.gov/DEIS9B> for the DEIS; or at <http://regulations.gov> for the regulation.
- Mail comments to: Edward Kassman, Geologic Resources Division, National Park Service, P.O. Box 25287, Denver, CO 80225.

Comments will not be accepted by fax, e-mail, or any other way than those specified above. Bulk comments in any format (hardcopy or electronic) submitted on behalf of others will not be accepted. Before including your personal information in your comment, you should be aware that your entire comment – including your personal identifying information – may be publicly available at any time. Although you may request in your comment that we withhold your personal information from public review, we cannot guarantee that we will be able to do so.

COMPLETION OF THE FINAL RULE REVISION/EIS

The Final Rule and Final EIS will be prepared following consideration of all comments. Distribution of the Final Rule and Final EIS and NPS Record of Decision is anticipated in the summer of 2016. The timeframe for completion of the final document could vary from the proposed project schedule depending on the volume and content of public comments received during the public comment periods for the Proposed Rule and DEIS.

PROPOSED PROJECT SCHEDULE

DATES	PLANNING PHASE
Anticipated Oct. 23rd - Dec 21st	Public Review and Comment on Proposed Rule and DEIS
Early 2016	Incorporation of Public Comment
Spring 2016	Final EIS and Notice of Availability
Summer 2016	Record of Decision; Issuance of Final Rule

Dear Interested Party,

Thank you for your interest in oil and gas management within the national park system. The National Park Service (NPS) has prepared a Revision of 9B Regulations Governing Nonfederal Oil and Gas Activities (Proposed Rule) and Draft Environmental Impact Statement (DEIS). The Proposed Rule and DEIS will be released separately for a 60-day public comment period anticipated to begin on October 23, 2015, and anticipated to end on December 21, 2015. For exact dates please see the Federal Register. See below for information on how to comment on this proposal.

A DEIS has been developed in accordance with the National Environmental Policy Act of 1969 (NEPA), the National Historic Preservation Act (NHPA), and other laws, regulations, and policies, and the NPS has evaluated potential impacts of the proposed revision. The DEIS evaluates a range of alternatives for managing non-federal (state and privately owned) oil and gas within the national park system.

We are requesting your input on the Proposed Rule and DEIS. Comments received during the 60-day public review period will help to provide essential input for the Final Rule and Final EIS. We look forward to your thoughtful review and comments on the management options in this DEIS.

Sincerely,

David Steensen, Chief
 Geologic Resources Division





WHAT ARE THE KEY POINTS REGARDING THIS RULEMAKING?

1. A primary purpose for this rulemaking is the elimination of two provisions in the current regulations that exempt approximately 60% of the total operations service-wide from compliance with the existing 9B regulations.
2. Another purpose of the rulemaking is to revise an inadequate limit on the amount of financial assurance the NPS can require from operators, which helps ensure operations are reclaimed after their useful life.
3. The NPS is also proposing to add a much needed enforcement tool and update existing authority to charge a fee for privileged use of federal lands within a park unit, but outside the boundary of an operator's mineral right.

PROJECT BACKGROUND

The NPS ensures that nonfederal oil and gas development in park units complies with legal and policy requirements through application of the 36 CFR 9B regulations that became effective on January 8, 1978. The "9B regulations," as they are known, govern all activities that are associated with the exploration and development of nonfederal oil and gas rights located within park boundaries where access is on, across, or through federally owned or controlled lands or waters.

Currently 12 units of the National Park System contain 534 non-federal oil and gas operations. Existing 9B regulations have allowed the NPS and nonfederal oil and gas operators to protect park resources and human health and safety while recognizing the exercise of nonfederal oil and gas rights in parks. The rulemaking provides needed updates to the existing regulations to ensure continued protection of park natural resources, cultural resources, and human health and safety.

ALTERNATIVES

NEPA requires the development of potential action alternatives for proposed revisions. These alternatives are developed as a result of scoping by the public, affected agencies, and the NPS. The alternatives are then evaluated within the NEPA document for their potential impacts on the environment and park resources and values. Three alternatives were developed and are described below.

ALTERNATIVE A: NO ACTION

- Application of the 9B regulations would continue to be triggered only when an operator's "access is on, across or through federally owned or controlled lands or waters." 78 operations would remain exempt as they require no access across federally owned or controlled lands or waters.
- 241 operations which are currently exempt from the 9B regulations due to "grandfathered" status would remain exempt from the 9B regulations.
- Current regulatory provisions for transfers of interest, operations that access oil and gas rights inside a park boundary from a surface location outside the park boundary, Information Requirements, Permit Approval Standards, Operating Standards, Financial Assurance, and Penalties for Prohibited Acts would remain in place.



ALTERNATIVE B: PROPOSED RULE

This is the preferred alternative. Alternative B would:

- Eliminate the "access exemption" and make the 9B regulations applicable to all non-federal oil or gas operations within an NPS unit, regardless of ownership or jurisdictional status.
- Require all previously grandfathered operations within NPS boundaries to obtain an operations permit.
- Clarify whether operators need to obtain a permit or receive an exemption for operations that access oil and gas rights inside a park boundary from a surface location outside the park boundary.
- Eliminate the existing \$200,000 bonding cap and authorize the NPS to set bond amounts to equal the reasonable cost of reclamation.
- Authorize a fee for new access across federal lands outside the boundary of an operator's mineral right.
- Ensure that after a transfer of mineral operation the previous operator would remain liable to the NPS until such time as the new operator ratifies the previous operator's permit, provides proof of adequate liability insurance and posts adequate financial assurance.
- Establish a two-stage permit application review process, eliminate dual approval standards, provide more realistic timeframes for decisions and consolidate the final decision the NPS can make on a permit application.
- Codify existing practice and standards included in the NPS Operator's Handbook, and include new standards to ensure that surface disturbance is minimized.
- List the prohibited acts that would constitute violations of the 9B regulations.
- Identify the basic information necessary for the NPS to evaluate the operator's proposal, and present a new format that makes it easier to identify all applicable operating standards.

ALTERNATIVE C: MODIFIED PROPOSED RULE

Includes all proposed changes in Alternative B, except:

- The NPS jurisdiction would be expanded under the regulations to encompass surface and subsurface directional drilling operations outside the legislative boundary of the park. Thus, directional drilling operations would be treated the same as new operations located inside the park.
- A new provision would be created that addresses operations located wholly on non-federally owned lands within a unit of the national park system.
- Mineral owners and their lessees would be equally liable for all obligations to comply with the terms and conditions of an approved permit and any other applicable provisions.

