

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BAKERSFIELD FIELD OFFICE
FINDING OF NO SIGNIFICANT IMPACT**

**December 8, 2010 Oil and Gas Competitive Lease Sale
Environmental Assessment #DOI-BLM-CA-C060-2010-0189**

BACKGROUND

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 BLM analyzed a proposal to offer for competitive oil and gas lease auction ten parcels encompassing 2,743.76 acres of federal mineral estate in Kern County, California, and documented their analysis in Environmental Assessment (EA) number DOI-BLM-CA-C060-2010-0189, October 22, 2010. The Lease auction is scheduled to be held December 8, 2010.

FINDING OF NO SIGNIFICANT IMPACT

On the basis of the information contained in the EA, and all other information available to me, it is my determination that: (1) the implementation of the Proposed Action will not have significant environmental impacts beyond those already addressed in the Caliente Resource Management Plan; (2) the Proposed Action is in conformance with the Resource Management Plan; and (3) thus, the December 8, 2010 Oil and Gas Competitive Lease Auction does not constitute a major federal action having a significant effect on the human environment. Therefore, an environmental impact statement or a supplement to the existing environmental impact statement is not necessary and will not be prepared.

This finding is based on my consideration of the Council on Environmental Quality's (CEQ) criteria for significance (40 CFR 1508.27), both with regard to the context and to the intensity of the impacts described in the EA or as articulated in the letters of comment.

Context

The lands identified for competitive oil and gas lease auction are located in the San Joaquin Valley portion of Kern County which consists of 2,100,000 acres. Of the 2,100,000 acres, BLM proposes to offer 2,743.76 acres to be auctioned for oil and gas development.

There will be no direct impacts to resources as a result of a competitive lease auction of the federal mineral estate.

Intensity

I have considered the potential intensity/severity of the impacts anticipated from the competitive oil and gas lease auction decision relative to each of the ten areas suggested for consideration by the CEQ. With regard to each:

1. Impacts that may be both beneficial and adverse.

No significant adverse impacts (site specific or cumulative) have been identified. The competitive oil and gas lease auction does not automatically produce adverse effects as it does not authorize surface disturbance. By incorporating the design stipulations, the potential for, and intensity of, adverse effect is considered low. There would likely be some beneficial economic effects from the proposed action, but these would not generally be considered 'intense'.

2. The degree to which the proposed action affects public health and safety.

No aspects of the project have been identified as having the potential to significantly and adversely impact public health or safety. The potential indirect effects to air quality from the proposed action, may affect public health or safety, but would be below de minimus levels.

3. Unique characteristics of the geographic area such as proximity of historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.

No parklands, prime farmlands, wetlands, wild and scenic rivers would be adversely affected by the proposed action. No known cultural properties have been recorded within any of the parcel areas. Any future project development within the leases will require additional cultural resource compliance.

4. The degree to which the effects on the quality of the human environment are likely to be highly controversial.

No anticipated effects have been identified that are scientifically controversial. As a factor for determining within the meaning of 40 C.F.R. § 1508.27(b)(4) whether or not to prepare a detailed environmental impact statement, "controversy" is not equated with "the existence of opposition to a use." *Northwest Environmental Defense Center v. Bonneville Power Administration*, 117 F.3d 1520, 1536 (9th Cir. 1997). "The term 'highly controversial' refers to instances in which 'a substantial dispute exists as to the size, nature, or effect of the major federal action rather than the mere existence of opposition to a use.'" *Hells Canyon Preservation Council v. Jacoby*, 9 F.Supp.2d 1216, 1242 (D. Or. 1998).

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.

The conditions present within the parcels and the proposal for leasing are similar to oil and gas lease sales that have been conducted in the Bakersfield Field Office in the past. The lease stipulations have been shown to be effective in minimizing impacts to protected and sensitive wildlife and plant species when properly implemented.

6. The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration.

The decision to hold this Competitive Oil and Gas Lease Auction is not precedent setting. There are at least two competitive oil and gas lease auctions held per year. Lease auctions have been conducted in this general area for many years and these are expected to continue. Auctions are an integral part of the nation's energy policy. Future auctions will be analyzed on their own merits in compliance with NEPA.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts.

No significant site specific or cumulative impacts have been identified. The project is consistent with the actions and impacts anticipated in the Caliente RMP, as amended.

8. The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historic resources.

The lease action will have no adverse effect upon cultural resources through the Supplemental Procedures for Fluid Minerals Leasing, an amendment to the State Protocol Agreement among the California State Director of

the Bureau of Land Management and the California State Preservation Officer and the Nevada State Historic Preservation Officer regarding the manner in which the Bureau of Land Management will meet its responsibilities under the National Historic Preservation Act and The National Programmatic Agreement among the BLM, the Advisory Council on Historic Preservation, and National Conference of State Historic Preservation Officers. These Supplemental Procedures state that a Class I record search and tribal consultation will be considered adequate inventory and identification methodology for the purposes of fluid minerals decision at the leasing stage. This proposal and analysis deal only with the action of leasing, and does not consider ground disturbing activities. Any future project development within the leases will require additional cultural resource compliance. As a result, this assessment of historical and cultural resources for the purposes of oil and gas leasing would neither affect any heritage resource eligible for listing in the National Register of Historic Places, nor cause loss or destruction of any significant scientific, cultural or historical resources.

9. The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973.

Although the parcels proposed for leasing included habitat for the San Joaquin Valley Federally listed species, these parcels are with 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.

10. Whether the action threatens a violation of Federal, State, or local law or requirements imposed for the protection of the environment.

The action alternatives would not violate federal, state, or local laws or requirements. They are fully consistent with the 1997 Caliente Resource Management Plan. This EA is in full compliance with the National Environmental Policy Act of 1969 and is consistent with the Federal Land Policy and Management Act of 1976, 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.

/s/ John Skibinski
for Timothy Z. Smith
Bakersfield Field Office Manager

10/22/10
Date