29. APPROVAL OF PROPOSED DRILLING OF NEW WELL "LAKOMA FAME STATE 4597" 20GEYSERS STEAM FIELD, SONOMA COUNTY; UNION OIL COMPANY OF CALIFORNIA, MAGMA FOWER COMPANY AND THERMAL POWER COMPANY; PRC 4597.

After consideration of Calendar Item 27 attached, and upon motion duly made and carried, the following resolution was adopted:

#### THE COMMISSION:

- 1. DETERMINES THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE NORTHERN SONOMA COUNTY AIR POLLUTION CONTROL DISTRICT.
- 2. CERTIFIES THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE NEGATIVE DECLARATION AND THE COMMENTS THAT WERE RECEIVED PURSUANT TO THE CIRCULATION OF THE NEGATIVE DECLARATION.
- 3. DETERMINES THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
- 4. AUTHORIZ S THE APPROVAL OF DRILLING WELL "LAKOMA FAME STATE 4597" 20 IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF STAIR GEOTHERMAL RESOURCES LEASE PRC 4597 AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment: Calendar Item 27 (3 pages) 27.

APPROVAL OF PROPOSED DRILLING OF NEW WELL "LAKOMA FAME STATE 4597" 20 GEYSERS STEAM FIELD, SONOMA COUNTY

LEASE:

PRC 4597.

LESSEE:

Union Oil Company of California

Magma Power Company
Thermal Power Company

P.O. Box 6854

Santa Rosa, California 95406

COUNTY:

Sonoma.

AREA:

Geysers Geothermal Field.

## OTHER PERTINENT INFORMATION:

State Geothermal Resources Lease PRC 4597 was issued to Union Oil Company on May 27, 1971. On April 27, 1972, an undivided 25% interest in the lease was assigned to Magma Power Company and an undivided 25% interest was assigned to Thermal Power Company.

Section 6(e) of the lease provides, "No lessee shall drill a geotheraml resources well on or into State Lands except on prior approval of the State Lands Division and subject to the terms of the enabling statute and lease." This Division recently requested informal advice from the Office of the Attorney General concerning duties and responsibilities pursuant to the California Environmental Quality Act, as amended, with regard to the approval of drilling geotheraml wells in accordance with the above-mentioned section. On March 26, 1975, the Office of the Attorney General advised this Division that the granting of approvals to drill geothermal wells is discretionary. Since the activities contemplated and authorized by such approvals may have a significant environmental effect, each application submitted for approval to drill geothermal well or wells must comply with the provisions of the California Environmental Quality Act (CEQA).

Union Oil Company has requested authority to construct from the Northern Sonoma County Air Pollution Control District and the approval of

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the State Lands Commission to drill well "Lakoma Fame State 4597" 20. Such approvals must be consistent with the requirements of CEQA. The Air Pollution Control District has acted as lead agency for this project.

The Well will be drilled on an existing pad and will replace an abandoned well (LF-11) that supplied steam to PG&E generating units 9 & 10, and is needed to maintain adequate supplies of steam for these units.

A Negative Declaration covering this project has been prepared and circulated through the State Clearinghouse. The Negative Declaration was also circulated and made available to the public. Comments received on the project are on file in the office of the State Lands Commission and by reference made a part hereof.

The State Clearinghouse has certified by letter dated September 18, 1975, that State review of the Negative Declaration is complete. By Notice of Determination issued on September 17, 1975, the Northern Sonoma County Air Pollution Control District certified that (1) the Negative Declaration was prepared pursuant to the provisions of the California Environmental Quality Act of 1970, as amended; (2) the project will not have a significant effect on the environment; and (3) the project has been approved by the Northern Sonoma County Air Pollution Control District. The Notice of Determination has been filed with the State Secretary for Resources, the State Lands Commission, and the County Clerk for Sonoma County, wherein the project is to be undertaken.

## OTHER PERTINENT DATA:

- The applicant has obtained a use permit from the County of Sonoma covering the permit.
- Drilling of the well has been approved by the California Division of Oil and Gas.
- 3. The proposed drilling and completion program has been reviewed by the State Lands Division and determined to be in accordance with good engineering practices and the rules and regulations of the Commission.

EXHIBIT:

A. Location Map.

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#### IT IS RECOMMENDED THAT THE COMMISSION:

- 1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE NORTHERN SONOMA COUNTY AIR POLLUTION CONTROL DISTRICT.
- 2. CERTIFY THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE NEGATIVE DECLARATION AND THE COMMENTS THAT WERE RECEIVED PURSUANT TO THE CIRCULATION OF THE NEGATIVE DECLARATION.
- 3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
- 4. AUTHORIZE THE APPROVAL OF DRILLING WELL "LAKOMA FAME STATE 4597" 20 IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF STATE GEOTHERMAL RESOURCES LEASE PRC 4597 AND THE RULES AND REGULATIONS OF THE COMMISSION.