



US Army Corps
of Engineers

Regulatory Branch
333 Market Street
San Francisco, CA 94105-2197

SAN FRANCISCO DISTRICT

PUBLIC NOTICE

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PERMIT MANAGER Robert Perrera

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1. **INTRODUCTION:** Rio Delta Resources, Inc., 3600 American River Drive, Sacramento, California, through their agent Environmental Planning and Management (Robert A. Booher; 707.399.7835) has applied for a Department of the Army permit to place fill material into 0.5 acres of jurisdictional waters of the United States (saltwater marsh) for the purpose of drilling three natural gas wells from one location and constructing associated production facilities. The proposed project is located south of Grizzly Island Wildlife Area near the southern edge of Wheeler Island adjacent to Honker Bay, within the Suisun Marsh of Solano County, California. This application is being processed pursuant to the provisions of Section 404 of the Clean Water Act (33 U.S.C. 1344) and Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403).

2. **PROJECT DESCRIPTION:** As shown in the attached drawings, the applicant proposes to install natural gas drilling equipment and production testing equipment within the proposed project site (Sheet 1 of 5). The proposed project site is 210 feet by 110 feet totaling 23,100 square feet (0.5 acres). The 0.5 acre site is jurisdictional water (saltwater marsh) of the United States. The proposed project would fill the 0.5 acre of saltwater marsh by grading to level for drilling operations. All equipment and vehicles would be staged within the project site and existing levee roads would be used to access the project area. All drilling mud would be contained in covered tanks and disposed of offsite in an upland location.

In the event that natural gas is found, the applicant proposes to install production equipment including well heads, dehydrators/heater separator, gas meter and water/condensate storage tanks that would occupy 0.13 acres of the original 0.5 acre project site (Sheet 2 of 5). In addition, 1.82 miles of natural gas pipeline would be constructed to transport natural gas from the well site to an existing natural gas pipeline. The pipeline would be constructed within the centerline of the existing levee roadbed by excavating a trench, installing a 2" or 3" pipeline, and backfilling the trench (Sheet 3 and 4 of 5).

Vertical drilling at the site would extend to 8,000 feet below the surface. The lateral end point of drilling (*Bottom Hole Location*) for the first gas well would occur one (1) mile from the point of ground penetration, extending southeast of the project site under Honker Bay (Sheet 5 of 5). The second and third gas well end point locations are dependent on the findings at the first gas well end point. End points for the second and third gas wells could occur under Honker Bay or the marsh.

3. **MITIGATION:** To mitigate for the loss of 0.5 acres of saltwater marsh, the applicant proposes to restore the project site to its current condition once drilling production is complete. In addition, the applicant proposes to restore 0.5 acres of degraded saltwater marsh on site or contribute to a fund to restore a saltwater marsh offsite, but within the Suisun Marsh.

4. **SITE DESCRIPTION:** The proposed Bluebird Natural Gas Well site is located in the Suisun Marsh. The project area is surrounded by saltwater marsh and tidal sloughs. The 0.5 acre site is level, except where the ground slopes up along the adjacent levee, with a shallow water table. Soils on the project site have a high clay content with organic matter mixed in. Water falling on the site ponds or sheet flows to the adjacent unnamed slough or marsh areas that ultimately discharge into Honker Bay. The project site is proximate to a duck club (Bluebird Club No. 903) and has been disturbed by duck club activities and recent levee maintenance. The vegetation on the project site is sparse and species diversity is low. Saltgrass (*Distichlis spicata*) is the dominant plant on the site and in the surrounding areas. The hydrology, soil and vegetative features are the principle jurisdictional features on the site and constitute saltwater marsh.

5. **PURPOSE AND NEED:** The purpose of the Bluebird Natural Gas Well project is to explore for natural gas within the existing Rio Delta Resources mineral leases. If exploratory drilling is successful, Rio Delta will extract and transport natural gas to the market.

6. **STATE APPROVALS:** Under Section 401 of the Clean Water Act (33 U.S.C. Section 1341), an applicant for a Corps permit must obtain a State water quality certification or waiver before a Corps permit may be issued. The applicant has provided the Corps with evidence that he has submitted a valid request for State water quality certification to the San Francisco Bay Regional Water Quality Board. No Corps permit will be granted until the applicant obtains the required certification or waiver. A waiver shall be explicit, or it will be deemed to have occurred if the State fails or refuses to act on a valid request for certification within 60 days after the receipt of a valid request, unless the District Engineer determines a shorter or longer period is reasonable for the State to act.

Water quality issues should be directed to the Executive Officer, California Regional Water Quality Control Board, San Francisco Bay Region, 1515 Clay Street, Suite 1400, Oakland, California 94612, by the close of the comment period of this public notice.

The project is within the jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC). A coastal zone consistency determination must be obtained from the BCDC by the applicant prior to the issuance of any Department of the Army permit.

7. **COMPLIANCE WITH VARIOUS FEDERAL LAWS:**

National Environmental Policy Act of 1969 (NEPA): At the conclusion of the public comment period, the USACE will assess the environmental impacts of the project in accordance with the requirements of the National Environmental Policy Act of 1969 (Public Law 91-190), the Council on Environmental Quality's Regulations at 40 CFR 1500-1508, and USACE Regulations at 33 CFR 230 and 325. The final NEPA analysis will normally address the direct, indirect, and cumulative impacts that result from regulated activities within the jurisdiction of the USACE and other non-regulated activities the USACE determines to be within its purview of Federal control and responsibility to justify an expanded scope of analysis for NEPA purposes. The final NEPA analysis will be incorporated in the decision documentation that provides the rationale for issuing or denying a Department of the Army permit for the project.

Endangered Species Act of 1973 (ESA): The Suisun Marsh plays an important role in providing wintering habitat for waterfowl of the Pacific Flyway and provides habitats for a variety of fish and wildlife, including several rare and endangered species. There is the potential occurrence, in or adjacent to the project site, for federally endangered

species that include salt marsh harvest mouse (*Reithrodontomys raviventris*) and soft bird's beak (*Cordylanthus mollis*). On October 26, 2001, biologists surveyed the proposed project area for sensitive species. No federally listed species were observed within the project area during the survey.

National Historic Preservation Act of 1966 (NHPA): According to the County of Solano Notice of Comment Period Draft Negative Declaration dated April 1, 2002, there will be no impact to cultural resources. Standard construction-related measures to preserve such resources would be employed if buried artifacts or other archeological resources were exposed during grading operations. If unrecorded historic or cultural resources were discovered during construction, such operations would be suspended until the USACE concluded Section 106 consultation with the State Historic Preservation Officer to take into account any construction-related impacts to these resources.

8. COMPLIANCE WITH THE 404(B) GUIDELINES: Projects resulting in dredged or fill material discharges into waters of the United States must comply with the Guidelines promulgated by the Administrator of the Environmental Protection Agency under Section 404(b) of the Clean Water Act (33 U.S.C. 1344(b)). An evaluation pursuant to the Guidelines indicates the project is not dependent on location in or proximity to waters of the United States to achieve the basic project purpose. This conclusion raised the (rebuttable) presumption of the availability of a less environmentally damaging practicable alternative to the project that does not require the discharge of dredged or fill material into special aquatic sites. The applicant has submitted an analysis for project alternatives to be reviewed for compliance with the Guidelines.

9. PUBLIC INTEREST EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impacts, including

cumulative impacts, of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts which the proposed activity may have on the public interest requires a careful weighing of all those factors which become relevant in each particular case. The benefits which reasonably may be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. The decision whether to authorize a proposal, and if so the conditions under which it will be allowed to occur, are therefore determined by the outcome of the general balancing process. That decision will reflect the national concern for both protection and utilization of important resources. All factors which may be relevant to the proposal must be considered including the cumulative effects thereof. Among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people.

10. CONSIDERATION OF COMMENTS: The USACE is soliciting comments from the public; Federal, State and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of the project. All comments received by the USACE will be considered in the decision on whether to issue, modify, condition, or deny a Department of the Army permit for the project. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, and other environmental factors addressed in a final Environmental Assessment or Environmental Impact Statement. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the project.

11. SUBMISSION OF COMMENTS: During the specified comment period, interested parties may submit written comments to the San Francisco District, Regulatory Branch, North Section, citing the applicants name and Public Notice Number in the letter. Comments may include a request for a public hearing on the permit application; such requests shall state, with particularity, the reasons for holding a public hearing. All comments will be forwarded to the applicants for resolution or rebuttal. Additional information may be obtained from the applicant or by contacting Mr. Robert Perrera of the Regulatory Branch at telephone 415.977.8454.