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**PROJECT MEMORANDUM  
KIRBY HILLS NATURAL GAS STORAGE FACILITY PROJECT, PHASE 2**

**To:** Junaid Rahman, CPUC  
**From:** Vida Strong, Aspen Project Manager  
**Date:** May 19, 2008  
**Subject:** Weekly Report #1: May 4, 2008 – May 10, 2008

**CPUC ENVIRONMENTAL MONITOR (EM):** Jody Fessler

CPUC EM Jody Fessler was on site Tuesday, May 6<sup>th</sup>.

**WELL SITES:**

**Summary of Activity:**

**Well Site 22 (WS-22)**

Asta Construction started work on Monday at WS-22 removing topsoil around the existing well pad and temporarily stockpiling the topsoil. Grading work then began at the site. Tuesday through Friday, crews continued grading and moving soil from WS-22 to WS-23 (see Figure 1 and Figure 2). On Wednesday, a crew from Valley Drilling arrived at the site to start work on the well and began conductor/cellar work. On Thursday, installation of rock began in completed areas. Also, Asta and Valley Drilling completed installation of conductors/cellars for future wells (three total). On Friday, crews worked on final grading and rocking for WS-22.

**Well Site 23 (WS-23)**

On Tuesday, crews began removing topsoil and then began grading the well site. Throughout the week, soil from WS-22 was deposited at WS-23 to build up the well pad. The wetland to the north of WS-23 was fenced off with a chain-link fence and silt fencing (see Figure 3). On Friday, crews began stripping the hillside vegetation where WS-23 cuts into the hill.

**Observation Well Lambie 6 (Well L6)**

On Tuesday, Well L6 temporary well pad was cleared and graded and crews exposed the plugged and abandoned Well L6 using a backhoe. A trench plate was placed over Well L6 opening when the work was finished (see Figure 4). On Wednesday, Samuel Welding and Vetco Gray crews installed the casing and wellhead for Well L6. On Thursday, Well L6 conductor pipe was backfilled. On Friday, a work-over rig was moved onto the well site and crews plan to begin on Monday.

**Observation Well Lambie 7 (Well L7)**

On Friday, Well L7 temporary well pad was cleared and graded and crews exposed the plugged and abandoned Well L7. Conductor pipe was installed.

**ACCESS ROADS:**

**Summary of Activity:**

At this time, crews are using existing access roads except for the access road that was built between WS-22 and WS-23. The access roads were continuously watered throughout the day for dust control.



**STAGING AREAS:**

**Summary of Activity:**

The staging areas have been staked, but were not cleared at the time of the CPUC EM site visit.

**COMPRESSOR STATION SITE:**

**Summary of Activity:**

NTP #4 was issued on May 7, 2008 for crews to commence with the civil, mechanical, electrical, and instrumentation work at the Compressor Station site. No work was started during the subject week.

**Environmental Compliance:**

The CPUC EM observed that all work activities were in compliance with the approved Mitigated Negative Declaration and other permit requirements. The CPUC EM reviewed PG&E EI daily reports and survey reports. Environmental training of crew personnel by LGS's Environmental Inspector (EI) was on-going as new crew personnel came onto the site. Sensitive environmental areas were staked, flagged, and/or fenced. The wetland area near WS-23 was fenced off and had silt fencing installed on the upslope side so potential erosion from WS-23 would not enter the wetland area. The CPUC EM observed water trucks watering the work areas continuously.

**NOTICES TO PROCEED (NTP):**

To date, four Notice to Proceed (NTPs) have been issued for the Kirby Hills Natural Gas Storage Facility Phase II Project. Additional NTPs are anticipated for the project.

**TABLE 1**  
**Notice to Proceed Requests**  
(Updated 5-19-08)

NTP #	Date Requested	Date Issued	Description
#1	4-11-08	4-21-08	Request authorization from the CPUC to commence with construction activities associated with three new wells (Well Sites 21, 22, and 23), a 2,700-foot-long pipeline (flow line), and access roads and staging areas for Phase II of the Kirby Hills Natural Gas Storage Facility Project.
#2	4-11-08	4-20-08	Request authorization from the CPUC to commence with reentry and conversion of Wells Lambie 6 and Lambie 7 to observation wells for Phase II of the Kirby Hills Natural Gas Storage Facility Project.
#3	5-2-08	5-6-08	Request a NTP from the CPUC for PG&E's hot tapping work at the Kirby Hills Natural Gas Storage Facility meter station, located west of Birds Landing Road in Solano County.
#4	4-29-08	5-7-08	Request authorization from the CPUC to commence with the civil, mechanical, electrical, and instrumentation work at the compressor station facility of the Kirby Hills for Phase II of the Kirby Hills Natural Gas Storage Facility Project.

**VARIANCE REQUESTS:**

No Variance Requests have been submitted to the CPUC to date.

## PHOTOGRAPHS



**Figure 1** – Crews grading and moving soil from around the existing well pad at WS-22, May 6, 2008.



**Figure 2** – Large earthmovers moving soil from WS-22 to WS-23 to build up well pad, May 6, 2008.



**Figure 3** – Water truck watering WS-23 and access road to WS-22. Wetland area fenced off on north side of WS-23, May 6, 2008.



**Figure 4** – Well L6 cleared and graded with trench plate coving hole, May 6, 2008.