

MINUTE ITEM
This Calendar Item No. C06
was approved as Minute Item
No. 06 by the State Lands
Commission by a vote of 3
to 0 at its 9-19-00
meeting.

CALENDAR ITEM
C06

A 8,10
S 4,5

09/19/00
W 25644
L. Burks

GENERAL LEASE - RIGHT OF WAY USE

LESSEE:

Lodi Gas Storage, LLC
1822 West Kettleman Lane No. 3
Lodi, California 95242

AREA, LAND TYPE, AND LOCATION:

1.34 acres, more or less, of tide and submerged lands in the Mokelumne, North and South Mokelumne rivers and Georgiana, Threemile, Jackson and Tomato sloughs, near the city of Lodi, Sacramento and San Joaquin counties.

AUTHORIZED USE:

Installation of a single 24-inch diameter high-pressure gas pipeline to be installed by directional bore.

LEASE TERM:

20 years, beginning September 19, 2000.

CONSIDERATION:

\$1,070 per year; with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Liability insurance with coverage of no less than \$1,000,000.

Bond: \$20,000

OTHER PERTINENT INFORMATION:

1. Applicant has a right to use the uplands adjoining the lease premises.
2. The purpose of the Lodi Gas Storage project is to provide natural gas storage and hub services to natural gas consumers, utilities, and

CALENDAR ITEM NO. C06 (CONT'D)

marketing companies. The project will connect the existing Pacific Gas and Electric Company Line 401 interconnect on Sherman Island in Sacramento County to the Lodi Gas Field location approximately 5.4 miles northeast of the city of Lodi in San Joaquin County.

3. An EIR was prepared and certified for this project by the California Public Utilities Commission (SCH 1999022065). The California State Lands Commission staff has reviewed such document and Mitigation Monitoring Program adopted by the lead agency.
4. Findings made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, section 15093) are on file in the office of the California State Lands Commission.
5. A Statement of Overriding Considerations made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, section 15093) is contained on file in the office of the California State Lands Commission.
6. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et 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.

APPROVALS OBTAINED:

California Department of Fish and Game; California Regional Water Quality Control Board; Reclamation District Nos. 563, 341, 38 and Brannan – Andrus District; State Reclamation Board; United States Army Corps of Engineers; Sacramento and San Joaquin Counties.

EXHIBITS:

A-1 thru
A-8. Legal Descriptions
B. Location Map

PERMIT STREAMLINING ACT DEADLINE:

February 14, 2001

CALENDAR ITEM NO. **C06** (CONT'D)

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT AN EIR WAS PREPARED AND CERTIFIED FOR THIS PROJECT BY THE CALIFORNIA PUBLIC UTILITIES COMMISSION (SCH NO. 1999022065) AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

ADOPT THE FINDINGS MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTIONS 15091 AND 15096(h), ON FILE IN THE OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

ADOPT THE MITIGATION MONITORING PROGRAM, ON FILE IN THE OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

ADOPT THE STATEMENT OF OVERRIDING CONSIDERATIONS MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15093, ON FILE IN THE OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION.

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE ISSUANCE TO LODI GAS STORAGE, LLC OF A GENERAL LEASE - RIGHT OF WAY USE, BEGINNING SEPTEMBER 19, 2000, FOR A TERM OF 20 YEARS, FOR INSTALLATION OF A SINGLE 24-INCH DIAMETER HIGH-PRESSURE GAS PIPELINE TO BE INSTALLED BY DIRECTIONAL BORE ON THE LANDS DESCRIBED ON EXHIBITS A-1 THRU A-8 ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; IN CONSIDERATION OF

CALENDAR ITEM NO. **C06** (CONT'D)

\$1,070 A YEAR; WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENT PERIODICALLY DURING THE LEASE TERM, AS PROVIDED IN THE LEASE; LIABILITY INSURANCE WITH COVERAGE OF NO LESS THAN \$1,000,000; SURETY IN THE AMOUNT OF \$20,000.



Exhibit A-1

W 25644

LEGAL DESCRIPTION THREE MILE SLOUGH CROSSING

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND 30.00 FEET IN WIDTH AND 664.00 FEET IN LENGTH LYING IN TOWNSHIP 3 NORTH, RANGE 3 EAST, MOUNT DIABLO BASE AND MERIDIAN, THE CENTERLINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE RIGHT BANK OF THREE MILE SLOUGH (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO THE STATE PARK COMMISSION BY UNRECORDED DEED DATED SEPTEMBER 2, 1952 AND FILED IN THE FILES OF THE RECLAMATION BOARD OF THE STATE OF CALIFORNIA UNDER THE DESIGNATION DEED NO. 1701, SAID POINT LYING NORTH 53°01'41" EAST APPROXIMATELY 5185 FEET FROM A NAIL SET IN THE FACE OF A BRIDGE ABUTMENT AT THE NORTHERN END OF THE STATE HIGHWAY 160 SHERMAN ISLAND BRIDGE; THENCE SOUTH 07°05'10" WEST 664.00 FEET TO A POINT ON THE LEFT BANK OF THREE MILE SLOUGH (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO CARLOS SILVA BY DEED DATED SEPTEMBER 28, 1998 AND RECORDED AS INSTRUMENT NUMBER 199809280843, SACRAMENTO COUNTY RECORDS.

EXCEPTING THEREFROM ANY PORTION LYING LANDWARD OF THE ORDINARY HIGH WATER MARKS OF THREE MILE SLOUGH.

SAID EASEMENT CONTAINS 0.46 ACRES, MORE OR LESS.

CALENDAR PAGE	000029
MINUTE PAGE	008942

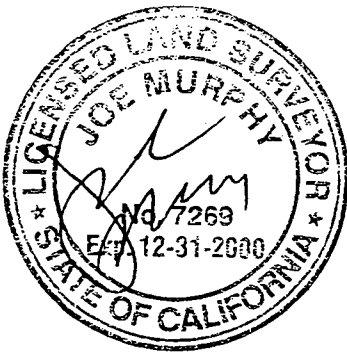


Exhibit A-2

W 25644

LEGAL DESCRIPTION TOMATO SLOUGH CROSSING

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND 30.00 FEET IN WIDTH AND 54.75 FEET IN LENGTH LYING IN SECTION 5, TOWNSHIP 3 NORTH, RANGE 3 EAST, MOUNT DIABLO BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EASTERN BANK OF TOMATO SLOUGH, SAID POINT LYING SOUTH 52°57'34" WEST APPROXIMATELY 4818 FEET FROM A 2 1/2" INCH IRON PIPE MARKING THE SOUTHWEST CORNER OF SACRAMENTO COUNTY SWAMP LAND SURVEY 656; THENCE NORTH 78°21'55" WEST 54.75 FEET TO A POINT ON THE WESTERN BANK OF TOMATO SLOUGH.

EXCEPTING THEREFROM ANY PORTION LYING LANDWARD OF THE ORDINARY HIGH WATER MARKS OF TOMATO SLOUGH.

SAID EASEMENT CONTAINS 0.04 ACRES MORE OR LESS.

CALENDAR PAGE 000030

MINUTE PAGE 008943



Project No. 9914
July 29, 2000
Revised August 29, 2000

Exhibit A-3

W 25644

LEGAL DESCRIPTION JACKSON SLOUGH CROSSING

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND 30.00 FEET IN WIDTH AND 80.00 FEET IN LENGTH LYING IN SECTION 26, TOWNSHIP 4 NORTH, RANGE 3 EAST, MOUNT DIABLO BASE AND MERIDIAN, THE CENTERLINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE LEFT BANK OF JACKSON SLOUGH (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO AUGUST S. CORREIA AND CAROLINA R. CORREIA BY DEED DATED APRIL 29, 1941 AND RECORDED IN BOOK 877 AT PAGE 366, OFFICIAL RECORDS OF SACRAMENTO COUNTY; THENCE SOUTH 59°36'12" WEST 80.00 FEET TO A POINT ON THE RIGHT BANK OF JACKSON SLOUGH.

EXCEPTING THEREFROM ANY PORTION LYING LANDWARD OF THE ORDINARY HIGH WATER MARKS OF JACKSON SLOUGH.

SAID EASEMENT CONTAINS 0.06 ACRES, MORE OR LESS.

AT THE POINT OF THIS CROSSING, JACKSON SLOUGH IS NO LONGER IN EXISTENCE AND THERE IS NO IDENTIFIABLE RIVER BED OR BANKS. THIS LEGAL DESCRIPTION IS DERIVED FROM THAT CERTAIN MAP BY JOHN W. MERIDITH, C.E., ENTITLED "H.F. SMITH COMPANY'S LAND" RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY SEPTEMBER 12, 1921 IN BOOK 2 OF SURVEYS, MAP NO. 29.

CALENDAR PAGE 000031

MINUTE PAGE 008944



Exhibit A-4

W 25644

LEGAL DESCRIPTION GEORGIANA SLOUGH CROSSING

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND 30.00 FEET IN WIDTH AND 203.40 FEET IN LENGTH LYING IN SECTION 32, TOWNSHIP 4 NORTH, RANGE 4 EAST, MOUNT DIABLO BASE AND MERIDIAN, THE CENTERLINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE LEFT BANK OF GEORGIANA SLOUGH (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO DELTA HABITAT LAND COMPANY, LLC, BY DEED DATED JULY 15, 1998 AND RECORDED AS INSTRUMENT NUMBER 199807150852, SACRAMENTO COUNTY RECORDS, SAID POINT LYING NORTH 04°56'13" EAST APPROXIMATELY 138 FEET FROM A RAILROAD SPIKE STAMPED "LS 4450" IN THE CENTERLINE OF TYLER ISLAND ROAD APPROXIMATELY 150 FEET NORTHERLY FROM THE SOUTH LINE OF SAID PROPERTY; THENCE NORTH 80°49'58" WEST 203.40 FEET TO POINT ON THE RIGHT BANK OF GEORGIANA SLOUGH (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO GERALDINE H. GARDINER BY DEED DATED OCTOBER 9, 1996 AND RECORDED AS INSTRUMENT NUMBER 199610090343, SACRAMENTO COUNTY RECORDS.

EXCEPTING THEREFROM ANY PORTION LYING LANDWARD OF THE ORDINARY HIGH WATER MARKS OF GEORGIANA SLOUGH.

SAID EASEMENT CONTAINS 0.14 ACRES, MORE OR LESS.

CALENDAR PAGE	000032
MINUTE PAGE	008945



Exhibit A-5

W 25644

LEGAL DESCRIPTION NORTH MOKELUMNE RIVER CROSSING

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF SAN JOAQUIN AND THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND 30.00 FEET IN WIDTH AND 325.75 FEET IN LENGTH LYING IN SECTION 34, TOWNSHIP 4 NORTH, RANGE 4 EAST, MOUNT DIABLO BASE AND MERIDIAN, THE CENTERLINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE LEFT BANK OF THE NORTH MOKELUMNE RIVER (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND KNOWN AS STATEN ISLAND GRANTED TO PACIFIC REALTY ASSOCIATES, L.P., BY DEED DATED APRIL 14, 1997 AND RECORDED AS INSTRUMENT NUMBER 97036782, SAN JOAQUIN COUNTY RECORDS, SAID POINT HAVING COORDINATES OF NORTHING 2246462.6517 AND EASTING 6264519.1032; THENCE NORTH 76°33'58" WEST 325.75 FEET TO A POINT ON THE RIGHT BANK OF SAID NORTH MOKELUMNE RIVER (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO HENRY L. FONG, ET AL, BY DEED DATED OCTOBER 25, 1989 AND RECORDED IN BOOK 1025 AT PAGE 1824, SACRAMENTO COUNTY RECORDS.

EXCEPTING THEREFROM ANY PORTION LYING LANDWARD OF THE ORDINARY HIGH WATER MARKS OF THE NORTH MOKELUMNE RIVER.

SAID EASEMENT CONTAINS 0.22 ACRES, MORE OR LESS.

CALENDAR PAGE 000033

MINUTE PAGE 008946



Exhibit A-6

W 25644

LEGAL DESCRIPTION SOUTH MOKELUMNE RIVER CROSSING

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND 30.00 FEET IN WIDTH AND 348.85 FEET IN LENGTH LYING IN SECTION 35, TOWNSHIP 4 NORTH, RANGE 4 EAST, MOUNT DIABLO BASE AND MERIDIAN, THE CENTERLINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE LEFT BANK OF THE SOUTH FORK OF THE MOKELUMNE RIVER (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO BRACK RECLAMATION DISTRICT NO. 2033 BY DEED DATED FEBRUARY 14, 1931 AND RECORDED FEBRUARY 24, 1931 IN VOLUME 340 AT PAGE 480 OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, SAID POINT HAVING COORDINATES OF NORTHING 2243652.3723 AND EASTING 6273279.5984; THENCE NORTH 87°38'37" WEST 348.85 FEET TO A POINT ON THE RIGHT BANK OF SAID MOKELUMNE RIVER (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND KNOWN AS STATEN ISLAND GRANTED TO PACIFIC REALTY ASSOCIATES, L.P., BY DEED DATED APRIL 14, 1997 AND RECORDED AS INSTRUMENT NUMBER 97036782, SAN JOAQUIN COUNTY RECORDS.

EXCEPTING THEREFROM ANY PORTION LYING LANDWARD OF THE ORDINARY HIGH WATER MARKS OF THE SOUTH MOKELUMNE RIVER.

SAID EASEMENT CONTAINS 0.24 ACRES MORE OR LESS.

CALENDAR PAGE 000034

MINUTE PAGE 008947



Exhibit A-7

W 25644

LEGAL DESCRIPTION MOKELUMNE RIVER CROSSING EASEMENT #1

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND 30.00 FEET IN WIDTH AND 149.20 FEET IN LENGTH, LYING IN SECTION 28, TOWNSHIP 4 NORTH, RANGE 6 EAST, MOUNT DIABLO BASE AND MERIDIAN, THE CENTERLINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE RIGHT BANK OF THE MOKELUMNE RIVER (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO THOMAS McCORMACK BY DEED DATED OCTOBER 5, 1998 AND RECORDED AS INSTRUMENT NUMBER 98117576, SAN JOAQUIN COUNTY RECORDS, SAID POINT LYING SOUTH 88°22'20" EAST 2246.30 FEET FROM AN IRON ROD MARKING THE NORTH QUARTER SECTION CORNER OF SECTION 28; THENCE NORTH 88°13'38" WEST 149.20 FEET TO A POINT ON THE RIGHT BANK OF SAID MOKELUMNE RIVER (LOOKING DOWNSTREAM) ADJACENT TO SAID PARCEL OF LAND GRANTED TO THOMAS McCORMACK.

EXCEPTING THEREFROM ANY PORTION LYING LANDWARD OF THE ORDINARY HIGH WATER MARKS OF THE MOKELUMNE RIVER.

SAID EASEMENT CONTAINS 0.10 ACRES, MORE OR LESS.

CALENDAR PAGE **000035**

MINUTE PAGE **008948**



Project No. 9914
July 6, 2000
Revised August 29, 2000

Exhibit A-8

W 25644

LEGAL DESCRIPTION MOKELUMNE RIVER CROSSING EASEMENT #2

ALL THAT REAL PROPERTY SITUATE IN THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A STRIP OF LAND 30.00 FEET IN WIDTH AND 114.00 FEET IN LENGTH LYING IN SECTION 28, TOWNSHIP 4 NORTH, RANGE 6 EAST, MOUNT DIABLO BASE AND MERIDIAN, THE CENTERLINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE RIGHT BANK OF THE MOKELUMNE RIVER (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO J. PIAZZA FARMS, INC. BY DEED DATED DECEMBER 7, 1979 AND RECORDED AS INSTRUMENT NUMBER 79092223, SAN JOAQUIN COUNTY RECORDS, SAID POINT LYING SOUTH 88°27'49" EAST 1378.10 FEET FROM AN IRON ROD MARKING THE NORTH QUARTER SECTION CORNER OF SAID SECTION 28; THENCE NORTH 88°13'38" WEST 114.00 FEET TO A POINT ON THE LEFT BANK OF THE MOKELUMNE RIVER (LOOKING DOWNSTREAM) ADJACENT TO THAT CERTAIN PARCEL OF LAND GRANTED TO ELMER JOHN SHINN BY FINAL ORDER DISTRIBUTING THE ESTATE OF H.D. SHINN DATED JUNE 2, 1930 AND RECORDED IN BOOK 324 AT PAGE 315, OFFICIAL RECORDS OF SAN JOAQUIN COUNTY.

EXCEPTING THEREFROM ANY PORTION LYING LANDWARD OF THE WATER MARKS OF THE MOKELUMNE RIVER.

ORDINARY HIGH CALENDAR PAGE	000036
MINUTE PAGE	008949

SAID EASEMENT CONTAINS 0.08 ACRES, MORE OR LESS.

NO SCALE

LOCATION MAP

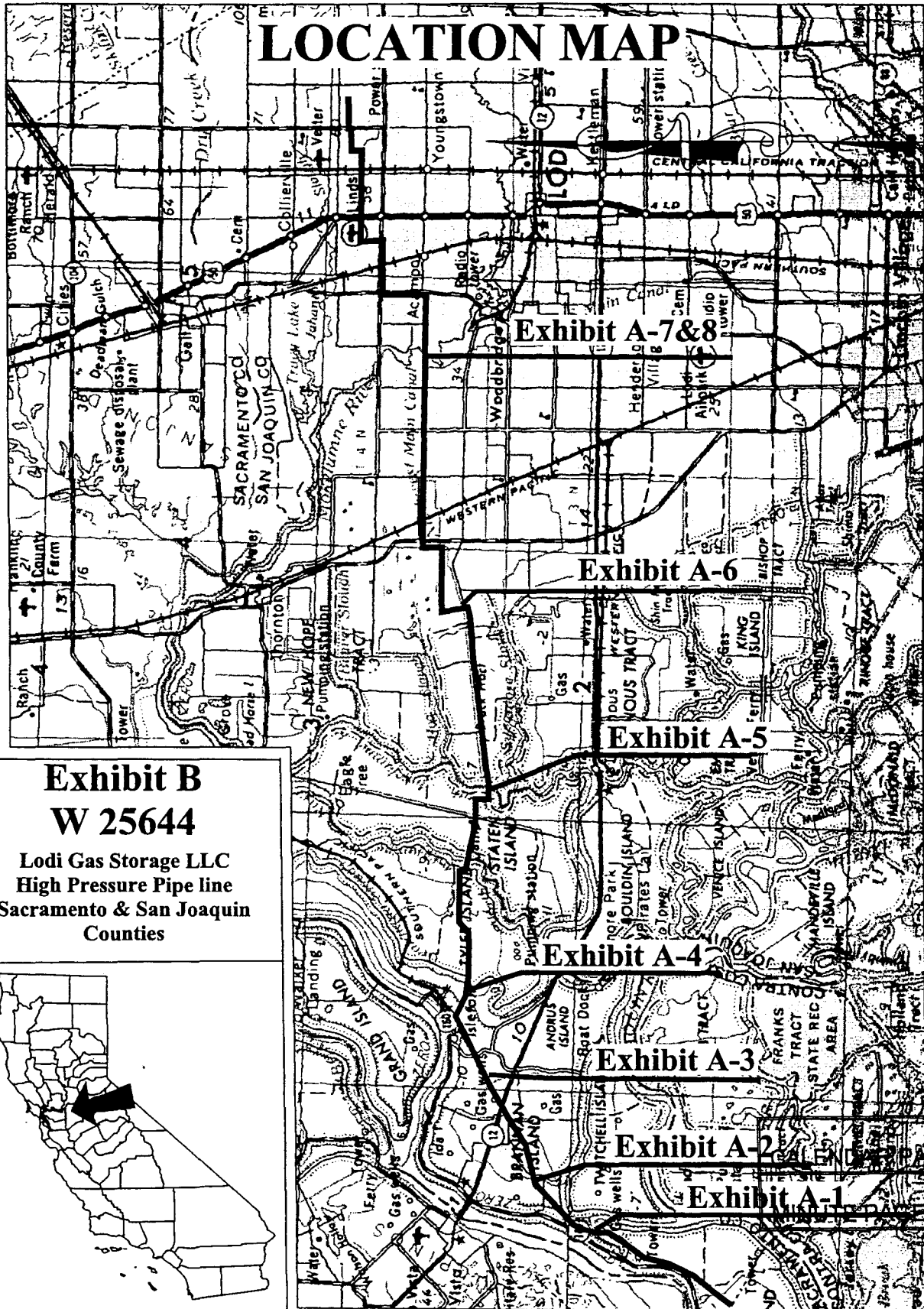


Exhibit B W 25644

Lodi Gas Storage LLC
High Pressure Pipe line
Sacramento & San Joaquin
Counties



000037
008950