

Colo. County Says DOI Skirted Review For Utah Oil Project

By **Keith Goldberg**

Law360 (March 27, 2026, 4:49 PM EDT) -- A Colorado county has accused the U.S. Department of the Interior of unlawfully fast-tracking the approval of a Utah oil-by-rail transportation expansion project by misusing its emergency authority to bypass meaningful environmental review and public feedback.

A **complaint** filed Thursday in Washington, D.C., federal court by Eagle County, Colorado, takes aim at the Bureau of Land Management's July authorization of a proposed expansion of the Wildcat loading facility. The project would quadruple the amount of crude oil from Utah's Uinta Basin that could be transferred from trucks to trains that would carry the oil through Colorado, including Eagle County.

The BLM approved the project proposed by Coal Energy Group 2 LLC using emergency permitting procedures unveiled by the DOI in April for projects related to fossil fuels, mining and geothermal energy. Those procedures included an alternative compliance process for developers under the National Environmental Policy Act, under which the BLM completed its environmental assessment of the Wildcat expansion project in just 14 days.

Eagle County said that process was an invalid use of the DOI's emergency authority and ran afoul of NEPA, the Administrative Procedure Act and Federal Land Policy and Management Act.

The DOI's emergency response regulations allow the agency to bypass standard NEPA procedures and speed up environmental reviews only when it "determines that an emergency exists that makes it necessary to take urgently needed actions before preparing a NEPA analysis and documentation," Eagle County said in its complaint.

The department didn't make such a determination, nor did it apply any rulemaking procedure to the alternative compliance process, the complaint said.

"The widely available and publicly known facts show that there is no national energy emergency," Eagle County said. "Indeed, instead of applying the Alternative Arrangements in a mandatory fashion to every proposed energy project in the way that a true emergency would demand, the Alternative Arrangements are instead selectively applied by Interior to a proposed project only upon the request of the project proponent, such as Coal Energy."

Eagle County also noted the BLM had canceled its review of the Wildcat expansion project


in 2024 and said its July approval was based on a "conclusory assertion that an energy emergency exists."

"But rushing a long-dormant expansion of an oil transloading facility does not fall within Interior's limited emergency response exceptions to following standard NEPA procedure," the county said.

The Wildcat expansion project is one of a handful of energy projects that have received federal approval under the DOI's alternative NEPA compliance process, which the agency said was necessitated by President Donald Trump's **January 2025 declaration of a national energy emergency**.

Those approvals are being challenged in court, and **energy and environmental attorneys previously told Law360** that the DOI's alternative NEPA process relies on untested emergency legal authority.

Eagle County's complaint is also its latest attempt to fight increased rail transportation of Uinta Basin crude oil through its territory.

The county previously persuaded the D.C. Circuit to wipe out federal approval of the Uinta Basin Railway project. But the U.S. Supreme Court **reversed the decision** in May's **Seven County Infrastructure Coalition et al. v. Eagle County et al.** , a blockbuster ruling that limited the scope of NEPA reviews of infrastructure projects and directed lower courts to defer more to federal agencies' reviews.

Representatives for the parties couldn't immediately be reached for comment Friday.

Eagle County is represented by Nathaniel H. Hunt, Christian L. Alexander and Rebecca Glenn of Kaplan Kirsch LLP.

Counsel information for the DOI wasn't immediately available Friday.

The case is Eagle County v. DOI et al., case number 1:26-cv-01039, in the U.S. District Court for the District of Columbia.

--Editing by Nick Siwek.

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