

MINUTE ITEM

This Calendar Item No. C41 was approved as
Minute Item No. 41 by the California State Lands
Commission by a vote of 3 to 0 at its
9-17-01 meeting.

**CALENDAR ITEM
C41**

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PRC 8338

09/17/01
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F. Singer

GENERAL LEASE - RIGHT OF WAY USE

LESSEE:

Slawson Exploration Company
1625 Broadway
Denver, Colorado 80202

AREA, LAND TYPE, AND LOCATION:

.064 acres, more or less, of sovereign lands in Nurse Slough, near the city of
Fairfield, Solano County.

AUTHORIZED USE:

Construction, use and maintenance of a 3-inch diameter natural gas gathering
pipeline within a 6-inch pipeline casing, 134 feet in length, to be attached to an
existing bridge.

LEASE TERM:

20 years, beginning July 1, 2001.

CONSIDERATION:

\$100 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:

Insurance:

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

Bond:

\$5,000

OTHER PERTINENT INFORMATION:

1. Applicant has a right to use the uplands adjoining the lease premises.

CALENDAR ITEM NO. **C41** (CONT'D)

2. Slawson Exploration Company is applying for a new natural gas pipeline. The pipeline will be attached to an existing bridge. The pipeline is a gathering pipeline, which transfers gas product from an upland well to the processing plant.
3. A Mitigated Negative Declaration was prepared and adopted for this project by Solano County. The California State Lands Commission's staff has reviewed such document.
4. 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:

Solano County Department of Environmental Management.

FURTHER APPROVALS REQUIRED:

San Francisco Bay Conservation and Development Commission.

EXHIBITS:

- A. Legal Description
- B. Site Map
- C. Location Map
- D. Mitigation Monitoring Program

PERMIT STREAMLINING ACT DEADLINE:

November 6, 2001

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT A MITIGATED NEGATIVE DECLARATION AND A MITIGATION MONITORING PROGRAM WERE PREPARED AND ADOPTED FOR THIS PROJECT BY SOLANO COUNTY AND THAT THE

COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

CALENDAR ITEM NO. **C41** (CONT'D)

ADOPT THE MITIGATION MONITORING PROGRAM, AS CONTAINED
IN EXHIBIT D, ATTACHED HERETO.

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 SLAWSON EXPLORATION COMPANY OF
A GENERAL LEASE - RIGHT OF WAY USE, BEGINNING JULY 1, 2001,
FOR A TERM OF TWENTY YEARS, FOR THE CONSTRUCTION, USE,
AND MAINTENANCE OF A 3-INCH NATURAL GAS GATHERING
PIPELINE WITHIN A 6-INCH CASING ON THE LAND DESCRIBED ON
EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART
HEREOF; ANNUAL RENT IN THE AMOUNT OF \$100, WITH THE
STATE RESERVING THE RIGHT AT ANY TIME TO SET A MONETARY
RENT IF THE COMMISSION FINDS SUCH ACTION TO BE IN THE
STATE'S BEST INTEREST; LIABILITY INSURANCE WITH COVERAGE
OF NO LESS THAN \$1,000,000; SURETY IN THE AMOUNT OF \$5,000.

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Exhibit A

A 20 foot wide strip of tide and submerged land lying in the bed of Nurse Slough, also lying within the Southeast one-quarter of Projected Section 18, Township 4 North, Range 1 East, M.D.M., situate in the County of Solano, State of California, the centerline of which is described as follows:

Beginning at the point of intersection of the centerline of a gravel road with the centerline of the Eastern Levee of Nurse Slough, from which a point on the centerline of the east end of an existing wooden and steel bridge, the California State Plane Coordinate of which is North 1,828,942.64, East 6,589,650.16, U.S. Survey Feet, NAD '83 (1992 adjustment) Zone 2, bears North 88° 54' 00" West, 600.00 feet; thence, from said Point of Beginning, along the centerline of said gravel road, North 88° 54' 00" West, 600.00 feet to the east end of said bridge; thence, South 01° 49' 28" West 7.22 feet; thence North 88° 10' 32" West, parallel to the centerline of said bridge, 132.09 feet, more or less, to the west end of said bridge; thence North 01° 49' 28" East 7.22 feet to the centerline of the west end of said bridge; thence, along the centerline of a gravel road, North 88° 35' 00" West 500.00 feet, more or less, to the intersection of the centerline of said road with the centerline of the Western Levee of Nurse Slough and the end of this description.

Excepting therefrom any portion lying landward of the Ordinary High Water Mark.

Edgar D. Brown

Edgar D. Brown, L.S. 5405

License Expires September 30, 2004



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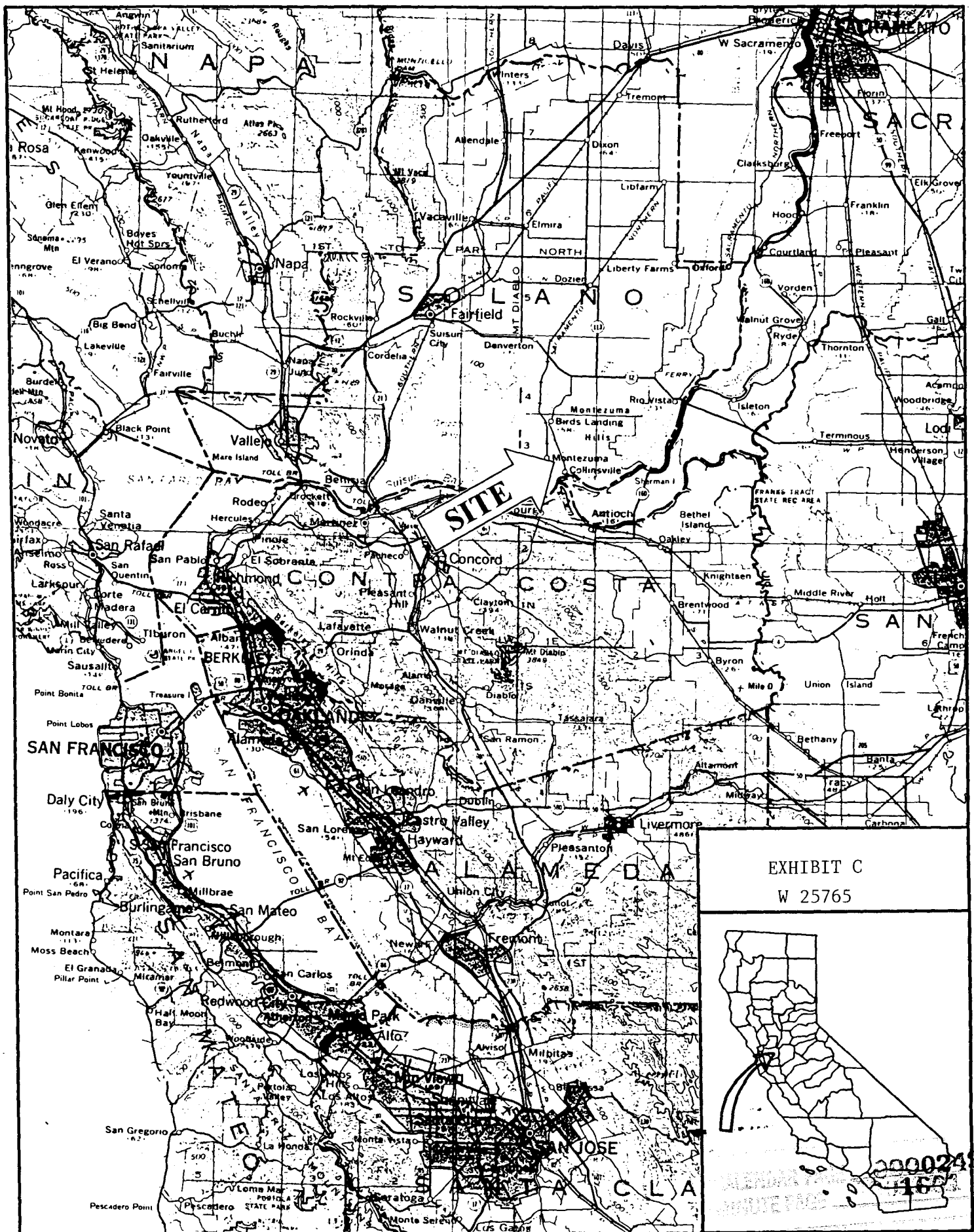
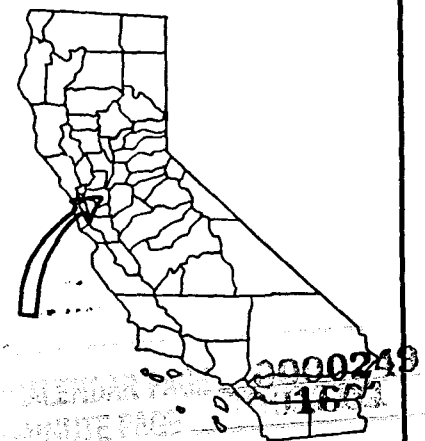


EXHIBIT C

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EXHIBIT D

W 25765

**NEGATIVE DECLARATION OF THE
SOLANO COUNTY DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
July 19, 2000**

PROJECT TITLE: Use Permit Application No. U-00-21

PROJECT DESCRIPTION AND LOCATION: Use Permit Application to drill two exploratory natural gas wells, and if gas is found, to establish permanent production facilities on an existing pad. The project is located southwest of Bradmoor Island on B&B Island approximately 6 miles southeast of the City of Fairfield in the Primary Management Area of the Suisun Marsh, in the Marsh Preservation (MP) Zoning District; APN: 46-170-15

FINDINGS:

The Solano County Department of Environmental Management has evaluated the Initial Study which was prepared in regards to the project. The County found that potentially significant adverse environmental impacts may be likely to occur, however, they will be reduced to a less than significant level if the recommended mitigation measures are incorporated into the project. The County determined that the project qualifies for a Mitigated Negative Declaration. The Initial Study of Environmental Impact, including the project description, findings and disposition, are attached.

MITIGATION MEASURES INCORPORATED INTO PROJECT DESCRIPTION:

An endangered species education program for employee orientation shall be conducted and consist of a brief consultation in which persons knowledgeable in endangered species biology and legislative protection explain endangered species concerns. All those working on the drilling operation should understand the sensitivity of the marsh, its importance to sensitive plant and wildlife species and the necessity of avoiding disturbance to the marsh.

Sediment barrier fencing shall be erected around the project site prior to commencement of project activities to ensure that project-related materials do not enter the marsh to the south and to restrict human access to the marsh. Project area boundaries shall be clearly delineated by stakes, flagging and/or

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rope or cord to minimize inadvertent degradation or loss of adjacent wildlife habitats during construction. Project related vehicles shall be restricted to approved travel paths/roads and the well pad site.

Hazardous materials fuels, lubricants or solvents that may accidentally spill during well drilling activities shall be cleaned up and disposed of according to applicable federal, state, and local regulations.

All equipment storage and parking during site development shall be confined to the project area or to previously disturbed off site areas that are not habitat for listed species.

The Slawson project representative shall establish traffic restraints and erect signs to restrict construction-related traffic to approved access roads, construction areas, storage areas, staging and parking areas. Off-road traffic outside of designated project areas shall be prohibited. Project related vehicles shall observe a 20 mph speed limit in all project areas except on County roads and State and Federal highways.

To prevent entrapment of endangered species or other animals during the construction phase of the project, all excavated, steep-walled holes or trenches in excess of three feet in depth or greater shall be provided with one or more escape ramps constructed of earth fill if wildlife proof barricade fencing is not used at the well pad site. The ramps shall be at less than 45 degrees. Trenches shall be inspected for entrapped wildlife each working day. Before such holes or trenches are filled, they shall be thoroughly inspected for entrapped animals. Any animals so discovered shall be allowed to escape voluntarily, without harassment, before construction activities resume, or removed from the trench or hole by a qualified biologist and allowed to escape unimpeded.

All construction pipes, culverts, or similar structures that are stored at a construction site overnight shall be thoroughly inspected for trapped animals before the subject pipe is buried, capped, or otherwise used or moved. Pipes laid in trenches overnight shall be capped. If during construction an animal is discovered inside a pipe, that section of pipe shall not be capped or buried until the animal has escaped.

All food-related trash items such as wrappers, cans, bottles, and food scraps generated both during construction and subsequent operation shall be disposed of in closed containers only and regularly removed from the site. Food items may attract animals onto a project site, consequently exposing such animals to increased risk of injury or mortality. No deliberate feeding of wildlife shall be allowed.

To prevent harassment, mortality, or destruction of sensitive species and/or their habitat by domestic dogs and cats, no pets shall be permitted on-site.

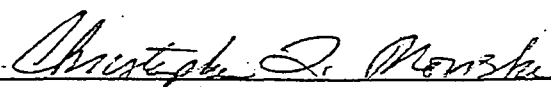
Night lighting would be needed during operation of the gas well site, but probably not during the construction phase. Night lighting may have an adverse effect on marshland wildlife near the well site. If night lighting is needed, the lighting shall be hooded and directed at the facilities and not at adjacent areas.

The applicant shall provide the Transportation Department with security for road damages in the form of a bond to ensure against damage to public roads.

The applicant shall apply for, obtain and comply with the requirements of an encroachment permit from the Transportation Department. The encroachment permit shall be for the construction of any driveway connections to the public road and the installation of any portion of the pipeline within the public right-of-way.

PREPARATION:

This Mitigated Negative Declaration was prepared by the Solano County Department of Environmental Management. Copies may be obtained at the address listed below.


Christopher L. Monske, Planning Program Manager
Solano County Dept. of Environmental Management
601 Texas St., Fairfield, CA 94533, (707) 421-6765

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