



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

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IN REPLY REFER TO
2800(P)
CACA#46414
CACA#47464
(CA650.55)

M. Hoyle 6-30-06
J. [unclear] 6-30-06
[Signature] 6/30/06

DECISION RECORD

FINDING OF NO SIGNIFICANT IMPACT-FONSI (40 CFR 1508.13)
DEEP ROSE GEOTHERMAL PROSPECTING PROJECT
NEPA COMPLIANCE DOCUMENT NUMBER: CA-650-2005-086

INTRODUCTION:

The Bureau of Land Management (BLM) is required under the National Environmental Policy Act of 1969, 42 U.S.C., 4321-4347 (NEPA) to analyze the environmental impacts of a proposed action through the preparation of an Environmental Assessment (EA). The purpose of the proposed action for the Deep Rose project, and the alternatives to it, is to develop a road across public lands for access to geothermal exploration activities occurring on adjacent State owned lands. The proposed action and alternatives geographically occur within the California Desert Conservation Area (CDCA). The CDCA Plan of 1980, as amended, is the land use plan that governs public land management in the California Desert.

This EA (CA-650-2005-086) determines if significant impacts to resources located on the public lands would result from the implementation of the proposed action and/or the alternatives that would subsequently require the preparation of an Environmental Impact Statement (EIS). This analysis will assist the BLM's resource specialists in developing a mitigation plan to reduce and/or eliminate the impacts of the proposed action, and to monitor these activities after project implementation through termination and final reclamation.

BACKGROUND:

The development of geothermal energy has been identified within the President's Energy Plan and by the California Public Utilities Commission as an immediate and necessary resource for development to meet both America's and California's growing electrical energy needs.

A Plan of Development (POD) was filed with BLM on May 10, 2005. Deep Rose LLC (Deep Rose) has proposed the construction of a well pad, access road, water line, support facilities and the drilling of up to 4 geothermal exploratory wells in Inyo County, California.

After placement of the initial well, depending on the result, up to 3 additional confirmation wells may be drilled. This will be completed to confirm the subsurface geological reservoir conditions. The area to be explored is located in the southern McCloud Flat region within Section 16, Township 21 South, Range 38 East, Mount Diablo Meridian, Inyo County, California.

The proposed well pad is located on land owned by the State of California and managed by the State Lands Commission. The access road traverses public lands administered by the BLM. Due to this project including

both federal and state lands, this document has been prepared as a joint Environmental Assessment/Environmental Impact Review (EA/EIR) and is subject to review under both NEPA and the California Environmental Quality Act Public Resources Code (PRC) 21000-21178.1 (CEQA).

Deep Rose submitted to the California Department of Conservation, Division of Oil, Gas and Geothermal Resources (DOGGR) a Notice of Intent to drill and an application for a Geothermal Prospecting Permit. After completion of its EIR, DOGGR issued a Negative Declaration pursuant to CEQA, and in April 2006, the California State Lands Commission issued the Geothermal Prospecting Permit.

The BLM is proposing to issue Deep Rose two right-of-way (ROW) grants. One grant CACA#46414 will be for the access road and the second grant, CACA#47464, will be for a temporary water line and its ancillary support facilities. The ROW routes and facilities are necessary to provide ingress and egress to the drill sites as well as water support for the Deep Rose prospecting permit operations. Both of these activities traverse through and within the lands described as: Section 32 of T. 20S., R. 38 E., Sections 2, 3, 9, 10, 11, 22, 23, 28, 31, 32 and 33 T. 21S., R. 38E., and Sections 1, 2, 23, 24, 25, and 36 of T. 22S., R. 37E., Mount Diablo Meridian, Inyo County, California.

Pursuant to NEPA, BLM reviewed the applications and the supporting POD. Accordingly the EA was prepared to address the environmental effects of the proposed action, evaluate alternatives, and propose mitigation measures to offset impacts associated with construction and upgrade of the roads, pipelines and other facilities located on public lands that are associated with the exploratory geothermal activities on the State lands.

PROPOSED ACTION:

The project is specific to the proposed action for the development and upgrading of roads, pipelines and ancillary facilities on BLM managed federal lands.

The proposed infrastructure is based on two factors: 1) the action only pertains to exploration of geothermal resources and not its development; and 2) this activity is temporary in nature. Full development of any geothermal resources will require a new environmental analysis; therefore, the actions subject to this analysis are limited to exploration and do not contemplate future development scenarios.

The POD identifies the proposed action (Alternative A) and several alternatives to be analyzed. The proposed action describes the need for a 50-foot wide ROW for road and pipeline purposes. This width was based on the size of equipment requiring access and allowing for adequate and safe curves and pullouts for the road. The overall 11.8 mile length of the access route includes a combination of existing roads, which require no upgrades, to two-tracked trails which require complete new construction. Of this distance, only 4.6 miles would require either new construction or upgrading of existing roads.

The segments of road include:

- 1) Coso Gill Station Road - paved road maintained by Inyo County (approx. 3.9 miles);
- 2) Pumice Mine Road - dirt road maintained by other operators (approx. 3.2 miles); and
- 3) Deep Rose Road – dirt two track trail (approx. 4.7 miles).

The road system will be used as a haul road for large drilling rigs and equipment required for support of the exploratory drilling. The Deep Rose Road is currently eight feet in width and will be developed to 16 feet wide. The road will be built to BLM and Inyo county standards.

The temporary water pipeline has been described and analyzed as a temporary, surface laid water line that has a working area requirement of 10 feet wide. Its total length is 13.3 miles. The pipeline will follow along roads and be laid on the surface within the berm of the road for the majority of the 13.3 mile distance. Along with the pipeline will be an in-line pump system. This will require up to 10 booster pump sites and up to three sites for water storage tanks. This pipeline will only be used if more water is needed than can be safe and timely delivered to the site by truck. This water would be used by Deep Rose for drilling operations and dust abatement during operations leading to the drill site.

The effects of the proposed action and the alternatives were evaluated in the Final EA/EIR with respect to their impacts in the following areas: geology and soils, geothermal, hydrology, biological resources, cultural resources, air quality, visual resources, noise, recreation, hazardous materials and health and safety, transportation, land use and socioeconomics and environmental justice.

Impacts and mitigation measures have been clarified based upon public review and comment and are summarized below. Based on the project's temporary use of federal lands to ingress and egress the exploratory well field on state land and the known impacts to resources, BLM concludes that the proposed action would result in no significant impacts to the quality of the human environment. Mitigation measures are proposed for various issues and are detailed in the Final EA/IS.

ALTERNATIVES DEVELOPMENT

The range of alternatives considered to accomplish the purpose of the proposed action for this project were identified within the POD and considered within the EA (CA-650-2005-086). In accordance with Title 40 CFR 1502.14 (a), reasonable alternative methods are limited by physical and land use/environmental factors. Physical factors include the exploratory geothermal well sites, the water pipe line and tanks, and access roads to the well field. Land use/environmental factors are those that limit such activities in undisturbed areas because of either specific land-use designations and restrictions (e.g. multiple-use class designation, critical habitat/wilderness) , or additional new negative significant environmental impacts that will occur when compared to using existing disturbed corridors/routes. Also considered was whether the alternative met the purpose, need and objectives of the proposed action; whether the alternative conflicts with a specific provision of the land use plan (CDCA Plan); whether the alternative directly conflicts with federal, state and local laws and regulations; and whether the alternatives are technically and economically feasible.

ALTERNATIVES TO THE PROPOSED ACTION

The Ridgecrest Field Office interdisciplinary team (Team) identified and considered a range of alternatives to the proposed action. Within this range of alternatives, the Team determined a "reasonable" range to be:

using existing access roads through the upper narrows into McCloud flats via the lake bed;

using existing access roads the through the upper narrows into McCloud flats bypassing the lake bed;

and the No Action alternative.

ALTERNATIVES REJECTED FROM FURTHER ANALYSIS

After review and analysis, the Team rejected using the upper narrows access due to the inaccessibility of the McCloud flats lakebed during wet weather, and the overall steepness of the access road grade. The Team rejected constructing a bypass of the McCloud lakebed due to the increased amount of surface disturbance that would result in the development of a road of lesser grade, and the amount of visual damage that would be done

to the mountainside leading up to the narrows. No other alternatives that met the purpose and need of the proposed action. Therefore, the EA only analyzed the impacts of "reasonable" alternatives; i.e. the impacts of the proposed action and the no action alternative.

AFFECTED RESOURCES

The following issues were identified:

Cultural Resources

The cultural resources inventory and records search conducted for the project area resulted in the identification of 52 archaeological resources including 18 sites and 34 isolates. None of the isolates found meets the criteria for significance under either CEQA or NEPA. Of the sites and isolates discovered, eight were located on BLM administered lands along, near or within the existing roads. Based on the required project upgrades, these sites would be directly impacted. To mitigate these impacts the road has been re-routed in several areas, where topography allows, avoiding six of the eight sites. The road alterations provide for an adequate buffer space between the site boundary and the new road segments.

Due to the limitations of the surrounding topography or extent of the site, realignment of the road in the vicinity of the remaining two sites was not feasible. Therefore, a Phase 2 evaluation program was undertaken to determine their significance. Under an existing agreement with the BLM, this Phase 2 program was limited to only those areas of the site(s) that are within the Area of Potential Effect of the Project and consequently would be directly affected. A Research Design was prepared by Ancient Enterprises and was approved by the BLM resulting in a permit to undertake excavations at these sites in accordance with the Archaeological Resources Protection Act of 1979 and applicable BLM regulations.

Resulting test excavations under this research design determined that both sites did contain isolated components of significant data. During the testing program, surface collection units (SCUs) and excavation units (EUs) sampled areas throughout the two sites, but surface collection transects (SCTs) were concentrated within the areas subject to direct impact from road construction and use. 100 % of the direct impact areas of both CA-INY-6564 and CA-INY-6588 were surface collected.

Within Section 4.4.1.1, paragraph 4 of the EA, Prehistoric Resources, the is reported:

...It was further determined that the actual locations of these components were all located outside the areas of direct impacts and would not be disturbed during construction activities. For this reason, no data recovery program was recommended for these two sites....

Upon further review, and in preparation of the Section 106 of the National Historic Preservation Act of 1966 (NHPA), as amended, Title 16 USC 470, consultation it was determined that the construction activities did have potential to adversely affect the two sites at the subsurface level. Therefore, on June 6, 2006, California State Office of Historic Preservation (SHPO) concurred with the BLM's finding of no adverse affect because of BLM's implementation of the provisions of the Treatment Plan. This Treatment Plan outlines the following mitigated requirements:

I. TREATMENT PLAN.

The Treatment Plan, contained as Appendix D, Archaeological Investigations of Proposed Deep Rose Geothermal Exploration Project, Inyo County, California: Survey and Evaluation, Volume One, by Helen F. Wells, A. Natasha Tabares, and C. William Clewlow Jr., 2006, provides for the temporary capping of

prehistoric sites CA-INY-6564 and CA-INY-6588 in order to prevent any adverse effects being caused to them by the undertaking, and will be used to provide guidance for the mitigation efforts.

II. CAPPING TREATMENT.

The placement of a non-woven engineering fabric directly upon the surface of the affected sites within those areas considered to be at risk. This includes the existing roadbeds proposed for reconstruction and the placement of a layer of fill materials upon this fabric. This mineral material would be gathered from within the local area and will function as a cushion for all vehicle and machinery traffic accessing the area. The established boundaries for these two sites and the installation of the fabric, gravel and fill material will be completed prior to the initiation of the exploratory activities.

III. CAPPING METHOD.

The placement of the engineering fabric, Stipulation II above, will be monitored by professional archeologists familiar with the type of archeological evidences being protected. The fabric strips will overlap each other by at least 18 inches, and be spiked into the ground at a sufficient interval to prevent the fabric from moving laterally. The fill materials will be laid upon the fabric by pneumatic tire heavy equipment, such as the type known as a "front-end loader", with the fill material being deposited and spread in front of the equipment being used. This equipment will not drive off of the fabric upon the un-protected portions of the two sites. Upon completion of the undertaking, the fill material and engineering fabric will be removed by the same type of equipment and methods that originally placed it. During the removal, care will also be taken to avoid any equipment traffic upon the re-exposed surfaces of the two sites.

Native American Consultation

In compliance with Section 106 of NHPA, on May 1, 2006, the BLM initiated formal Tribal consultation with the Bishop Paiute Tribe, Big Pine Paiute Tribe, Fort Independence Paiute Tribe, Lone Pine Paiute Shoshone Tribe, and Timbisha Shoshone Tribe. Responses were received back from the Big Pine and Timbisha Shoshone Tribes on May 18, 2006.

On June 6, 2006, the BLM formally responded to the concerns and issues raised by the responding Tribes. The specific questions and responses are detailed by affected resources in Appendix A of this FONSI. Therefore, Native American consultation was formally completed and acknowledged by SHPO.

Recreation

The proposed project would likely impact dispersed recreational opportunities in the immediate vicinity of the project site. The primary effect of the project would be the change of the recreational experience on larger scale activities such as off-highway vehicle use of existing roads in the area. Short-term impacts to recreation within the project area would primarily result from all phases of the construction process. Activities associated with the upgrade of existing roads, construction of new roads and well pad site, and setup of the well rig would temporarily alter use of roads in the area for the duration of construction activities. However, due to the temporary nature of construction activities, the relatively small number of people who use the area, and availability of adjacent alternative areas, the effects of the proposed project on the recreational resource would not be considered significant. Further, there are no parks or other federal, state, or county facilities in the project area. The proposed project would not affect the recreational experience and use of the 50,520 acre Coso Range Wilderness Area north of the project site.

Transportation

Access to the geothermal field requires use of the ROW related to this action. This will result in a temporary increase in traffic volume during construction and well drilling activities. The areas of greatest concern are at the intersection of Coso Gill Station and Pumice Mine road; and at the junction of the Pumice Mine road and the Deep Rose access road. Heavy truck traffic will increase the opportunity for an accident to occur at these identified points. The heaviest truck traffic periods would be during the approximate three-week period during the construction of the access roads, the construction of the well pad and mobilization and delivery of the drill rig and its associated equipment.

The activity will continue to have periods of heavy truck traffic during the drilling period of approximately 200 days per well. Equipment and materials would be delivered to and removed from the well site. These deliveries include but are not limited to, water, drilling supplies, and other project related materials and services.

The maximum number of workers on the project site at any given time is expected to be less than 20. Including service trucks, crews and other personnel, increases in individual vehicle traffic to and from the site would be less than 30 trips per day as a maximum, and would be substantially less during well drilling and testing when fewer workers are needed. These increases could easily be accommodated by the local traffic infrastructure.

Slow-moving haul vehicles used for the transportation of construction and drilling equipment could cause a slight increase in localized traffic slow-downs or congestion, but this effect would be of very short duration (restricted to periods of no more than a few days at a time) and is not expected to substantially degrade area traffic service. The transportation related components of the project would comply with all applicable Inyo County and California State traffic regulations. Overall, impacts related to congestion and increased vehicle trips during construction are considered less than significant, and no mitigation is required.

Any "over-legal" loads related to width, height, or length per the California Vehicle Code will require a Transportation Permit from the Inyo County Public Works Department and/or California State Transportation Department (CALTRANS). Proper road signs would be also be prominently placed near the intersection of Coso/Gil Station and Pumice Mine roads to encourage motorists to exercise caution when approaching this area. The project will not substantially increase existing hazards due to road design or result in incompatible uses of the public roadways.

Public Involvement

The Council on Environmental Quality regulations (40 CFR 1501.7) and BLM planning require an early and open process (scoping) for determining the planning issues. The regulations also require that agencies provide opportunities for public involvement in the planning process, including review of the planning criteria and the Draft Plan/EA, as appropriate. Efforts have been made to make the public aware of the planning process and of opportunities for involvement.

The proposed action was posted on the BLM's NEPA Tracking Page on December 20, 2005. Public Open House discussions of the proposed action were held at the Friends of Jawbone meeting on January 18, 2006; at the BLM's Ridgecrest Steering Committee Meeting on January 26, 2006; and at the Boulder Creek Campground on February 21, 2006.

Finding of No Significant Impact

The BLM's interdisciplinary review and analysis determined that the proposed action would not trigger significant impacts on the environment based on criteria established by regulations, policy and analysis.

I have reviewed the NEPA compliance document (EA). I have determined that the proposed action and the alternatives are in conformance with the CDCA Plan of 1980, as amended.

I have determined, based on the analysis in CA-650-2005-086 that this is not an action that would significantly affect the quality of the human environment; therefore, an Environmental Impact Statement is not required. This determination is based on the rationale that significance criteria, as defined by the Council on Environmental Quality, Title 40 CFR 1508.27, are not being met, or if met will be mitigated to a level that will not be significant, Title 40 CFR 1500.5(1). Using a finding of no significant impact when an action not otherwise excluded will not have a significant effect on the human environment, Title 40 CFR 1508.13; is therefore, exempt from requirements to prepare an environmental impact statement.

The following rationale was used to determine that significant impacts were not present for each criteria mentioned in Title 40 CFR 1508.27.

Rationale for Less than Significant Impact Determination

1. Beneficial and adverse impacts.

Beneficial and adverse impacts associated with all of the alternatives, including the proposed action are clearly disclosed in the EA.

2. The degree to which the proposed action and alternatives affect public health or safety.

Significant effects to public health and safety will not occur as a result of implementation of proposed action.

3. Unique characteristics of the geographic area.

The proposed action and the alternatives are not in close proximity to resources considered to be unique. Therefore, the preparation of an EIS is not required. The critical factor here is whether proposed action has a significant impact of these unique characteristics. Based on the analysis presented in the EA, I do not believe that the proposed action significantly affects these characteristics. In addition, the impacts from implementation of the proposed action are local; they are not national or regional in nature.

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

The nature of potential effects on the human environment from proposed action is well established and not likely to be highly controversial. While the public may perceive the issue to be controversial, there is no known scientific controversy concerning the impacts of the decision.

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

The effects on the human environment from the proposed action do not involve unique or unknown risks. All proposed actions are standard practices that have been previously implemented with known cause and effect relationships.

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

The proposed action is consistent with adjacent uses for the project area and will not establish a precedent for the future, nor does it represent a decision in principle about a future consideration. There are no connected or similar actions proposed or under consideration for this area which are likely to have significant effects either individually or in combination for implementation of the proposed action.

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

The proposed action was evaluated in the context of past, present, and reasonably foreseeable future activities likely to occur in the same general area, and is not related to other past, present or reasonably foreseeable actions likely to result in any significant impacts. Cumulative impacts relative to the issues are discussed in Section 4 of the EA.

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 historical resources.

The proposed action will not adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the neither National Register of Historic Places, nor will the proposed action cause loss or destruction of significant scientific, cultural, or historic 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.

The biological evaluation prepared for this EA determined that project will not adversely affect any sensitive, threatened, endangered or proposed for listing species. A biological evaluation of this project is available for review in the Deep Rose project file and has been incorporated by reference.

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

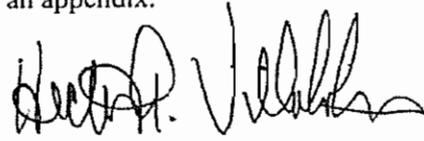
The action will not violate Federal, State, and/or local laws or requirements for the protection of the environment. Applicable laws, regulations and policies were considered in the EA. The proposed action does not set a precedent for other projects that may be implemented to meet the goals and objectives of the CDCA Plan.

Based on these factors, the BLM does not believe significant impacts would occur and therefore, an EIS is not required.

The proposed action, if implemented with the environmental protection measures outlined in CA-650-2005-086, would not result in a significant impact to the environment.

MITIGATION MEASURES

Mitigation measures have been outlined in the EA (CA-650-2005-086) and are attached to the ROW grants as an appendix.

 06/30/06

Hector A. Villalobos
Field Manager

Date

APPEALS

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1.

If an appeal is taken, your Notice of Appeal must be filed in this office (at the above address) within 30 days from the receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulation 43 CFR 4.21 (58 FR 4939, January 19, 1993 or 43 CFR 2804.1) for a Stay of this decision during the time that your appeal is being reviewed by the Board, the Petition for Stay must accompany your Notice of Appeal. A Petition for Stay is required to show sufficient justification based on the standards listed below. Copies of the Notice of Appeal and Petition for Stay must also be submitted to each party named in this decision, to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a Stay, you have the burden of proof to demonstrate that a Stay would be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law and other pertinent regulations, a Petition for a Stay of decision pending appeal shall show sufficient justification based on the following standards:

1. The relative harm to the parties if the Stay is granted or denied;
2. The likelihood of the appellant's success on the merits;
3. The likelihood of the immediate and irreparable harm if the Stay is not granted; and
4. Whether the public interest favors granting a Stay.

Comments, including names and street addresses of respondents, will be available for public review at the above address during regular business hours (7:30 am – 4:00 pm), Monday-Friday, except holidays, and may be published as part of this environmental assessment. Individual respondents may request confidentiality. If you wish to withhold your name or street address from public review or from disclosure under the Freedom of Information Act, you must state this prominently at the beginning of your written comment. Such requests will be honored to the extent allowed by law. All submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, will be made available for public review.