

# GAO Highlights

Highlights of [GAO-17-307](#), a report to the Ranking Member, Committee on Natural Resources, House of Representatives

## Why GAO Did This Study

BLM is responsible for managing oil and gas development on federal lands while mitigating related environmental impacts. BLM seeks to do so, in part, by applying requirements to the leases and drilling permits it issues to operators. These requirements may include environmental mitigation practices outlined in BLM's best management practices policy. In some cases, operators may request exceptions to lease and permit requirements. GAO was asked to examine BLM's efforts to mitigate environmental impacts from oil and gas development.

This report examines the extent to which BLM (1) approved requests for exceptions to lease and permit requirements and how these decisions were made and documented, (2) involved the public in the development of lease and permit requirements and in the approval of exception requests, and (3) implemented and assessed the effectiveness of its best management practices policy. GAO examined laws, regulations, and BLM policies and documents; surveyed and visited BLM field offices; and conducted interviews with BLM officials and other stakeholders.

## What GAO Recommends

GAO is making six recommendations, including that BLM develop a policy for tracking and documenting exceptions. Interior generally concurred with GAO's recommendations.

View [GAO-17-307](#). For more information, contact Frank Rusco at (202) 512-3841 or [ruscof@gao.gov](mailto:ruscof@gao.gov).

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## OIL AND GAS DEVELOPMENT

### Improved Collection and Use of Data Could Enhance BLM's Ability to Assess and Mitigate Environmental Impacts

#### What GAO Found

The extent to which the Bureau of Land Management (BLM) approved requests for exceptions to oil and gas lease and permit requirements is unknown, primarily because BLM's process for considering these requests and documenting decisions varied across field offices. Oil and gas operators may request exceptions to a permit requirement, such as prohibition of drilling in an area during times of the year when certain wildlife are present. BLM may approve such a request—allowing the operator to continue to drill during a portion of the normally prohibited time—if, for instance, no wildlife are present. GAO's survey of 42 BLM offices found that fewer than half tracked data on exception requests. Additionally, GAO found that the process for considering these requests and documenting decisions varied. BLM does not have a policy requiring field offices to consistently track exception data or documented procedures specifying how requests should be considered and documented. Because BLM does not consistently track exception request data or have a consistent process for considering requests and clearly documenting decisions, BLM may be unable to provide reasonable assurance that it is meeting its environmental responsibilities.

BLM has consistently involved the public in developing lease requirements and, to a lesser extent, permit requirements. For example, GAO reviewed 35 lease sales that occurred from calendar years 2012 through 2015 at the six field offices visited and found that in all cases the field offices provided the public an opportunity to review and comment on lease parcels to be offered for sale. BLM has not generally involved the public in the approval of exception requests. According to BLM's policy, public notification of an exception is not required unless granting it would result in a substantial modification or waiver of a lease requirement, which, according to BLM officials, rarely occurs.

BLM has generally implemented its best management practices policy by including key practices as permit requirements, but it has not consistently documented inspections or used inspection data to assess the policy's effectiveness. The policy identifies four key practices that should be considered for inclusion as permit requirements in nearly all circumstances: (1) painting facilities to blend with the environment, (2) constructing roads to certain BLM standards, (3) implementing interim reclamation, and (4) completing final reclamation. During file reviews at six BLM field offices, GAO found that at least one of the four key practices was included as a permit requirement in almost all of the 109 files reviewed. However, in reviewing documentation of inspections, GAO found that documents were not consistent and not always sufficient to determine whether BLM had verified key practices. GAO further found that BLM generally does not use data collected from inspections to assess the effectiveness of permit requirements in mitigating environmental impacts. BLM does not have guidance specifying how inspections should be documented and how inspection data should be used. Without sufficiently detailed documentation of inspections and effective use of data from inspections, BLM is unable to fully assess the effectiveness of its best management practices policy to mitigate environmental impacts.