CALIFORNIA COASTAL COMMISSION

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Apri121, 2005

Gloria Brown, Forest Supervisor U.S. Forest Service 6755 Hollister Ave., Suite 150 Goleta, CA 93117

Attn: Al Hess

RE: **ND-O58-05.** Negative Determination, U.S. Forest Service, Oil and Gas Leasing, Los Padres National Forest, Santa Barbara, Ventura, and Los Angeles Counties

Dear Ms. Brown:

The Coastal Commission staff has received the above-referenced negative determination for the continuation of certain oil and gas leases in Los Padres National Forest, located in inland areas ranging from 25 to 40 miles inland of the coastal zone, in Santa Barbara, Ventura, and Los Angeles Counties. On June 7, 1988, the Commission concurred with the U.S. Forest Service's consistency determination (CD-18-88) for its Management Plan for the Los Padres National Forest. In that decision, following typical Commission review of federal agency management plans, which are to some degree a conceptual (i.e., "phased") review, the Commission identified future projects that might arise from the plan that would trigger further Commission federal consistency review, as summarized below:

The management plan covered a five to ten year period, identifying long-range goals and objectives for the Los Padres National Forest. The plan also evaluated federal and private activities within the Forest for consistency with the plan's goals and objectives. The management plan included provisions for monitoring its effectiveness. Although the Commission found that the overall management plan was consistent to the maximum extent practicable with the CCMP, it found that specific projects not clearly spelled out in the general plan that might directly affect the coastal zone would need to be submitted to the Commission for further consistency review.

A significant issue raised by the plan was its provision for limestone mining within Big Sur, Monterey County. Specifically, the plan considered and allowed Granite Rock Company to mine its claims on Fico Blanco. Since the plan did not include details of the proposed mining operation, the Commission reviewed this activity in terms of its land-use implications. The Commission found that that activity has the potential to adversely affect

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access, recreation, visual, and habitat resources of the coastal zone and these effects had the potential to be inconsistent with the CCMP. Despite the potential inconsistencies, the Commission found in part, that the plan was consistent to the maximum extent practicable with the CCMP, because existing federal law prevented the plan's provisions for limestone mining from being fully consistent with the CCMP.

In addition, the Commission found that the proposed mining would require Forest Service approval of a Plan of Operation and that that approval would trigger a consistency certification. Finally, the Commission found that the proposed mining would also require a coastal development permit. The Commission also evaluated the Forest Management Plan's effect on scenic and visual resources, recreation and access, environmentally significant habitat areas, and agriculture. Although the plan provided for the protection and enhancement of these resources, the Commission identified several projects that could adversely affect the coastal zone. Since those projects would require additional consistency review, the Commission found that the plan was consistent to the maximum extent practicable with the CCMP.

The Forest Service is currently updating its Management Plan for the National Forest, which it will submit for further federal consistency review. In the meantime, while that plan is in preparation the Forest Service proposes to amend the existing Management Plan to addresses its federally mandated role in reviewing oil and gas leasing. For the leases at issue in the currently-submitted negative determination, the Forest Service projects the potential for a possible 25 additional wells, which would be in inland (Sespe, South Cuyama and San Cayetano) oil fields already containing several hundred existing wells on Forest Service, as well as private, lands in these oil fields. These leases are located: (1) outside Big Sur where the Commission previously raised concerns (and in fact would not be in Monterey County at all); (2) far inland; (3) in areas of existing oil and gas development; and (4) where downstream drainage would stop at inland dams and therefore do not have the potential to affect the coastal zone.

Furthermore, the vast majority (92%) of the leased areas (52,000 acres) would contain "No Surface Occupancy" restrictions, and for the remaining 8%, any subsequent development ultimately proposed would trigger: (1) environmental restrictions and procedures to assure that any wetlands, riparian or environmentally sensitive habitat resources in the affected areas would be protected (including the application of Best Management Practices); and (2) further Forest Service review and NEPA analysis. In the unlikely event that such development raised any coastal zone resource concerns, the activities would be subject to Commission federal consistency review. Finally, we note (and appreciate) that at the request of the Commission staff, the Forest Service has removed from the areas originally being considered for leasing those portions of the National Forest that were near (and therefore where drilling could have had the potential to affect) the coastal zone.

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Under the federal consistency regulations (Section 930.35), a negative determination can be submitted for an activity "which is the same as or similar to activities for which consistency determinations have been prepared in the past." With the near-coastal zone portions removed from the lease areas, and for the reasons discussed above, the Commission staff agrees with the Forest Service that the proposed project qualifies for a negative determination both because development on these leases does not have the potential to affect the coastal zone, and because the lease continuations can be considered the same as or similar to a consistency determination with which the Commission has previously concurred (CD-18-88). We therefore **concur** with your negative determination made pursuant to 15 CFR Section 930.35 of the NOAA implementing regulations. Please contact Mark Delaplaine of the Commission staff at (415) 904-5289 if you have any questions regarding this matter.

Executive Director

cc: CCC Ventura and Long Beach District Offices (Gary Timm, John Ainsworth)
CCC Energy Division (Alison Dettmer, Tom Luster)