

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BAKERSFIELD FIELD OFFICE
DECISION RECORD**

**March 10, 2010 Oil and Gas Competitive Lease Sale
Environmental Assessment #DOI-BLM-CA-C060-2009-0175-EA**

Introduction

There is a need for providing the federal mineral estate for oil and gas development. This action is intended to meet the responsibilities of the Bureau of Land Management (BLM) under the Mineral Leasing Act of 1920, and the Federal Onshore Oil and Gas Leasing Reform Act of 1987 (Reform Act) to conduct competitive oil and gas lease auctions within the State of California.

The Reform Act of 1987 directs the BLM to conduct quarterly oil and gas lease auctions whenever eligible lands are available for leasing. The Bakersfield Field Office is complying with this Act by offering lands based on expressions of interest submitted by the public.

Decision

It is my decision to offer for competitive oil and gas lease auction 19 parcels encompassing 4,721.71 acres of federal mineral estate in Kern County, California, as described in Environmental Assessment number DOI-BLM-CA-C060-2009-0175 (January 22, 2010). Approximately 981.85 acres are public surface with Federal mineral estate and approximately 3,739.86 acres are split estate (private surface with Federal subsurface minerals). Special leasing stipulations that protect both threatened and endangered and sensitive species and their habitat are incorporated in the proposed action. I have determined that additional mitigation is not required.

Alternatives Considered but not Selected: Three other alternatives were considered. Two of these alternatives were considered but not analyzed: (1) Exchange or Sale of the proposed parcels in lieu of leasing the mineral estate, which was not analyzed because the process of either is very lengthy and time consuming, therefore, it does not meet the purpose and need of this project and (2) leasing the total 5,832.02 acres originally submitted under expressions of interest (5,832.02 acres), this was not analyzed because 1,030.31 acres are within the California condor range, an 80.00 acre parcel contains potential habitat for a federally listed plant, and 310.31 acres that borders the Carrizo Plain National Monument all are being deferred until after the completion of the Carrizo Plain National Monument Resource Management Plan and the Bakersfield Resource Management Plan.

No Action: The proposed parcels would not be offered for competitive oil and gas lease auction. BLM would not meet the requirement to offer lands available for oil and gas auction under the Reform Act of 1987 and the Energy Policy Act of August 5, 2005, Section 362(a)(1).

Decision Rationale

The BLM has been mandated by Congress and the President to manage public lands for multiple uses. One of these legitimate uses is energy production. This action is the only alternative analyzed in detail that allows 19 parcels encompassing 4,721.71 acres of land within the Bakersfield Field Office to be offered for competitive oil and gas lease auction allowing the BLM to comply with national directives regarding oil and gas leasing. These lands were previously identified as being available for lease in the Caliente Resource Management Plan (RMP) 1997, which was prepared with extensive public involvement. Restrictive stipulations designed to protect sensitive resources were identified at that time. This action is in conformance with the Caliente RMP, which was analyzed in an environmental impact statement.

The Bakersfield Field Office has a proven track record of balancing energy production with other uses, including wildlife habitat and the protection of cultural resources. The parcels to be included in this lease auction have been reviewed for the presence of wildlife habitat, including critical habitat for listed species, as

well as the presence or potential for cultural resources. I believe these resource values will be protected through the implementation of the stipulations to be included in the oil and gas offer to lease document.

While it is likely that all parcels will be leased, the environmental assessment forecasts that only a small portion of leased parcels will ever be developed. In addition, the disturbance from any development that does occur is projected to cover only a small part of a given parcel. Based on the historic level of activity on new federal leases within the last 10 years, BLM projects that up to one well will be drilled on lands proposed for leasing in this action, with no more than one acre of disturbance. This environmental assessment takes a hard look at the type and extent of the impacts that can be expected, and how they might affect critical resources. In the future when specific development proposals are received, they will be evaluated via subsequent site specific environmental analyses and documented consistent with the NEPA. Although a lessee has the right to develop a lease, BLM retains the authority to require proposals to be relocated or redesigned in such a way as to protect sensitive resources.

Consultation and Coordination

Although the parcels proposed for leasing include habitat for the San Joaquin Valley Federally listed species, these parcels are within the “reasonably foreseeable development” scenario analyzed in the Caliente RMP (1997) and, therefore, the potential impacts of this action were analyzed in that EIS and its associated Biological Opinion by USFWS.

Public Involvement

The EA was made available for 30-day public review and comment on November 13, 2009. The public was notified of the availability of the environmental assessment via letters, press release, and notices on BLM web pages.

BLM received three letters commenting to the EA within the legal 30-day timeframe. Two comment letters requested coordination between the winning bidder and themselves regarding their infrastructure on the proposed parcels. The third commenter identified concerns with the analysis of direct and indirect impacts, and cumulative effects to climate change.

In addition, other edits and clerical corrections were made in the EA, including identification of directional drilling, clarification of condor range, discussion of the criteria for habitat disturbance, species conservation, and criteria for significant effects to the listed species. Additional information was added to the air quality discussion and to the baseline for the climate change discussion.

Plan Consistency

Based on information in the EA, the project record, and recommendations from BLM specialists, I conclude that this decision is consistent with the Caliente RMP (1997); the Endangered Species Act; the Native American Religious Freedom Act; other cultural resource management laws and regulations; Executive Order 12898 regarding Environmental Justice; and Executive Order 13212 regarding potential adverse impacts to energy development, production, supply and/or distribution.

Administrative Remedies

Administrative remedies may be available to those who believe they will be adversely affected by this decision. Appeals may be made to the Office of Hearings and Appeals, Office of the Secretary, U.S. Department of Interior, Board of Land Appeals (Board) in strict compliance with the regulations in 43 CFR Part 4. Notices of appeal must be filed in this office within 30 days after publication of this decision. If a notice of appeal does not include a statement of reasons, such statement must be filed with this office and the Board within 30 days after the notice of appeal is filed. The notice of appeal and any statement of reasons, written arguments, or briefs must also be served upon the Regional Solicitor, U.S. Department of the Interior Office of the Solicitor, Pacific Southwest Region, 2800 Cottage Way, Room E-2753 Sacramento, CA 95825-1890.

The effective date of this decision (and the date initiating the appeal period) will be the date this notice of decision is posted on BLM's internet website.

/s/Timothy Z. Smith
Bakersfield Field Office Manager

1/22/10
Date