DEPARTMENT OF RESOURCE MANAGEMENT

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Planning Services Division

Use Permit Renewal – Staff Report

Application: U-03-03 Project Planner: Eric Wilberg **Location:** Hammond Island General Plan: Marsh

Meeting of May 7, 2015 Agenda Item No. 1

Assessor Parcel Numbers: 0046-250-050

Zoning: Marsh Preservation 'MP'

Proposal

The applicant has filed extension No. 1 of Use Permit U-03-03-MR1 for the continued operation of two natural gas wells. Pursuant to Section 28.106(N) of the County Zoning Regulations, use permits subject to periodic renewal shall be administratively approved if all of the following criteria are met:

- 1) The permittee has requested renewal;
- 2) The permittee has paid the applicable renewal fee; and
- 3) The use is being conducted in full compliance with all conditions of the use permit.

Background

Use Permit U-03-03 was granted by the Solano County Planning Commission (PC) May 15, 2003. On April 12, 2005 the PC granted minor revision 1 to provide a two year extension to drill.

Review and Recommendation

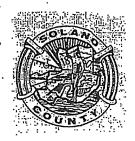
Based on the application materials submitted for this renewal and review of the approved development plans and conditions of approval, staff has determined that the natural gas well facility is being operated in compliance with U-03-03-MR1. Staff recommends approval based on the following findings:

- 1. The applicant filed an application for a renewal.
- 2. The applicant has paid the necessary permit renewal fee.
- 3. The permitted use is operating in compliance with the conditions of approval as set forth in U-03-03-MR1.

Updated Permit Term (Condition of Approval No. 18)

The permit shall be in effect for a ten (10) year period, with the provision that an extension may be granted if said request is received prior to the expiration date of April 12, 2025 and the use shall remain the same and in compliance with the conditions of approval.

Attachment A - U-03-03-MR1 Permit and Planning Commission Resolution No. 4407



Department Of Resource Management 675 Texas Street, Suite 5500 Fairfield, CA • 94533 Planning Division (707) 784-6765



LAND USE PERMIT NO. US03-03 (Minor Revision No. 1)

OXY RESOURCES CALIFORNIA LLC

(permittee)

For a two year extension to drill a natural gas well on Hammond Island south of, and next to Grizzly Island Road. The project is located in an "M-P" Marsh Preservation Zoning District 7 miles southeast of the City of Suisun, APN: 0046-250-050.

(Land use, location and zone district)

In addition to the zoning regulations, the building laws and other ordinances, the conditions of granting this permit, if any, are attached.

Granting or conditional granting of this permit does not release the permittee from complying with all other county, state or federal laws. Failure to comply with all the aforementioned provisions and conditions will be cause for the revocation of this Permit by the County Planning Commission.

Failure, neglect or refusal to exercise this Permit within a period of one (1) year from the date of granting thereof, shall automatically cause the same to become and remain null and void.

Date Granted April 12, 2005

SOLANO COUNTY PLANNING COMMISSION Issued by: ______ Date ______ Birgitta Corsello, Director/Secretary

oup ANNINGVU-1 Lisa Permis/2003/U-03-03 (Oxy Resources Calfornia)/U-03-03 UR 1 (Oxy Resources Calfornia)/U-03-03 mr1 (Oxy) po r

Sent to Suist Resource Cons Dist 4/26/05
BCDC

SOLANO COUNTY PLANNING COMMISSION RESOLUTION NO. 4407

WHEREAS, the Solano County Planning Commission has considered Minor Revision No. 1 to Use Permit No. U-03-03 of Oxy Resources California LLC for a two year extension to drill a natural gas well on Hammond Island south of, and next to Grizzly Island Road. The project is located in an "M-P" Marsh Preservation Zoning District 7 miles southeast of the City of Suisun, APN: 0046-250-050, and

WHEREAS, said Commission has reviewed the report of the Department of Resource Management and heard testimony relative to the subject application at the duly noticed public hearing held on April 12, 2005, and

WHEREAS, after due consideration, the said Planning Commission has made the following findings in regard to said proposal:

 The establishment, maintenance or operation of the proposed use is in conformity with the County General Plan with regard to traffic circulation, population densities and distribution and other aspects of the General Plan;

Both the drilling phase and the production phase are consistent with the intent of the Marsh designation of the Solano County General Plan which allows uses that do not adversely impact the sensitive habitat of the Suisun Marsh (Marsh and Wetland Habitat, pgs. 40-44). This project is also consistent with Ch. VIII Public Facilities which permits new natural gas transmission lines as long as they minimize destruction of natural vegetation and agricultural activities (Gas Utilities, pg.115).

2. Adequate utilities, access roads, drainage and other necessary facilities have been or are being provided.

Natural gas drilling rigs produce their own electrical power. There is existing access to the site. A revised marsh development permit from BCDC will be required for the project. Potable water and temporary chemical toilets will be brought to the project site for use during the temporary drilling phase.

3. The subject use will not, under the circumstances of this particular case, constitute a nuisance or be detrimental to the health, safety, peace, morals, comfort or general welfare of persons residing or working in or passing through the neighborhood of such proposed use or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.

The project has been reviewed and processed in accordance with the California Environmental Quality Act (CEQA) and the County EIR Guidelines. A Negative Declaration with mitigation measures was prepared and made available for public review. The Planning Commission considered and adopted the Negative Declaration on May 15, 2003.

The revisions requested by the project are not significant, and a revised Negative Declaration is not required.

SUGGESTED FINDINGS

- 4. Said Planning Commission heard testimony relative to the subject application at a duly noticed public hearing.
- 5. The proposed project is located within the Primary Management Area of the Suisun Marsh and requires a Marsh Development Permit from the San Francisco Bay Conservation and Development Commission.

BE IT, THEREFORE, RESOLVED, that the Planning Commission of the County of Solano does adopt the mandatory and suggested findings, and approve Minor Revision No. 1 to Use Permit No. U-03-03 subject to the following recommended conditions of approval.

- 1. The above use shall be established in accord with the plans and information submitted with Use Permit Application No. U-03-03 and approved by the Solano County Planning Commission.
- 2. The permittee shall take all necessary measures to prevent dust, noise, light, glare, odor and other objectionable elements from adversely affecting the surrounding area beyond acceptable limits.
- 3. Drilling operations will conform to the regulations of the California Division of Oil and Gas designed to prevent damage to natural resources.
- 4. After drilling is complete, all drilling muds, tail wastes, wastewater and other fluids will be removed from the site and disposed of in a manner that does not adversely affect other areas.
- 5. Measures will be taken to prevent significant pollution of groundwater, surface water or watercourses.
- 6. Derricks shall be removed when wells are brought into production.
- 7. If the well is abandoned, it shall be sealed in accordance with Division of Oil and Gas regulations, and the drilling or new production facilities shall be removed.
- 8. All buildings, tanks, or other facilities related to drilling or natural gas production shall be removed when the site is no longer being utilized for gas production.
- 9. Any change of use or intensification of use will require permit revision and further environmental review. Any deviation from the project description or requirements of the Planning Commission will subject the use permit to review and possible revocation.

- 10. All requirements of the Solano County Environmental Health Services Division shall be met including:
 - a. The permittee shall contract with a licensed sanitation company to provide and maintain a portable chemical toilet on-site for the duration of construction.
 - b. If hazardous materials are stored or produced on-site, then a Hazardous Materials Management Plan shall be submitted by the permittee and approved by this division.
- 11. All vehicles traveling to and from the job site must be equipped with spark arrestors.
- 12. All production facilities shall be painted camouflage or an earthen tone to blend in with the environment and to prevent glare.

Verification: The permittee shall submit a photograph showing that this requirement has been met.

- 13. To reduce any potential for impacts to less than significant levels, the following conditions/mitigation measures shall be implemented:
 - a. Sediment barrier fencing shall be erected around the project site at the marsh boundary (i.e., along the margins of the wellpad) prior to commencement of project activities to ensure that project-related materials do not enter marsh habitat and to restrict human access to the marsh. Project area boundaries shall be clearly delineated by stakes, flagging and/or 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.
 - b. Any night lighting required for drilling operations, shall be directional lighting that directs the light downward and inward toward the project site.
 - c. The ORCA 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. Upon termination of the drilling phase, all traffic signs shall be removed.
 - d. 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 is allowed.

- e. 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.
- f. 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.
- g. 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.
- h. If the gas well is unsuccessful it shall be plugged and abandoned in accordance with the California Division of Oil and Gas regulations and all drilling facilities shall be removed. At such time that the well no longer produces natural gas and the well is abandoned, all production equipment authorized by this use permit shall be removed from the site within 60 days of the date of abandonment and the project area will be returned to natural grade for ongoing CDFG use.
- i. Prior to issuance of the use permit, the permittee shall designate an environmental specialist to serve as an environmental monitor during the site preparation, drilling, and construction phases of the proposed project. The monitor shall be on-site 24 hours a day to ensure that all mitigation measures are adhered to. The name and contact information of the monitor shall be submitted to this Department. If, at any time, the permittee fails to adhere to the mitigation measures, the Department of Resource Management shall be contacted immediately. The monitor shall be approved by the Department of Resource Management.
- j. On-site water tanks shall accommodate the largest volume of water possible to reduce the number of trips required to remove water from the site.
- k. Project activities, including, site preparation, drilling and establishment of production equipment, are restricted to the period of April 15th through October 1st of 2005 and 2006.

Verification: The permittee shall submit photographs of the production facility showing that 13.a, b, & c, are being adhered to. The permittee shall submit written verification from an environmental specialist stating that measures 13.d, e, f, & g are being met.

14. At no time during the life of the well shall the production facility emit a noise level in excess of 60 dBA as measured 100 feet from a compressor. A noise analysis shall be conducted at the future request of Environmental Management to confirm that the project continues to meet this requirement.

Verification: A noise analysis shall be submitted within 30 days of a compressor being installed, to ensure this requirement is adhered to.

15. The permittee shall provide the Division of Public Works with security for road damages in the form of a bond to ensure against damage to public roads.

Verification: The Planning Division will withhold issuance of the use permit until the bond has been filed with the Public Works Division.

- 16. Should the proposed gas gathering pipeline necessitate construction within the Grizzly Island Road right-of-way, the permittee shall acquire appropriate encroachment permits from the Transportation Department.
- 17. The permittee shall repair and/or maintain private roads to a level equal to or better than the condition of the roads prior to project initiation.
- 18. The permit shall be in effect for a ten (10) year period, with the provision that an extension may be granted if said request is received prior to the expiration date of April 12, 2015, and the use shall remain the same and in compliance with the conditions of approval.

I hereby certify that the foregoing resolution was adopted at the regular meeting of the Solano County Planning Commission on April 12, 2005 by the following vote:

RAPLANNINGUL+) Use Permits/2003/U-03-03 (Oxy Resources California)/U-03-03 h/R 1 (Oxy Resources California)/U-03-03 mr1 (Oxy) pc resolution.docApril 5, 2005



Department Of Environmental Management

470 Chadbourne Road, 2nd Floor Fairfield, CA • 94534 Planning Division (707) 421-6765

LAND USE PERMIT NO. U-03-03

OXY RESOURCES

(permittee)

To utilize an existing Department of Fish and Game maintenance yard to drill two exploratory natural gas wells over a two year period and, if gas is found, to establish a permanent production facility. The project is located along Grizzly Island Road, approximately 8 miles south of the City of Suisun in the Primary Management Area of the Suisun Marsh and in the "M-P" Marsh Preservation Zoning District, APN: 0046-250-050.

(Land use, location and zone district)

In addition to the zoning regulations, the building laws and other ordinances, the conditions of granting this permit, if any, are attached.

Granting or conditional granting of this permit does not release the permittee from complying with all other county, state or federal laws. Failure to comply with all the aforementioned provisions and conditions will be cause for the revocation of this Permit by the County Planning Commission.

Failure, neglect or refusal to exercise this Permit within a period of one (1) year from the date of granting thereof, shall automatically cause the same to become and remain null and void.