

U.S.D.I. BUREAU OF LAND MANAGEMENT
Redding Field Office
FINDING OF NO SIGNIFICANT IMPACT/DECISION RECORD

NAME of PROJECT: Jaxon Land Exchange CA 44477
(EA Number CA-360-RE-2007-99)

A. FINDING OF NO SIGNIFICANT IMPACT

Environmental impacts associated with the proposed action and alternatives have been assessed by an interdisciplinary team and described in Environmental Assessment (EA) CA-360-RE-2007-99. The context of the EA analysis was determined to be at a local scale in the area of Shasta County. BLM determined that the effects of the action are not applicable on a national scale since no nationally significant values were involved.

In making this Finding of No Significant Impact (FONSI), the following criteria have been considered, in accordance with the Council on Environmental Quality (CEQ), 40 C.F.R. 1508.27:

1. Impacts that may be both beneficial and adverse. A significant effect may exist even if the Federal agency believes that on balance the effect will be beneficial.

Beneficial Effects: BLM would acquire approximately 174 more acres than it would dispose of for public open space and recreational use. The acquired lands are specifically intended for the purpose of enhancing existing natural resource values within the Interlakes Special Recreation Management Area (ISRMA), a key area of public lands available to the Shasta County community. The proposed exchange would contribute to a cumulative increase in public open space lands and would have a beneficial impact on public recreation as well as cultural, wildlife, scenic quality, and related natural resources in these areas. Although impacts of the exchange are beneficial and important to public recreational use, the amount of acreage involved is relatively small.

Adverse Effects: Opponents to the exchange consist mostly of adjacent land owners and have raised issues of loss of public open space and recreational use near their private land, and effects of potential future development of the Federal parcels in connection with this exchange. The adverse impacts of the proposed exchange identified in the EA are primarily the result of the indirect impacts of privatization of Federal lands and possible residential development: air quality, water, open space, trails, scenic quality, wildlife habitat, and 11 historic mining-related sites. The beneficial and adverse effects are short term (construction related) and long term (present after development is complete). Beneficial effects are primarily long-term resulting from the improved management of the ISRMA. Both the short term and long term adverse effects would be a normal result of converting undeveloped lands to more intensive uses i.e.; residential development which is driven by community needs and market forces. Indirect effects of development are speculative since no development plans have been approved.

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

If the Federal lands are developed, actions to reduce biomass would reduce fire risk to adjoining residents. However, the reduction of fire risk is limited only to the immediate area and the degree that the proposed action would affect public health and safety is minimal.

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

The characteristics of all parcels involved in the exchange are a primarily result of historic mining activities and urbanization in the area and are not unique, but rather wide spread in the geographic area.

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

Changes to the human environment as a result of the exchange would be limited primarily to changes resulting from privatization and possible development of public lands. Future development of the parcels would be a normal result of community growth similar to the surrounding private lands. The public would lose use of recreational opportunities on the Federal parcels containing 101.55 acres of existing public land. The largest impact would be to the adjoining land owners that have become accustomed to using the public parcel as an extension to their own backyards. However, these local uses would shift to other nearby public trails and open spaces, including the ISRMA which would gain 275.74 acres of public lands available for recreational use.

While some of the local land owners may disagree with the need to dispose of the subject public lands, there has been no indication of controversy regarding the 1993 Redding Resource Management Plan's (RMP) objectives of consolidating lands and resources, or concern over how implementation of the RMP would affect the quality of the human environment.

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

The effects of the exchange are common in an urban area and do not involve any 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 action implements decisions made in the 1993 RMP and is not precedent setting.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts. Significance exists if it is reasonable to anticipate a cumulatively significant impact on the environment. Significance cannot be avoided by terming an action temporary or by breaking it down into small component parts.

Expected future use of the subject Federal parcels will only slightly increase the cumulative effects of overall development of the Redding/Shasta Lake area. Local planning officials have indicated that the Redding/Shasta Lake area has been expanding at an annual rate of approximately 3% and development is expected to continue for the foreseeable future.

The Redding/Shasta Lake area consists of approximately 13,000 acres of mostly private developable land. Approximately 750 acres of developable BLM land have been patented during the past 10 years in this area. Approximately 500 acres of BLM lands (including land involved in this exchange) could be transferred to private ownership and developed within the next 10 years. It is expected that BLM lands will contribute less than 10% of the land base made available for new development purposes in Redding/Shasta Lake area.

As evidenced by this exchange, BLM both acquires and disposes of Federal lands and the actions are typically balanced overall. The land tenure transactions are executed over a number of years and are part of the gradually changing pattern of ownership. Therefore, the BLM actions are not cumulatively significant.

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.

There are no significant scientific, cultural or historical resources affected by the proposed action. BLM evaluated 11 historic sites on the Federal lands in accordance with the National Historic Preservation Act. No sites were determined to be eligible for inclusion in the National Register of Historic Places.

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 (ESA).

Based on the proximity of ESA-listed species to the area, extensive information contained within the Stillwater-Churn Creek Watershed Assessment, and the likelihood that any environmental impacts with the potential to cause effects to ESA-listed species would be insignificant or discountable, BLM has determined (through consultation with NOAA Fisheries), that the proposed exchange may affect, but is not likely to adversely affect, listed species or their habitat.

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

The proposed action does not threaten a violation of Federal, State, or local law or requirements imposed for the protection of the environment.

Based on the findings discussed above, it is concluded that the approved action is not a major Federal action and will result in no significant impacts to the environment. Preparation of an environmental impact statement to further analyze possible impacts is not required pursuant to Section 102(2)(c) of the National Environmental Policy Act of 1969.

APPROVED BY: *S. W. Anderson* *11 Aug 08*
Steven W. Anderson Date
Field Manager
USDI Bureau of Land Management
Redding Field Office
355 Hemsted Dr.
Redding, CA 96002

B. DECISION RECORD

1. DECISION

It is my decision to approve the proposed action as described in Environmental Analysis (EA) Number CA-360-RE-2007-99. This exchange will be completed under authority of Section 206 of the Federal Land Policy and Management Act of October 21, 1976, as amended, 43 U.S.C. 1716. By this decision, a simultaneous land exchange will be completed, in escrow, between the United States and W. Jaxon Baker/ Jaxon Enterprises, Inc. (proponent).

The United States will convey, by government patent, 101.55 acres of Federal surface, including the subsurface (mineral rights) estate to W. Jaxon Baker/Jaxon Enterprises, Inc., subject to prior existing rights as shown on attached Exhibit A. The Federal land is located in a rural residential area west of Shasta Lake City, Shasta County, California, and west of Interstate Highway 5.

In exchange, the proponent will convey, by grant deed, 275.74 acres of surface estate to the United States of America, and its assigns, subject to the outstanding prior existing rights shown on attached Exhibit B. The grant deed would include the subsurface (mineral rights) of Parcel P3 (18.36 acres), but would not include the subsurface of Parcels P1 (81.69 acres) and P2 (175.69 acres). The non-Federal land is located adjacent to Shasta Dam and Keswick Reservoir, west of Shasta Lake City and north of Redding, in Shasta County, California.

In the absence of any protests, in accordance with 43 CFR 2201.7-1, the decision to exchange the Federal lands for the non-Federal lands will become the final determination of the Department of the Interior.

Legal Descriptions:

Legal descriptions for the Federal and non-Federal lands are attached hereto and made a part hereof as Exhibits A and B, and are depicted on Maps attached to the environmental assessment (#CA-360-RE-2007-99) prepared for this exchange.

2. ALTERNATIVES CONSIDERED

(a) No Action

The proposed exchange would not be processed. The Federal land would remain available for disposal consistent with the RMP. No active management of resources other than for fuels management would be anticipated by BLM. The non-Federal land would not be acquired through the proposed exchange. The No Action alternative is evaluated consistent with National Environmental Policy Act (NEPA) requirements to provide a comparison with the proposal. No action would fail to achieve the purpose and need of the exchange proposal to: "transform the scattered land base of the Redding Resource Area into consolidated resource management units... to consolidate public land ownership in the Interlakes Special Recreation Management Area (ISRMA), while also disposing of public land parcels identified in the RMP as surplus." (EA page 5).

(b) Alternatives Considered But Dismissed From Detailed Analysis

BLM considered initially, but dismissed from detailed analysis, three additional alternatives:

(1) Acquisition of Non-Federal Parcels by Acquisition Method: No other funding source is presently known for acquisition of the non-Federal parcels. Availability of funds through any funding method would be unpredictable and likely face intense competition. Therefore, this alternative was dismissed because it would not achieve the proposal's purpose and need.

(2) Disposal of Federal Parcel by Sale Method: Disposal of the Federal parcels through sale would assist in reducing the scattered land base as addressed in the RMP. However, there is a risk that the non-Federal parcels may never be acquired under the Sale Alternative. This alternative does not fully meet the identified purpose and need and therefore, was dismissed from further consideration.

(3) Beltline Retention Alternative: This alternative does not meet the identified purpose and need for the following reasons: 1) creating an isolated parcel does not contribute to reducing the scattered land base of the Redding Resource Area as addressed in the RMP, and 2) a reduction in acreage could reduce the Federal land value which could result in exchange equalization requirements not being met and the non-Federal lands not being acquired. Additionally, retention of the beltline corridor in Federal ownership would be analyzed in the No Action Alternative. Therefore, this alternative has been dismissed from further consideration.

3. MANAGEMENT CONSIDERATIONS

My decision to approve the exchange is based on the following management considerations.

(a) The proposed exchange is in conformance with the 1993 Redding RMP

The exchange conforms to the RMP, approved in June 1993 and as amended, on August 4, 2005. The RMP describes the goal of the land tenure program as “*to transform the scattered land base of the Redding Resource Area [Field Office] into consolidated resource management units to meet the needs of the public land users. This goal will be pursued primarily through exchange opportunities.*” (RMP Record of Decision, page 17).

Federal Land:

The Federal parcel was analyzed as part of the Shasta Management Area in the RMP's Environmental Impact Statement. The Federal land is part of the scattered land base addressed in the RMP and has been identified as available for disposal. Based on the allocations and guidance in the RMP, the subject Federal parcel is suitable for consideration of exchange.

Land use allocations for the subject Federal lands are described in the RMP on page 45, II.F.5, "Transfer via R&PP, or exchange, to the State of California, County of Shasta, City of Redding, community service districts or any other qualified organization administrative responsibility of any portion of 6,000 acres of public land to meet local community services needs. Within two years from approval of the Final RMP, the organizations mentioned above will be given an opportunity to submit R&PP applications for specific parcels prior to the land being offered for exchange. Offer for exchange to any party after two years from approval of the final RMP."

The Federal parcels are located in areas identified as residential according to Shasta Lake City and Shasta County planning and zoning. Therefore, the parcels would most likely be developed for residential use upon transfer into private ownership.

Non-Federal Land:

The non-Federal parcels involved in this exchange was analyzed as part of the Interlakes Special Recreation Area within the Shasta Management Area of the RMP Environmental Impact Statement. The resource condition objective for the subject area is to *"Enhance non-motorized recreation opportunities within the area via a greenway connecting Redding to Shasta Dam along the Sacramento River," "Maintain special status species habitat,"* and *"Maintain the existing scenic quality of the area."* (RMP Record of Decision, page 43).

Land use allocations within the ISRMA are described in the RMP Record of Decision on page 44, *"Acquire available unimproved lands which provide legal public access to adjoining lands, complete segments of recreational trails, enhance protection of sensitive resources, provide opportunities for public interpretation, enhance reforestation efforts (including habitat improvement for sensitive species), or enhance long-term administration of the area."*

(b) The proposed exchange is consistent with other agency plans and programs

The proposed land exchange does not conflict with local agency plans or programs. Future management plans for the non-Federal parcels would be consistent with county planning and zoning which allow for public recreation and open space.

Acquisition of the non-Federal parcel would be consistent with plans addressed in the Interlakes Special Recreation Management Plan which was developed cooperatively with the BLM, National Park Service, Bureau of Reclamation, and Forest Service. One of the objectives of the ISRMA area has been to develop a trail system along both sides of the Sacramento River in support of a 30+ mile multi jurisdictional greenway loop connecting the city of Redding to Shasta Dam. The Bureau of Land Management, Bureau of Reclamation, Forest Service, and the city of Redding, has been working cooperatively on the trail concept since the late 1980's. In addition, the City of Shasta Lake is in the process of formulating plans to construct trails and trail heads that would also tie into the proposed trail system in the ISRMA.

(c) The proposed exchange is the most appropriate means available for accomplishing BLM's management objectives

The No Action Alternative would not accomplish any of the public benefits of the proposed exchange and would not achieve the proposal's purpose and need. No funding is currently available or expected to be available to support the Acquisition Method of acquiring the non-Federal lands within ISRMA. The Sale Alternative provides only for disposal without any available means to acquire the offered non-Federal land within ISRMA.

(d) Intended future use of the Federal land

The intended and most likely future use of the Federal land after they are transferred to the exchange proponent is residential development and that use will not conflict with any established Federal management objectives. The Federal parcels to be conveyed are located in an urban area and surrounded by privately owned residential lots. No Indian Trust lands are adjacent to the Federal land to be conveyed.

(e) The proposed exchange is in the public interest

The public interest will be well served by the exchange of Federal land for non-Federal land. Full consideration has been given to the opportunity to achieve better management of Federal lands, to meet the needs of State and local residents and their economies, and to secure important objectives, pursuant to the criteria outlined in 43 C.F.R. 2200.0-6(b). Based on the following analysis, I find that the resource values and the public objectives that the Federal lands or interests to be conveyed may serve if retained in Federal ownership are not more than the resource values or interests of the non-Federal lands and the public objectives they could serve if acquired:

(1) The Federal land, if retained, does not provide more opportunity to achieve better management efficiency of Federal lands or secure important public objectives involving natural resources than the non-Federal lands, if acquired.

On the contrary, the proposal accomplishes the Redding RMP objective to consolidate public land holdings for the purpose of improving management efficiencies. The Federal lands to be disposed of are surrounded by private occupied land and are encumbered with numerous rights-of-way that serve the surrounding residential area, whereas the lands to be acquired are not encumbered to such a degree and are surrounded by thousands of acres of federally managed open space.

Other than rights of way and fuels management, no other active or special management prescriptions are anticipated for the Federal lands, i.e., resource management programs for cultural resources, recreation, soils, plant, wildlife and fisheries, wetlands/riparian, etc. There is no wildlife or plant Special Status Species (terrestrial) that would be affected; the plant community is locally and regionally abundant. None of the recorded archaeological sites were deemed eligible for inclusion in the National Register of Historic Places, i.e. the features do not merit protection under the National Historic Preservation Act.

In contrast, acquisition of the non-Federal lands will result in achieving important public recreation objectives, including completion of the Sacramento River Trail, a 30+ mile, multi-jurisdiction trail loop system, that has been worked on by various local groups and agencies since the late 1980's.

The non-Federal lands along the river are critical to the completion of the trail because they are important inholdings along the east river corridor and serve as valuable links to the trail system. Failure to acquire these parcels would complicate and possibly preclude completion of the trail.

In addition, the land exchange proposal will contribute to a reduction in the amount of boundary with the probability of trespass onto or from Federal lands, and would enhance the effectiveness of BLM staff. Seamless Federal land management would improve effectiveness for the protection of sensitive resources, and important wildlife, cultural, historical, scenic and recreational values.

Support for the acquisition of the ISRMA parcels is consistent with the history of community and agencies support for implementation of long-term recreation efforts. Federal and local agencies acknowledge the importance of the acquisition of the non-Federal parcels. Acquisition of the private inholdings contributes to seamless management of a valuable public resource that would otherwise not be possible in private ownership.

(2) The Federal lands, if retained, do not provide more opportunity to enhance public recreation opportunities or scenic value than the non-Federal lands, if acquired.

The Federal lands do not contain important recreation or scenic values. Only a limited amount of informal trails meander throughout the Federal parcels that have been used primarily by nearby neighbors. The Federal parcels are surrounded by private developed property and the trails do not connect to any formal BLM trail system.

In contrast, the ISRMA is a management unit that has been identified as containing significant recreational and scenic value. Located directly between the Whiskeytown and Shasta Units of Whiskeytown-Shasta-Trinity National Recreation Area, the ISRMA offers an opportunity to tie together diverse recreational uses into a cohesive package.

Acquisition of the non-Federal lands is vital for the completion of a 30+ mile, multi jurisdictional public trail system connecting the communities of Shasta Lake and Redding. When completed, the trail is expected to attract visitors from all over the nation to hike, bike, and ride horses along the river trail.

In addition, acquisition of the non-Federal parcels would result in the elimination of private inholdings lying in the center of thousands of other publicly managed open space acres and would increase public accessibility along the Sacramento River between Keswick and Shasta Dams.

(3) The Federal land, if retained, does not provide more opportunity for cost effectiveness and efficiency of BLM management than the non-Federal land, if acquired.

The Federal parcels adjoin residential lots and backyard fences; the parcels are surrounded by private land and are isolated from key management areas. The Federal parcels have been used primarily by adjacent landowners and several random trails have been created by unregulated off highway vehicle (OHV) use.

If the Federal parcels were retained in Federal ownership, the BLM would continue to be responsible for administration of the Federal parcels until they are disposed of. Management concerns would continue to be dumping, unauthorized encroachment, additional inspections for hazardous waste, and fire safety (fuels management).

If retained, primary expenditures for managing the Federal lands would take the form of fuels management. Brush mastication would be the most likely form of fuels management on a parcel such as the Federal lands in this exchange proposal. Current costs for brush mastication, including overhead, average approximately \$750.00 per acre. Treatment of the entire acreage of the Federal parcels would cost approximately \$75,750.00 and would remain effective for about five years.

In addition to fuels management costs, other administrative expenses such as trash clean-up, rights of way management, law enforcement, trespass monitoring and abatement, would be required. Administrative costs for Federal management vary significantly depending on the parcel. Parcels that are isolated from other Federal land and located in an urban interface, such as the Federal exchange parcel, often have the highest per acre administrative costs. Overall, the Federal parcel is currently very difficult, expensive, and time consuming to manage.

In contrast, acquisition of the non-Federal land will result in consolidation of the Federal and non-Federal land into their respective surrounding areas for more cost effective and efficient management. The non-Federal parcels would be managed in concert with the surrounding Federal lands to enhance recreational values and natural resources. Reducing the scattered land base of the Redding Resource Area and consolidating larger management units reduces the amount of boundary with non-Federal interests which reduces the probability of trespass onto or from Federal lands and enhances the effectiveness of BLM staff.

(4) The Federal land, if retained, does not provide more opportunity to increase public access for enhancement of public recreation than the non-Federal land, if acquired.

The BLM has identified trails that are qualified to be effectively managed within Federal jurisdiction. The Federal parcel is surrounded by private occupied land, and the unregulated trails on the Federal lands do not connect to other federally-managed land or BLM trail system.

On the contrary, many of the unregulated trails lead directly to private property. The Federal lands are not identified as a valuable link to recreational use. Maintaining Federal ownership of the parcels for a recreational purpose would only serve a small group of the public, primarily nearby neighbors.

However, this decision does not preclude subsequent acquisition of the Federal parcel, or portions of the parcel, from the proponent by the neighbors, or any local agency for the purpose of maintaining open space or trails.

In contrast, acquisition of the non-Federal lands would eliminate private inholdings, consolidate non-Federal parcels into Federal ownership, and improve public access to public lands. The non-Federal parcels contain existing trails that connect with a planned trail system within the ISRMA. Acquisition of the non-Federal lands would enhance public access to 30+ miles of trail opportunities between several communities along the Sacramento River. Plans for recreation management include completion of the Sacramento River Rails-Trails system, access points and vehicle parking.

There would be a net increase in acreage that is suitable for recreation under Federal jurisdiction. The area is highly suited for a variety of recreational uses such as biking, hiking, horseback riding, and vista points. With the change in ownership from private to public and completion of the trail system, there is expected to be a substantial increase in public recreation in the ISRMA area. Failure to acquire these parcels would complicate and possibly preclude completion of the trail.

(5) The Federal land, if retained, does not provide more opportunity to increase scenic quality than the non-Federal lands, if acquired.

The Federal lands are considered as lower scenic quality, not a significant landscape to the area's population and is rated as a "C" scenic quality rating. The Federal lands blend in with the surrounding residential development and the terrain and dense tree coverage make it difficult to distinguish the Federal lands from the majority of rural residential home lots.

In contrast, the transfer of the non-Federal lands into Federal ownership would be managed as Visual Resource Management (VRM) Class II amongst miles of open space and would serve to protect the scenic quality of the Redding Resource Area.

4. COORDINATION WITH STATE AND LOCAL GOVERNMENTS

Pursuant to Section 707 of Public Law 103-433 of October 1994, the State Lands Commission (SLC) of the State of California was notified of the potential availability of lands for exchange where no specific project plans, agreements or other commitments existed.

The SLC did not indicate any interest in pursuing a land exchange involving the Federal land. The City of Shasta Lake and Shasta County have been informed regarding the proposed land exchange and remain neutral.

5. APPRAISAL AND EQUAL VALUE REQUIREMENTS

Appraisal: The Federal and non-Federal lands have been appraised and reviewed in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions.

(a) The appropriate Federal surface and subsurface interests have been appraised at \$378,000. The appraisal update was prepared by contract appraiser Ernest Rouse of Ernest Rouse & Associates. The effective date of valuation is November 30, 2007; the appraisal was reviewed and approved on February 25, 2008, by the Department of the Interior (DOI), Office of Appraisal Services Directorate (OASD), Pacific Region review appraiser Gerald Regalia.

(b) The appropriate non-Federal surface and subsurface interests have been appraised at \$367,000. The appraisal update was prepared by contract appraiser Ernest Rouse of Ernest Rouse & Associates. The effective date of valuation is November 30, 2007; the appraisal was reviewed and approved on February 25, 2008, by the Department of the Interior (DOI), Office of Appraisal Services Directorate (OASD) review appraiser Gerald Regalia.

Equalization of values: The Federal interests exceed the value of the non-Federal interests by \$11,000. This value difference represents less than 3% of the value of the Federal interests. Prior to close of escrow, the exchange proponent will make a cash equalization payment to the United States for the above difference to equalize values between the Federal and non-Federal interests.

The land values were thoroughly analyzed in terms of minimizing the amount of land needed for equalization. Reducing acreage to minimize cash equalization also was considered. However, reducing the acreage would create additional fragments of land that would be inconsistent with the management goal of eliminating the scattered land base. In addition, reducing acreage would limit the marketability of the parcels due to factors such as access and development potential.

Funds from the equalization payment will be deposited into an account established under the Federal Land Transaction Facilitation Act (FLTFA). Those funds will be made available to various Federal agencies for acquisition of lands within federally designated areas as defined by FLTFA.

6. IMPLEMENTATION PERIOD

In accordance with 43 CFR 2201.7-1, implementation of the decision to complete the land exchange will occur following the completion of a 45-day protest period which begins upon publication of a Notice of Availability of the Decision, and resolution of any protests which may be made on the decision.

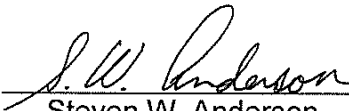
7. OPPORTUNITY FOR PUBLIC INVOLVEMENT AND PARTIES CONSULTED

Public involvement concerning disposing and acquiring the lands involved in the exchange began during analysis of the RMP. The public was well informed on the RMP's goal of consolidating BLM's land base into larger management units by disposing of identified parcels within urban expansion.

Public involvement was again pursued by the BLM with the issuance of a Notice of Exchange Proposal that was published once a week for four consecutive weeks in the local newspapers. Public review and comments concerning the exchange were solicited for a 45 day period during March 2006. Notices were also sent out to right-of-way holders, adjoining land owners, local interest groups, local government, government officials, Native American groups, and other interested parties. There were no grazing permittees to be notified.

Approximately 15 comments were received. The majority of comments were submitted by adjoining and nearby land owners. The primary concern noted was loss of open space, recreational use, and loss of the beltline. Other concerns were cultural protection, wildlife protection and issues related to development of the parcel. During scoping of the exchange proposal, BLM has been in close contact with local agencies, organizations, and individuals concerning the exchange. All comments have been analyzed and considered during the evaluation of issues.

APPROVED BY:



Steven W. Anderson
Field Manager
USDI Bureau of Land Management
Redding Field Office
355 Hemsted Dr.
Redding, CA 96002



Date

Exhibit A - JAXON LAND EXCHANGE- CA 44477
REDDING FIELD OFFICE, CALIFORNIA
FEDERAL (BLM) PARCELS
(all parcels are anticipated to include all mineral rights)
SHASTA COUNTY

Estimated value: \$255,000
Containing 101.55 acres, more or less

LEGAL DESCRIPTION	ACRES	APN#
PARCEL F1 M.D.M., T.33N., R.5W., Section 35, SE¼NW¼	40	006-820-001
PARCEL F2 M.D.M., T.33N., R.5W. Section 26, Lots 2&3	41.52	006-780-006
PARCEL F3 M.D.M., T.33N., R.5W., Section 34, Lot 3, N½NE¼NE¼,	20.03	A portion of 065-540-005

Notes on Federal Land: The master title plats indicate the surface and mineral estate of the selected federal lands are owned by the United States. The lands have been segregated (January 5, 2005) as part of this proposed exchange. One patent per parcel would be issued to Jaxon Enterprise, Inc.

The patent(s) would include the following reservations to the United States:

Right-of-way to the United States for ditches and canals constructed by the authority of the United States under the Act of August 30, 1890 (43 U.S.C. 945).

The patent(s) would be subject to the following authorized uses:

RIGHT-OF-WAY	PARCEL #	SERIAL NUMBER	HOLDER	HOLDER'S ADDRESS
Power line	1 and 3	S 040028	PG&E	3600 Meadowview Drive Redding, CA 96002
Telephone line	1 and 3	S 058135	Pacific Bell	Box 15038 Sacramento, CA 95851
Road	3	CA 27889	Rhonda Morgan/ Emily Ellis	P.O. Box 5139 Shasta Lake, CA 96089
Waterline	1	CA 30708	City of Redding	760 Parkview Redding CA 96001
Road	3	CA 37034	City of Shasta Lake	Box 777 City of Shasta Lake, CA 96019

Any change in the above described property or conveyance terms will require immediate notification of the other party and completion of a written amendment to this Agreement.

**Exhibit B - JAXON LAND EXCHANGE - CA 44477
REDDING FIELD OFFICE, CALIFORNIA
NON-FEDERAL (PRIVATE) PARCELS
SHASTA COUNTY**

Estimated value: \$245,000
Containing 275.74 acres, more or less

	LEGAL DESCRIPTION & EXCEPTIONS
PARCEL P1 APN# 065-520-001 containing approximately 175.69 acres	M.D.M., T.33N.,R5W., Section 21, SW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ Excepting therefrom all minerals and mineral rights, interests and royalties, including without limiting the generality thereof, oil, gas and other solid minerals in and under said property without the right of surface entry
PARCEL P2 APN# 064-010-002 containing approximately 81.69 acres+/-	M.D.M., T.32N., R.5W., Section 5 Lots 1 & 2 Excepting therefrom all minerals and mineral rights, interests and royalties, including without limiting the generality thereof, oil, gas and other solid minerals in and under said property without the right of surface entry
PARCEL P3 Portion of APN# 065-530-003 containing approximately 18.36 acres +/-	M.D.M., T.33N., R.5W., Section 27 N $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$, Excepting those lands in the deed from Nellie L. Ford to the United States dated July 6, 1947, recorded March 24, 1948 in Book 289 of Official Records at Page 276 (Highway 151).

ENCUMBRANCES/TITLE CONSIDERATIONS:

The expected form of conveyance is a grant deed to the United States from Jaxon Enterprises, Inc., A California Corporation as to **Parcel One** (APN #065-520-001) and **Parcel Two** (APN#064-010-002), and as to an undivided $\frac{1}{2}$ interest in **Parcel Three**; and W. Jaxon Baker, a married man, as his sole and separate property, as to an undivided $\frac{1}{2}$ interest as to **Parcel Three** (portion of APN#065-530-003). The preliminary report shows APN#065-530-003 containing two parcels. We would only be acquiring a portion of one of the parcels in APN #065-530-003. None of the non-Federal lands are occupied. No relocation actions will be necessary.

THE PRELIMINARY TITLE REPORT SHOWS THE FOLLOWING TITLE EXCEPTIONS:

Items 1-3 (taxes) affecting all parcels - These will be extinguished in escrow.

Item 4 (taxes) affecting parcel one - This will be extinguished in escrow.

Item 5 (tax lien) affecting all parcels - This will be extinguished in escrow.

Item 6 (conveyor belt easement) affecting parcel three - This item reflects a conveyor belt easement that was used to serve for the construction of Shasta Dam which was completed in the early 1950's. The easement was issued in 1940 for a period of 10 years (or 1 year after construction of the dam). Since the term has expired, we expect that this item will be extinguished in escrow.

Item 7 (electric transmission line easement) affecting parcel three -This is an easement to the United States (Bureau of Reclamation) and will disappear upon conveyance under the doctrine of merger

Item 8 (electric transmission line easement) affecting parcel three - This is an easement to the United States (Bureau of Reclamation) and will disappear upon conveyance under the doctrine of merger

Item 9 (exploration agreement expires 12/31/2014) affecting parcels one and two - No surface access allowed, therefore, this is acceptable and will not interfere with the expected uses of the land.

Item 10 (memorandum of exploration license expires 12/31/2014) affecting parcels one and two -No surface access allowed, therefore, this is acceptable and will not interfere with the expected uses of the land.

Item 11 (loss or damage clause)- affecting parcels one and two - The subject parcels are surrounded by Federal lands and legal access exists. This item is acceptable and will not interfere with the expected uses of the lands.

Any change in the above described property or conveyance terms will require immediate notification of the other party and completion of a written amendment to this Agreement.