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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:** July 9, 2009  
**Subject:** Report #31: June 28, 2009 – July 4, 2009

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

CPUC EM Jody Fessler was on site Thursday, July 2<sup>nd</sup>.

**WELL SITES:**

**Summary of Activity:**

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

No construction activity was conducted at WS-21 during the subject period. Final grading, graveling, fencing, and clean-up work remains.

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

No construction activity was conducted at WS-22 during the subject period. Final grading, graveling, fencing, and clean-up work remains. Also, the existing access road to the north of the well pad needs to be removed.

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

No construction activity was conducted at WS-23 during the subject period. Final grading, graveling, fencing, and clean-up work remains.

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

Completed.

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

Completed.

**Well Site 5 (Wagenet 5 – W5) Observation Well**

The workover rig moved onto the well pad late Tuesday and the perforation of the well piping was performed on Wednesday and Thursday (see Figure 1). The work was completed and the rig moved off of the well pad on Friday morning. A workover rig will need to return to do some other work in late July. Removal of temporary portions of the well pad and restoration of the marsh area still have to be done.

**PIPELINE:**

**Summary of Activity:**

Completed.



**ACCESS ROADS:**

**Summary of Activity:**

Final grading work remains to be done.

**STAGING AREAS:**

**Summary of Activity:**

The disturbed temporary work area/staging area on the north side of the compressor station has revegetated well. A small amount of equipment is awaiting demobilization from the area south of the compressor station.

**COMPRESSOR STATION SITE:**

**Summary of Activity:**

Electrical work and foundation work have been completed at the compressor station site. Mechanical work included work on punch list items. The exhaust insulators were not on site during the subject week, but are scheduled to return July 9<sup>th</sup>. Flashing work on the compressor building remains to be performed at a later date (after exhaust insulation has been completed).

**METERING SITE:**

**Summary of Activity:**

Electrical work, mechanical work, and PG&E's work are complete at the Metering Station.

**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 LGS' Environmental Inspector's (EI) reports and survey reports. Environmental training of crew personnel by LGS's EI was on-going as new crew personnel came onto the site. Sensitive environmental areas were staked, flagged, and/or fenced. Erosion controls were in place and functioning at all work sites. The refueling tank and other small cans at the compressor station were surrounded with secondary containment. The sites were cleaned of trash on a daily basis. The access road to W5 was being kept watered to prevent dust. The SMHM wildlife exclusion fencing was in place and functional.

**NOTICES TO PROCEED (NTP):**

To date, eight Notices to Proceed (NTPs) have been issued for the Kirby Hills Natural Gas Storage Facility Phase II Project (see Table 1). No additional NTPs are anticipated for the project.

**TABLE 1**  
**Notice to Proceed Requests**  
(Updated 7-7-09)

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.
#7	12-14-08	12-17-08	Request to conduct modifications at the Metering Station, located west of Birds Landing Road in Solano County.
#8	4-7-09	4-16-09	Request authorization from the CPUC to commence with construction activities at observation well Wagenet 5 (W5).

**VARIANCE REQUESTS:**

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

## PHOTOGRAPHS



**Figure 1** – Workover drill at Wagenet 5, July 2, 2009