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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:** June 26, 2008  
**Subject:** Weekly Report #6: June 8, 2008 – June 14, 2008

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

CPUC EM Jody Fessler was on site Friday, June 13<sup>th</sup>.

**WELL SITES:**

**Summary of Activity:**

**Well Site 21 (WS-21)**

On Monday and Tuesday, Asta Construction placed finish rock on WS-21. On Wednesday, crews performed the final grading and compaction of the rock on the well pad (see Figure 1).

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

Throughout the week, Ensign Drilling continued drilling of WS22-8 at WS-22 (see Figure 2). Crews are having problems drilling this well. They are drilling 24 hours a day, 7 days a week.

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

On Monday, Asta Construction placed finish rock on WS-23. On Thursday, crews conducted the final grading and compaction of rock at WS-23. Crews also began installing jute matting around the well site (see Figure 3).

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

No work activities occurred at Well L6 during the subject week.

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

No work activities occurred at Well L7 during the subject week.

**PIPELINE:**

**Summary of Activity:**

Pre-construction bird surveys were conducted by LGS's Environmental Inspector (EI) on Thursday along the pipeline right-of-way. Crews began stripping vegetation for the pipeline right-of-way once it was cleared by LGS's EI.

**ACCESS ROADS:**

**Summary of Activity:**

On Tuesday, Asta Construction began placing rock on the access roads around the well pad areas. On Wednesday, crews continued spreading rock and compacting the access roads around the well pads. On Thursday, crews completed spreading rock and compacting the access roads around the well pads (see Figure 4).

**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. NTP #6 was issued on June 13, 2008 for crews to set the compressor on the concrete foundations/pedestals once the BAAQMD permit is received. 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. Pre-construction bird surveys were completed prior to areas being cleared and graded. 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 continuously watering the work areas.

**NOTICES TO PROCEED (NTP):**

To date, six 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 6-26-08)

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.
#5	5-23-08	N/A	Request authorization from the CPUC for extra work space at the corner of Shiloh Road and the access road to Kirby Hills. This work space was already approved under NTP #1 and therefore NTP #5 is not necessary. Wetland areas within the work space will be totally avoided.
#6	6-9-08	6-13-08	Request to install compressor units on foundations at Compressor Station.

**VARIANCE REQUESTS:**

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

## PHOTOGRAPHS



**Figure 1** – Well Site 21 graveled, June 13, 2008.



**Figure 2** – Drill rig drilling at WS-22, June 13, 2008.



**Figure 3** – Crew installing jute matting at WS-23, June 13, 2008.



**Figure 4** – Access road gravelled from WS-22 to WS-21, June 13, 2008.