MINUTE ITEM

This Calendar Item No. <u>C64</u> was approved as Minute Item No. <u>64</u> by the California State Lands Commission by a vote of <u>3</u> to <u>6</u> at its <u>Q3-99</u> meeting.

CALENDAR ITEM C64

A 8, 10

12/03/99

PRC 8138 W 6005.79

A. Nitsche

S 4, 5

M. Voskanian

CONSIDER APPROVAL OF A NON-EXCLUSIVE ROTARY CORE DRILLING GEOLOGICAL SURVEY PERMIT ON TIDE AND SUBMERGED LANDS, SACRAMENTO COUNTY

APPLICANT:

Lodi Gas Storage, LLC Attn.: Mr. Perry Schuller 1822 W. Kettleman Lane, Suite 3 Lodi, CA 95242

AREA, TYPE LAND AND LOCATION:

State tide and submerged lands in the South Mokelumne River, North Mokelumne River, Georgiana Slough, and Three Mile Slough, Sacramento County.

LAND USE:

Drill four core holes using a closed circulation system (casing into the bottom of the river) to a depth of up to 100 feet below the bottom of the river.

TERMS OF PROPOSED PERMIT:

Initial period:

One year, beginning December 3, 1999, through December 2, 2000.

PROPOSED PROJECT:

Lodi Gas Storage, LLC proposes to rotary core drill four core holes to obtain geotechnical engineering information for proposed subsurface location of a natural gas pipeline crossing under South Mokelumne River, North Mokelumne River, Georgiana Slough, and the Three Mile Slough in Sacramento County.

CALENDAR PAGE 0007060

CALENDAR ITEM NO. C64 (CONT'D)

Four core holes will be drilled from an anchored drill barge. The holes will be drilled using a closed circulation system. The casing will be driven to the bottom of the river from the barge located approximately in the middle of the waterway. All drilling fluids and cuttings will be returned to the barge for disposal. The borings will be drilled 100± feet below the river bottom. The core holes will be abandoned and plugged with ten feet of cement/bentonite clay mixture at the top of the bore holes.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Required fees, expense deposit and other security have been received.

STATUTORY AND OTHER REFERENCES:

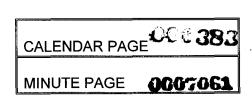
- A. Public Resources Code section 6826
- B. California Code of Regulations section: Title 2, section 2905(e)(3)
- C. California Code of Regulations section: Title 14, section 15061

OTHER PERTINENT INFORMATION:

- 1. Modifications have been incorporated into the project description as a result of California Department of Fish and Game issuance of their Streambed Alteration Agreement 11-530-99 which support the following CEQA recommendation.
- 2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under Class 6, Information Collection. The collection of data for information purposes where minimal or no disturbance of State lands is involved. Title 2, California Code of Regulations, section 2905(e)(3).

Authority: Public Resources Code section 21084, Title 14, California Code of Regulations, section 15300, and Title 2, California Code of Regulations, section 2905.

3. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370, et.



CALENDAR ITEM NO. C64 (CONT'D)

seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBIT:

A. Project Location and Site Map

PERMIT STREAMLINING ACT DEADLINE:

April 13, 2000

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDINGS:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A CATEGORICALLY EXEMPT PROJECT, UNDER CLASS 6, INFORMATION COLLECTION, TITLE 2, CALIFORNIA CODE OF REGULATIONS, SECTION 2905(e)(3).

AUTHORIZATION:

AUTHORIZE ISSUANCE TO LODI GAS STORAGE, LLC, OF A NON-EXCLUSIVE ROTARY CORE DRILLING GEOLOGICAL SURVEY PERMIT FOR ROTARY CORE DRILLING OPERATIONS ON TIDE AND SUBMERGED LANDS WITHIN THE SOUTH MOKELUMNE RIVER, NORTH MOKELUMNE RIVER, GEORGIANA SLOUGH, AND THE THREE MILE SLOUGH, SACRAMENTO COUNTY, FOR THE PERIOD DECEMBER 3, 1999, THROUGH DECEMBER 2, 2000.

