

Award Number: PIR-09-019Date: 4 / 28 / 2010

Note: The Energy Commission Project Managers Manual includes detailed instructions on how to complete this section, with examples of grants that are “Projects” and are not “Projects”. When the Project Manager is completing this section, if questions arise as to the appropriate answers to the questions below, please consult with the Energy Commission attorney assigned to review grants or loans for your division.

1. Is grant/loan considered a “Project” under CEQA? Yes (skip to question #2) No (continue with question #1)

Please complete the following: [Public Resources Code (PRC) 21065 and 14 California Code of Regulations (CCR) 15378]:

Explain why the grant/loan is **not** considered a “Project”? The grant/loan will not cause a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment because grant/loan involves:

2. If grant/loan is considered a “Project” under CEQA: (choose either **IS** or **IS NOT**)

Grant/loan **IS** exempt:

Statutory Exemption: (List PRC and/or CCR section numbers) _____

Categorical Exemption: (List CCR section number) See Below

Common Sense Exemption. (14 CCR 15061(b)(3))

Explain reason why the grant/loan is exempt under the above section:

Project is exempt under Title 14, Chapter 3, Article 19, under the following sections:

15303 - New Construction - A corral will be constructed for three exploratory drilling pads, and the corral will only take up of 4,932 ft² (0.11 acre) area, which is within the limits of this exemption for new construction.

15304 - Minor Alterations to Land - Potter Drilling will survey and grade the area, if necessary, for the three drilling pads, and upon completion will cover pit and tailings and condemn or plug and abandon the well per Madera County regulations.

15306 - Information Collection/Research - Three small exploratory holes will be drilled for the purpose of testing and demonstrating the commercial viability of a new drilling technique. These activities will not result in a serious or major disturbance to an environmental resource.

Please attach draft Notice of Exemption (NOE). Consult with the Energy Commission attorney assigned to your division for instructions on how to complete the NOE.

Grant/loan **IS NOT** exempt. The Project Manager needs to consult with the Energy Commission attorney assigned to your division and the Siting Office regarding a possible initial study.