

**United States Department of the Interior
Bureau of Land Management
Bakersfield Field Office**

Finding of No Significant Impact (FONSI)

**California Resources Corporation (CRC)
Buena Vista Hills; Two APD's for 624H-6D & 658H-36-6D
DOI-BLM-CA-C060-2020-0007-EA
Programmatic Project #94**

Background

California Resources Elk Hills, LLC (CREH) has submitted two Applications for Permit to Drill (APD's) to drill two new oil production wells 624H-6D & 658H-36-6D on federal mineral lease CAS019343 located in Section 6, T32S, R24E, MDBM, Kern County, CA. The proposed project would occur on public lands containing BLM administered mineral estate within the Buena Vista Oilfield. The project includes the expansion of an existing well pad on an existing developed area, the drilling of two new wells, and installation of an associated new 3-inch and 4-inch steel pipelines, and two power poles resulting in approximately 0.737 acres of new habitat disturbance, **requiring a total of 1.115 acres of compensation and 0.737 acres of replacement**, to meet conditions of the 2017 Programmatic Biological Opinion on Oil and Gas (08ESMF00-2016-F-0683) #94.

The purpose of the proposed action is to respond to the APDs submitted by California Resources Elk Hills, LLC to drill two new oil wells and stage associated facilities required to increase production on federal mineral lease CAS019343 and to supply energy resources to the American public.

The need for the action is established by BLM's responsibility under the Mineral Leasing Act of 1920 as amended, the Mining and Minerals Policy Act of 1970, the Federal Land Policy and Management Act of 1976, the National Materials and Minerals Policy, Research and Development Act of 1980 and the Federal Onshore Oil and Gas Leasing Reform Act of 1987 to allow reasonable access to develop a federal oil and gas lease.

This Environmental Assessment (EA) has been prepared in compliance with the National Environmental Policy Act (NEPA) and other relevant federal and state laws and regulations. The purpose of this document is to disclose and analyze the environmental consequences that are anticipated from the drilling of two new oil wells on existing federal mineral lease (CAS019343) and the expansion of one existing well pad, the construction of a temporary sump, and installation of associated power lines and pipelines in the Buena Vista Oilfield. BLM will decide whether or not to approve the APD's submitted by CREH and under what conditions.

Finding of No Significant Impact

On the basis of the information and analysis contained in the EA, and all information found in the record of this action, it is my determination that: (1) approval of the Proposed Action will not have significant environmental impacts beyond those already addressed in the Bakersfield Resource Management Plan, approved in December 2014; (2) the Proposed Action is in conformance with the Resource Management Plan; and (3) the Proposed Action does not have a significant effect on the human environment. Therefore, an environmental impact statement for the proposed action is not necessary and will not be prepared. This finding is based on the following discussion:

Context:

The proposed project is located on public land containing BLM administered mineral estate in Section 6, T32S, R24E, MDBM on CREH's federal mineral lease CAS019343. The discretionary action is to approve the APD's submitted by CREH for the drilling of two new oil production wells. The proposed activity is a site-specific action with minor localized effects on air quality, cultural resources, paleontological resources, soils, and special status plant and animal species in the immediate area. The EA details the effects of the action alternatives. None of the effects identified, including cumulative effects, are considered to be significant and do not exceed those effects described in the Resource Management Plan.

Intensity:

I have considered the potential intensity/severity of the impacts anticipated from the proposed action. The project would include the expansion of an existing well pad on an existing developed area, the drilling of two new wells, and installation of associated facilities within the Buena Vista Oil Field. The following discussion is organized around the Ten Significance Criteria described in 40 CFR 1508.27. The discussions below apply to all project elements contained within the EA:

1. Impacts may be both beneficial and adverse and a significant effect may exist regardless of the perceived balance of effects. Potential impacts include the emission of air pollutants, soil disturbance, the destruction of habitat for federally listed species, and direct impacts to paleontological resources. However, none of these impacts would be significant at the local scale or cumulatively because of the small scale of the project and design features that would reduce impacts to immeasurable levels. Air emissions would be below *de minimis*, soils would be preserved and restored to the extent possible following project implementation, and listed species habitat destruction would be minimized and compensated for in-kind. A paleontological resource assessment was conducted which outlines a mitigation plan to account for any adverse effects to paleontological resources. Leaving fossils buried does not allow an opportunity for scientific investigation. Mitigating for adverse effects to paleontological resources is a management practice that preserves resources and accommodates development.

2. The degree to which the selected alternative would affect public health or safety. The proposed project is comparable to other similar activities and projects already undertaken on BLM-administered lands within the Bakersfield Field Office and nationwide with no unusual health or safety concerns. All operators are subject to the standards outlined in the California Occupation Safety and Health Plan, and the State must conduct inspections to enforce its standards and must operate occupational safety and health training and education programs. Also, operators must

comply with federal safety regulations outlined in 43 CFR 3160 and the Onshore Oil and Gas Orders. Implementation of measures to meet these standards and regulations would minimize risks to public health and safety; therefore, any impacts to public health and safety are not considered significant.

3. Unique characteristics of the geographic area such as proximity to historic or cultural resources, parklands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas. No parklands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas would be adversely affected by the proposed development. The project area has been surveyed and analyzed for biological, historical and cultural resources. The project will not significantly affect biological, historical, or cultural resources. Biological resources would not be significantly affected because CREH would implement the USFWS-approved Project Specific Provisions to mitigate for impacts to threatened and endangered species. CREH would compensate for unavoidable impacts to listed species habitat by dedicating lands for the permanent conservation of in-kind habitat. No significant cultural resources were identified within the area of potential effect.

4. The degree to which the effects on the quality of the human environment are likely to be highly controversial. It is highly unlikely that any portion of the analyzed action would be controversial. Similar actions are commonplace in the area and draw little controversy. Oil development has occurred within the San Joaquin Valley region for over 100 years.

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks. The proposed project is not unique or unusual. The BLM has experience implementing similar projects in similar areas and have found effects to be reasonably predictable. The effects to the human environment are fully analyzed in the EA. There are no predicted effects on the human environment that are considered to be highly uncertain or involve unique or unknown risks.

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 proposed project does not set a precedent for future actions that may have significant effects. The proposed project is limited to the the expansion of an existing well pad on an existing developed area, the drilling of two new wells, and installation of associated facilities. Any future proposals submitted within the project area would be considered independently and be subject to site specific NEPA analysis and documentation.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts. The project is consistent with the actions and impacts anticipated in the Bakersfield RMP. No significant cumulative effects have been identified. A complete disclosure of the effects of the proposed action and no action alternative is contained in the EA.

8. The degree to which the action may adversely affect districts, sites, highways, structures, or other 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.

