William S. Hart Union High School District

CDE / Title 5 Issues

By: James F. Bush, President

School Site Solutions, Inc.

State Process for Site Approval and Funding

- California Department of Education (CDE) site approval - Title 5 Requirements
- Division of the State Architect (DSA) approval, fire, life safety and access
  - California Geological Survey (CGS) office and geotechnical approval - need prior to DSA approval
- Office of Public School Construction (OPSC) – State funding
  - Requires CDE site and plan approval and DSA approval for plans prior to submittal to OPSC for State funding

District Eligibility for State Facility Funding

- In 2009, the William S. Hart Union High School District (District) processed and received eligibility for the following:

7-8	9-12	Non-Severe	Severe
3,646	5,416	772	298

- This eligibility is recalculated every year based upon historical enrollments projected forward 5 years and supplemented by approved (not built) residential subdivision lots.

State Funding Submittal Requirements

- Applications for State facility funding can be submitted upon CDE and DSA approval of plans and prior to occupation of the school
- Funding is currently based upon the following criteria:
  - A per student grant of approximately $12,000 per 9-12 student
  - A supplemental per student grant for non severe and severe special education students
  - Plus 50% of the land appraised value or purchase price, whichever is less. State funding of land can not exceed CDE approved site size.
  - Plus 50% of service site, off-site and utilities as agreed upon by the Office of Public School Construction

State Unfunded List

- Currently the State funds school facilities through voter approved Bonds
  - Prop 1D was approved in 2008 which will be allocated by July of this year for new construction projects.
- A Bond in 2010 has not been placed on the ballot.

Education Code and Title 5 Requirements For School Site Approvals

- California Education Code 17251 provides that the State Department of Education develop standards for the selection of school sites. Title 5 of the California Code of Regulations implements these standards. Prior to CDE approving the site, the following issues must be approved:

Education Code and Title 5 Requirements For School Site Approvals

Standard	Hasley Sloan	Romero
Net usable acres as recommended by CDE	▪ Master planned for 2,600 students ▪ CDE recommends 58.3 net usable acres ▪ Gross is 68.55 acres ▪ Net usable is 48.6 acres ▪ This is 83.3% of the CDE recommended acres	▪ Master planned for 2,600 students ▪ CDE recommends 58.3 net usable acres ▪ Gross is 113.82 acres ▪ Net usable is 50.1 acres ▪ This is 85% of the CDE recommended acres

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Education Code and Title 5 Requirements For School Site Approvals

Standard	Hasley Sloan	Romero
Safety Standards:		
Power lines	OK	OK
Pipelines (1500 ft)	OK	OK
Railroads (1500 ft)	OK	OK
Active earthquake faults on or near site	▪ No mapped active faults. Possible shearing noted about ½- mile from site. ▪ DSA/CGS will probably require further investigation and possible trenching on site	No mapped active faults

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Education Code and Title 5 Requirements For School Site Approvals

Standard	Hasley Sloan	Romero
Safety Standards (cont'd):		
Flood or dam inundation	Potential 100 year flood zone	OK
Liquefaction / landslides, slope stability, soil subsidence	▪ Possible liquefaction related to drainage area ▪ Seismic settling issue ▪ Potential for landslides - considered minor ▪ CGS would have to approve studies and improvement plans prior to DSA	▪ Four large landslide areas identified on site ▪ Cut slope issue identified ▪ Fill settlement issue identified ▪ CGS would have to approve studies and improvement plans prior to DSA
Water / fuel aboveground storage tanks	Safety study needed if aboveground tanks are placed on or near a school site.	Safety study needed if aboveground tanks are placed on or near a school site.
Hazardous air emissions within ¼-mile	OK	OK
Airport within 2 nautical miles	OK	OK

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Education Code and Title 5 Requirements For School Site Approvals

Standard	Hasley Sloan	Romero
DTSC Clearance	▪ Phase I ESA completed July 2, 2002 ▪ DTSC issues a No Further Action letter on August 1, 2002 ▪ Padre recently updated the Phase I (April 2010) since the original study was over 5 years old ▪ Recommended no further action	▪ Phase I ESA completed February 2010 ▪ Submitted to DTSC April 22, 2010 ▪ Additional information requested by DTSC, received May 19, 2010 ▪ DTSC determined further action was needed – Preliminary Environmental Assessment (PEA) ▪ Abandon well per Dept. of Oil and Gas ▪ Soil testing around oil well drilling needed, old well pit testing and soil gas testing (proposal attached)

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Education Code and Title 5 Requirements For School Site Approvals

Standard	Hasley Sloan	Romero
CEQA Adoption by School Board	▪ The school Board would be the lead agency and responsible for completing and distributing the CEQA document for public comment and approving the document. ▪ Padre will prepare the initial study as soon as the preferred site is selected.	▪ The school Board would be the lead agency and responsible for completing and distributing the CEQA document for public comment and approving the document. ▪ The CEQA analysis would need to be prepared for the school project if the Board purchased a pad ready lot or undeveloped land. ▪ Padre would prepare the initial study as soon as the preferred site is selected.

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Education Code and Title 5 Requirements For School Site Approvals

Standard	Hasley Sloan	Romero
Site conveniently located for public services	Off-site extensions will be required	Off-site extensions will be required
Air Pollution Control District – hazardous facilities within ¼-mile	OK	OK
Written notice to local planning agency with respect to conformity to the adopted General Plan	To be done when preferred site is selected	To be done when preferred site is selected
Meet with local government and or park authorities to promote joint use	To be done when preferred site is selected	To be done when preferred site is selected

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SSS
School Site Solutions, Inc.
K-12 School Site and Facilities Specialists

MEMORANDUM

Date: May 28, 2010

To: Project Team

From: Jim Bush

Re: Cost to Abandon Romero Property Well and Other Environmental Remediation Requirements

I have put together the following cost estimate for abandoning the oil well located on the Romero property according to Department of Toxic Substances Control (DTSC) and the Department of Oil and Gas standards. This cost estimate is based upon the following:

1. Requirements from the DTSC in a letter dated May 24, 2010 **(Exhibit A)**:
    a. Re-abandonment of "Devils Canyon No. 1" well to current Division of Oil, Gas and Geothermal Resources (DOGGR) standards
    b. Testing for methane and hydrogen sulfide from leaky oil well casings and biologic breakdown of hydrocarbons in near surface soil
    c. Subsurface exploration in the area of the existing oil well casing to evaluate for the presence of oil field related waste including drilling muds and production test fluids
    d. Excavation of soil from a surficial diesel fuel spill from a 5-gallon bucket

2. A proposal from Padre Associates, Inc. to complete the DTSC requirements: Workplan, DTSC scoping meetings, testing and reports **(Exhibit B)**. If testing results show further issues, this proposal will have to be amended.

3. A proposal from Padre to complete the necessary applications and plans through the Department of Oil and Gas.

4. An estimated DTSC oversight fee. DTSC review time is billed to the project as a separate fee. Fee estimated by Padre.

5. The Department of Oil and Gas was contacted concerning the abandonment process. A formal application and a specific abandonment procedure for this well would have to be approved. However, a letter dated October 23, 1990 from the Department of Oil and Gas outlined the abandonment of this well. It was indicated that this would be a good starting point **(Exhibit C)**.

6. A number of oil well drilling companies were contacted concerning cost estimates for abandonments. MMI Services provided a cost estimate for the abandonment process **(Exhibit D)**. The 1990 letter from the Department of Oil and Gas was provided as a guide for developing the costs. Once a new abandonment procedure is approved, a formal proposal can be obtained. The proposal received from MMI did not include waste disposal processes and costs.

428 J Street, Suite 370 / Sacramento, CA 95814
www.schoolsitesolutions.com
916.930.0736 · 916.930.0788 fax

7. Waste disposal activities needed that were not part of the MMI proposal:

    a. Property information regarding each well
    b. A place for disposal of all well fluids within 3 miles
    c. A place to load fresh water within 3 miles
    d. Two 550 bbl. tanks for all well bore returns
    e. Clean-out MMI provided ½ tank of cement returns, daily
    f. Dispose of all concrete and all well bore returns
    g. Supply vacuum trucks for well bore returns to disposal site

    Padre has reviewed the waste disposal activities and provided a cost estimate.

8. The District project management would be needed to oversee the entire process if they were responsible for completion.

9. A contingency factor is proposed in order to cover unforeseen costs. For example, the testing required from DTSC for the old mud pits might come back positive. That would require excavation of the material and disposal of it at an appropriate landfill. These types of costs are not included in the proposals. Further DTSC investigation is always a possibility. The site will not be approved by the California Department of Education unless DTSC signs off on the project.

Devil's Canyon #1
Well Abandonment Cost Estimate

Estimated cost categories:

- Environmental company to interface with the DTSC and DOG (Padre proposal) $50,000
- DTSC oversight fee (Padre estimate) $25,000
- DOG application and oversight fees $0
- Abandonment work (MMI proposal) $196,552
- Waste disposal (Padre estimate) $100,000
- District project management $10,000
- **Total** **$381,552**
- 30% contingency $114,465
- **TOTAL** **$496,017**

Linda S Adams
Secretary for
Environmental Protection

Department of Toxic Substances Control

Maziar Movassaghi
Acting Director
5796 Corporate Avenue
Cypress, California 90630

Arnold Schwarzenegger
Governor

May 24, 2010

Mr. Michael Otavka
Director of Facilities
Facilities - New Construction
William S. Hart Union High School District
21515 Centre Pointe Parkway
Santa Clarita, California 91350

PHASE I ENVIRONMENTAL SITE ASSESSMENT DETERMINATION, WILLIAM S. HART UNION HIGH SCHOOL DISTRICT, PROPOSED ROMERO CANYON HIGH SCHOOL, TRACT 47807, CASTAIC, LOS ANGELES COUNTY (SITE CODE: 304630)

Dear Mr. Otavka:

The Department of Toxic Substances Control (DTSC) reviewed the "Environmental Site Assessment – Phase I" (Phase I) (California Environmental, February 2010), received on April 22, 2010, for the Proposed Romero Canyon High School site (Site). Additional information was submitted on May 19, 2010 in response to DTSC comments forwarded in an email on April 27, 2010. DTSC comments were not completely and/or satisfactorily addressed. The Phase I describes current and historical land uses and identifies environmental conditions.

According to the Phase I, the Site (i.e., "new school site") is approximately 113.82 acres of the 197.96 acres for which the Phase I covers. The Site is located approximately 1.75 miles north of the Hasley Canyon Road and Romero Canyon Road intersection, within unincorporated Los Angeles County. The Site is undeveloped hilly terrain dissected by two north-south trending canyons. The Phase I concludes that the only recognized environmental conditions (RECs) at the Site are as follows:

- re-abandonment of "Devils Canyon No. 1" well to current Division of Oil, Gas, and Geothermal Resources (DOGGR) standards;
- testing for methane and hydrogen sulfide from leaky oil well casings and biologic breakdown of hydrocarbons in near surface soil;
- subsurface exploration in the area of the existing oil well casing to evaluate for the presence of oil field related waste including drilling muds and production test fluids; and
- excavation of soil from a surficial diesel fuel spill from a 5-gallon bucket

Based on the information provided, DTSC has determined that completion of a Preliminary Environmental Assessment (PEA) is needed for this Site. The purpose of the PEA is to determine whether a release or threatened release of hazardous material or naturally occurring hazardous material may pose a threat to public health or the environment. DTSC concurs that the re-abandonment of the "Devils Canyon No. 1" well should be conducted under DOGGR oversight. The PEA should address, but may not be limited to, the above RECs.

Furthermore, the following are DTSC comments that were not adequately address and should be addressed in future submittals:

- the aerial photographs and topographic maps did not identify the Site area/boundaries;
- it is unclear as to which area(s) is subject to DTSC final determination; and
- DTSC understands the following information is forthcoming: 1) the number of classrooms and number of students associated with the proposed school, and 2) an electronic copy of the Phase I.

DTSC determination based on the Phase I pursuant to the Education Code (Ed. Code, § 17213.1, subd. (a)), does not constitute a determination that "all appropriate inquiry" has been conducted within the meaning of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. § 9601(35)(B)). DTSC review of the Phase I was conducted solely to identify recognized environmental conditions at this Site in accordance with requirements of the Education Code, and to determine whether further investigation is necessary prior to DTSC approval of this Site for future school use.

Pursuant to Education Code section 17213.1, subdivision (a)(4)(B), if the William S. Hart Union High School District (District) elects to pursue site acquisition or construction, the District shall enter into an Environmental Oversight Agreement (EOA) with DTSC to oversee the preparation of the PEA. A copy of the Environmental Oversight Program application for the EOA is available on the DTSC School Site Evaluation Web page at www.dtsc.ca.gov/Schools/index.cfm. Please forward the completed application, signed by an authorized District representative, to:

Ms. Michele Foster
Agreement Coordinator
Brownfields and Environmental Restoration Program
Department of Toxic Substances Control
9211 Oakdale Avenue
Chatsworth, California 91311
mfoster@dtsc.ca.gov
(818) 717-6611

Ms. Foster will prepare and forward an agreement for review and signature. Subsequently, a project manager will contact the District to schedule a scoping meeting. For additional information regarding the PEA process or entering into an agreement, please contact Mr. Shahir Haddad at 714.484.5368 or shaddad@dtsc.ca.gov.

For all documents submitted to DTSC, please submit one hard (paper) copy and one electronic copy in Adobe Portable Document Format (PDF) in accordance with the enclosed guidelines. All submittals should include applicable signatures and certification stamps. The electronic copy may be provided on a compact disc instead of via the FTP server.

DTSC review of the Phase I exceeded the current fee (Ed. Code §17213.1, subd. (a)(2)) of $1,500 due to the additional time required to determine the current Assessor Parcel Numbers and necessary activities regarding the dry well. As a result, DTSC will forward an invoice to the District for the amount in excess of the $1,500 review fee.

If you have any questions regarding the project, please contact me at 714.484.5340.

Sincerely,

Christine Chiu
Project Manager
Schools Team – Cypress Office
Brownfields and Environmental Restoration Program

ed/cc/sh

Enclosure

cc: See next page.

cc: Mr. Michael O'Neill
Consultant/Environmental Coordinator
School Facilities Planning Division
California Department of Education
moneill@cde.ca.gov

Mr. Charles Buckley
California Environmental
cbuckley@calenviro.com

Mr. Shahir Haddad
Supervising Engineer
Schools Team – Cypress Office
shaddad@dtsc.ca.gov

Ms Michele Foster
Phase I and Agreement Coordinator
Schools Team – Chatsworth Office
mfoster@dtsc.ca.gov

Schools Team Reading File – Cypress Office

GUIDELINES FOR SUBMITTING PDF DOCUMENTS TO THE DEPARTMENT OF TOXIC SUBSTANCES CONTROL

With the introduction of the Cleanup Program's database, EnviroStor, the public can now download and view project related documents online. To provide the public with this vital source of information, please provide a PDF copy of reports, even if a hard copy will be supplied.

Due to differences in internet downloading capabilities and resolutions of PDF files, many users have trouble downloading and viewing large PDF files. The following guidelines were created to provide consistency in PDF files and allow most users to access these files

1) **File size:** For each file that needs to be uploaded, the maximum file size should be kept to **15 megabytes** (MB). If you have a large file, please save large color images (e.g., figures, site photos, maps) and supplemental information (appendices) in separate PDF files. If you are creating PDF files by scanning a paper document, the recommended resolution setting is 200 SPI.

2) **Naming PDF files:** It is recommended that the files be named by using an abbreviated site name, report title, date, and, if multiple files are being uploaded, the section of report (e.g., **Site_report _mmddyy_section.pdf**, 968-81stAve_PEA _072706_text.pdf, etc). Please do not use spaces in your filename.

3) **Accessibility:** To ensure that all files uploaded into EnviroStor are searchable and comply with California's Web Accessibility law, please run all PDF files through an Optical Character Recognition (OCR) process prior to submitting the file to DTSC.

4) **Bookmarks:** For large reports, bookmarks should be created in the PDF for ease of navigation.

5) **FTP server:** To submit large files or a group of files that cannot be sent via e-mail, they can be sent to a DTSC staff member via the FTP server. It is recommended that if you are sending multiple files via the FTP server, that you place all files into a folder and ZIP the folder. Below are the instructions to submit files via the FTP server:

   Link: http://www.dtsc.ca.gov/database/DTSC_FTP_Requests/index.cfm

   i. **Provide Upload File Information:** Please provide the requested information about yourself, the recipient, and the name of the computer file to be uploaded. This tells our system:
      a. to expect and allow your file onto the FTP server,
      b. to whom the recipient is, and
      c. to let the recipient know who sent the file

      Please assure that the file name and specified name of the file (with extension) exactly match the actual name of the file being sent. If the names do not match exactly, then the file will be deleted as spam. Do not specify a drive or directory.

   ii. **Transfer the File:** Once your information is provided in the first step, you have 60 minutes to send your file to our server. You will be provided with an FTP location after providing the information.

      You will be notified upon the successful receipt or failure to receive your file

For further assistance about submitting PDF files, please contact the appropriate Cleanup Program Project Manager, or the EnviroStor Help Desk at (916) 323-3400, or by email to EnviroStor@dtsc.ca.gov.

padre associates, inc.
ENGINEERS, GEOLOGISTS & ENVIRONMENTAL SCIENTISTS

May 27, 2010
Project No. 1001-1060

Mr. Michael Otavka, Director of Facilities
William S. Hart Union High School District
21515 Centre Pointe Parkway
Santa Clarita, California 91350

Subject: Proposal for Conducting a Preliminary Environmental Assessment (PEA) and Oversight of the Re-abandonment of "Devils Canyon No.1" Oil Well for the Proposed Romero Canyon High School, Castaic, Los Angeles County California

Dear Mr. Otavka:

Padre Associates, Inc. (Padre), on behalf of the William S. Hart Union High School District (District), has prepared this proposal to perform a Preliminary Environmental Assessment (PEA); and oversight for the re-abandonment of the "Devils Canyon No.1" oil well (dry hole) for the proposed Romero Canyon High School site, located in Tract 47807, Castaic, Los Angeles County, California (Project Site).

It is our understanding that the Project Site consists of approximately 113.82 acres of hilly terrain that is dissected by two north-south trending canyons. Access to the property is via Romero Canyon Road from Hasley Canyon Road to the south.

This proposal is based on the school site selection requirements of the California Department of Education (CDE) and the Department of Toxic Substances Control (DTSC); and the well abandonment requirements of the Division of Oil, Gas, and Geothermal Resources (DOGGR).

SCOPE OF SERVICES

The requested scope of environmental services is presented below, followed by a cost estimate:

- Section A – Preliminary Environmental Assessment; and
- Section B – Re-Abandonment of "Devils Canyon No.1" Oil Well.

SECTION A - PRELIMINARY ENDANGERMENT ASSESSMENT

Padre has prepared the following scope of work based on the findings of the Phase I Environmental Site Assessment ESA (California Environmental, February 2010) and the Department of Toxic Substances Control's (DTSC) letter of determination dated May 24, 2010.

Task 1 – Site Visit and Inspection of RECs

Padre will conduct a site visit to inspect the "recognized environmental concerns" (RECs) documented in the Phase I ESA report. Additionally, Padre will identify if there are any access constraints regarding the mobilization of sampling equipment associated with the PEA

Task 2 – Preparation of DTSC Scoping Document and DTSC Scoping Meeting

Padre will develop a strategy for completing activities appropriate for the PEA including preparation of the appropriate scoping meeting documents. The Phase I ESA report will be used as a background document.

Padre will arrange for a scoping meeting with DTSC and the District to discuss the proposed site sampling strategy for completing activities appropriate for the PEA. The proposed sampling strategy will be outlined in the scoping document.

Task 3 - PEA Work Plan

Based on the results of the scoping meeting, Padre will prepare a PEA Work Plan that will be implemented in general accordance with the guidelines of the following documents:

- Cal/EPA-DTSC, PEA Guidance Manual (January 1994, second printing June 1999);
- Cal/EPA, DTSC, *Interim Guidance Evaluation of School Sites with Potential Soil Contamination as a Result of Lead from Lead-Based Paint, Organochlorine Pesticides from Termiticides, and Polychlorinated Biphenyls from Electrical Transformers, Revised*, June 9, 2006; and
- Cal/EPA-DTSC, Advisory – Active Soil Gas Investigation (Draft for Review), March 2010.

The PEA Work Plan will include the following:

- The PEA Objectives;
- Site Description, Site Contacts, and Site History;
- A Field Sampling Plan designed to establish the type and general extent of potential soil contamination at the Site;
- A Site Specific Health & Safety Plan;
- A Quality Assurance/Quality Control (QA/QC) plan to produce data of known quality; and
- A Proposed Work Schedule.

Task 4 - Field Assessment Activities

Field assessment activities will be completed in accordance with DTSC approved Final PEA Work Plan. Based on our experience and knowledge of the Project Site, we anticipate the following assessment activities will be required by DTSC for the proposed school site.

Former Building Structures. For buildings built prior to 1979 (former and existing), soil samples are required to be collected and analyzed for lead from weathering of lead-based paint (LBP). For buildings with wood components built prior to 1989, soil samples are required to be collected and analyzed for the presence of organochlorine pesticides (OCPs) from potential termiticide application.

According to the Phase I ESA report and a review of aerial photographs there were two former building structures located in the vicinity of the abandoned well, that appear to have been present prior to 1979, therefore soil samples will be collected from all four sides of the building and within two feet of the perimeter of buildings foundation. Discrete soil samples will be collected from the surface soil to depths of 0.5 feet, and will be analyzed for the presence of lead.

Additionally, for potential termiticide applications, soil samples will also be collected from depths of approximately 2.0 to 2.5 feet at the same locations and the discrete surface and subsurface soil samples will each be made into 4-point composite soil samples by the laboratory. The composite soil samples will be analyzed for the presence of OCPs.

Historic Mud Pit. Drilling fluids used in oil and gas exploration and production operations may be mixed with drilling additives, cuttings, formation water, and crude oil. The drilling fluid was circulated and stored in mud pits, which were typically unlined and located adjacent to the well.

The Devils Canyon No.1 Oil Well, which was drilled in 1946 and abandoned in 1947 as a dry hole, is located in the south-central portion of the Project Site. Based on the age and remote location of the well, it is surmised that the drilling fluid was not removed as part of the well completion practices. Therefore, at five locations, discrete soil samples will be collected from the surface and depths of 5 feet and 10 feet, using Geoprobe™ direct push technology. The first location will be continuously cored to determine subsurface lithology at the selected location. The collected soil samples will be submitted to a certified California Laboratory to be chemically analyzed for petroleum hydrocarbon constituents and metals analyses.

Methane and Hydrogen Sulfide Testing. According to DTSC's review of the Phase I ESA report, (Item 4), the DTSC stated that "it does not appear necessary to conduct such testing" (ie., methane and hydrogen sulfide testing). Additionally, DTSC concurs that the re-abandonment of "Devils Canyon No.1" well, should be conducted under DOOGR oversight. Therefore, Padre is not proposing to conduct methane and hydrogen sulfide testing at this time. If it is determined after review and consultation with DOGGR that a soil gas investigation is

necessary, then Padre will prepare a cost estimate based on DOGGR requirements and in accordance with DTSC's *Advisory - Active Soil Gas Investigations (DRAFT)* dated March 2010.

Task 5 - Laboratory Program

For purposes of this proposal Padre is assuming the minimum number of soil samples and analysis will be required. No groundwater sampling and/or soil vapor sampling is proposed. If additional sampling or analysis is required by DTSC, Padre will modify the estimated cost and request written approval from the district.

The proposed laboratory program will consist of analyzing soil samples collected from across the Project Site for the presence of:

- Organochlorine pesticides (OCPS) by U.S. Environmental Protection Agency (U.S. EPA) Method 8081A; and
- Lead by U.S. EPA Method 6010;
- TPH (full scan) by U.S. EPA Method 8015M;
- VOCs by U.S. EPA Method 8260;
- CAM 17 Metals by EPA Method 6000/7000 series; and
- Hexavalent Chromium by U.S. EPA Method 7199.

Task 6 - Report Preparation

Following the completion of Tasks 1 through 4, Padre will prepare a PEA report documenting the sampling procedures, results of the laboratory analysis, findings, human health screening evaluation, conclusions and recommendations. Both bound copies and electronic copies of the report will be provided to interested parties.

SECTION B – WELL RE-ABANDONMENT

Padre has prepared the following scope of work based on the requirements of the DOGGR.

Task 1– Notice of Intent to Abandon / Re-Abandon Well

Padre will prepare the DOGGR "Notice of Intent to Abandon / Re-Abandon Well" form OG108. The completed form will be signed by the operator/property owner, and will be submitted along with the required attachments to DOGGR District 2, located in Ventura, California.

The DOGGR will prepare a "Construction Project Site Review and Well Abandonment Procedure" package for the applicant. The District's selected drilling contractor will complete the permit application and submit to DOGGR for Review and approval.

Task 2– Oversight of Well Re-Abandonment Activities

Padre will provided oversight of well re-abandonment activities, including coordination with the DOGGR, local agencies, and the District's selected drilling contractor. Additionally, Padre will assist in profiling and disposal of wastes generated during the re-abandonment procedures. The actual costs of Padre's services will be dependent on the drilling contractors estimated time to complete re-abandonment activities. For the purposed of this proposal a cost estimate for this task is provided. A revised cost estimate for this task will be provided as the details of the abandonment activities are further defined.

Task 3 – Documentation/Reporting of Well Re-Abandonment

Padre will document the procedures and results of the well re-abandoning activities, and will prepare and submit the necessary reporting requirements to DOGGR and DTSC.

COST SUMMARY

The scope of services detailed herein will be performed on a time and materials basis in accordance with Padre's Professional Services Agreement and General Conditions, which are attached, for an estimated cost of $35,000 for the PEA; and $15,000 for Well Re-Abandonment. A cost summary is outlined below:

A. Preliminary Endangerment Assessment (PEA)

Task 1 - Site Visit and Inspection of RECs	$ 1,500
Task 2 – Preparation of Scoping Document and DTSC Scoping Meeting	$ 2,500
Task 3 – PEA Workplan	$ 4,500
Task 3 - Field Activities	$ 14,500
Task 4 - Laboratory Program	$ 7,500
Task 5 - Report Preparation	$ 4,500
Cost Estimate:	$ 35,000

B. Well Re-Abandonment

Task 1 – Prepare Intent to Abandon Permit	$ 1,500
Task 2 – Over-site of Abandonment Activities	$ 10,000
Task 3 – Documentation/Reporting of Well Re-Abandonment	$ 3,500
Cost Estimate:	$ 15,000

Total Cost Estimate

Section A – Preliminary Environmental Assessment (PEA)	$ 35,000
Section B – Well Re-Abandonment	$ 15,000
Total Cost Estimate:	**$ 50,000**

ASSUMPTIONS

Several assumptions have been made in developing this proposal and cost estimate and, if not valid, will constitute a change in the scope of services, requiring an adjustment in project cost. We will notify you of any such changes in writing. Assumptions and limitations to our scope of services are presented below.

- Padre and its subcontractors are provided access to the site;
- A soil gas investigation will not be required by DOGGR and/or DTSC;
- The District will contract directly with the well re-abandonment contractor;
- Padre's oversight costs for well re-abandonment are dependent on the drillers schedule and technical approach to re-abandonment; and
- This proposal does not include costs for waste disposal associated with the well re-abandonment activities.

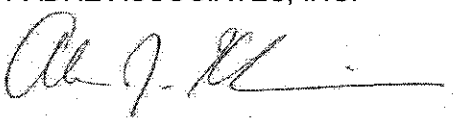
SCHEDULE

Padre is prepared to begin work on both the PEA and well re-abandonment projects within one week upon receiving written authorization. The completion of the PEA will require 5-6 months, and the completion of the well re-abandonment will require 3-4 months. The tasks for each project can be conducted consecutively.

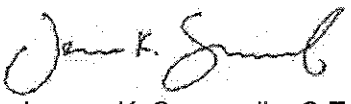
AUTHORIZATION

To authorize this proposal please, sign the attached Professional Services Agreement and return a copy to Padre. We look forward to working with the William S. Hart Unified High School District on this project. If you have any questions or require additional information, please contact Mr. Jerome K. Summerlin at (805) 644-2220, Ext. 17.

Sincerely,
PADRE ASSOCIATES, INC.



Alan J. Klein, R.E.A. II
Senior Environmental Scientist



Jerome K. Summerlin, C.E.G., C.Hg. R.E.A. II
Principal

Cc: Jim Bush, School Site Solutions, Inc.

Attachments: Professional Services Agreement and General Conditions
2007 Fee Schedule

PROFESSIONAL SERVICES AGREEMENT

This AGREEMENT is made by and between **PADRE ASSOCIATES, INC.** (CONSULTANT), and **WILLIAM S. HART UNION HIGH SCHOOL DISTRICT** (CLIENT). This AGREEMENT is subject to the GENERAL CONDITIONS, printed on the second page, along with any other attachments specifically referenced herein.

Date:	May 27, 2010	Project No:	1001-1060
Client:	William S. Hart Union High School District	Contact:	Mr. Michael Otavka
Address:	21515 Centre Pointe Parkway, Ventura, CA 91350	Phone:	661.753.5740
Padre Contact:	Jerome K. Summerlin	Phone:	805.644.2220, Ext. 17

Project Title: Romero Canyon High School PEA and Well Re-Abandonment Project, Castaic, Los Angeles County, California.

Scope of Services: ☒
Compensation: ☒
Terms and Conditions: ☒

The TERMS AND CONDITIONS of this AGREEMENT are accepted by:

CLIENT:	CONSULTANT:
WILLIAM S. HART UNION HIGH SCHOOL DISTRICT	**PADRE ASSOCIATES, INC.**
BY:	BY: Jerome K. Summerlin, President
Date:	Date: May 27, 2010

GENERAL CONDITIONS

1. PAYMENT. CLIENT accepts responsibility for payment of CONSULTANT under the conditions stated herein. All invoices are due and payable upon presentation. Amounts unpaid more than thirty (30) days after the date of the invoice shall bear interest at the rate of one-and-one-half (1.5) percent per month or the maximum rate permitted by law, whichever is less.

2. STANDARD OF CARE. CLIENT recognizes that site and subsurface conditions may vary from those observed at locations where drill holes, surveys, or explorations are made, and that site and subsurface conditions may change with time. Data, interpretations, and recommendations by CONSULTANT will be based solely on information available to CONSULTANT. CONSULTANT is responsible for its data, interpretations, and recommendations, but will not be responsible for other parties' interpretations or use of the information developed, or for information provided by others.

CONSULTANT agrees to strive to perform the services set forth in this AGREEMENT in accordance with generally accepted professional engineering and geologic practices, in the same or similar localities, at the time the services are performed. CONSULTANT's services shall not be subject to any express or implied warranties whatsoever.

3. CLIENT RESPONSIBILITIES. The CLIENT shall provide all information it has access to that relates to the site and may bear upon the services of the CONSULTANT, including, but not limited to, a legal description of the site, a site plan, the location of utilities and underground structures at the site, previous geologic/geotechnical reports and any previous environmental assessments and audits. The CLIENT shall obtain all necessary authorizations and permits to allow the CONSULTANT to have access to the site at reasonable times throughout contract performance. CONSULTANT will take reasonable precautions to minimize damage to the site, but unavoidable damage or alteration may occur and CLIENT agrees to assume responsibility for same. CLIENT agrees to assume responsibility for damages due to CONSULTANT's interference with subterranean structures such as pipes, tanks, and utility lines that are not correctly shown on the documents provided to CONSULTANT.

4. LIMITATION OF LIABILITY. CLIENT hereby agrees that to the fullest extent permitted by law the CONSULTANT's total liability to CLIENT for any and all injuries, claims, losses, expenses, or damages whatsoever arising out of or in any way relating to the project, the site, or this AGREEMENT from any cause or causes, including, but not limited to, the CONSULTANT's negligence, errors, omissions, strict liability, breach of contract, or breach of warranty, shall not exceed the greater of the total amount paid by the CLIENT for the services of the CONSULTANT under this contract or $50,000.00, whichever is greater. CLIENT and the CONSULTANT further agree that, to the fullest extent permitted by law, neither party shall be liable to the other for any special, indirect, or consequential damages.

5. INDEMNIFICATION. CLIENT shall defend, indemnify, and hold harmless CONSULTANT and its directors, officers, shareholders, employees, contractors, subcontractors, agent, or affiliates from and against any and all suits, actions, legal or administrative proceedings, claims, demands, actual damages, fines, punitive damages, losses, costs, liabilities, interest, and attorneys' fees (including any such fees and expenses incurred in enforcing this indemnity) which, irrespective of CONSULTANT's negligence: (a) exceed the limitation on CONSULTANT's liability provided for in Article 4, or (b) result from, arise out of, or are in any way connected with: (i) acts or omissions of CLIENT, CLIENT's employees, agents, and subcontractors and their employees or agents; (ii) the release of any hazardous substance; or (iii) any other generation, treatment, or transport of waste materials.

CLIENT agrees that CONSULTANT had nothing whatsoever to do with the creation, existence, or presence of asbestos, hazardous substances, or pollutants on or near the subject property. Accordingly, and to the fullest extent permitted by law, CLIENT agrees to defend, indemnify, and hold CONSULTANT, its agents, subcontractors, and employees harmless from and against any and all claims, defense costs, including attorneys' fees, damages, and other liabilities arising out of or in any way related to CONSULTANT's reports or recommendations concerning this AGREEMENT, CONSULTANT's presence on the project property, or the presence, release, or threatened release of asbestos, hazardous substances, or pollutants on or from the project property; **provided that** CLIENT shall not indemnify CONSULTANT against liability for damages to the extent caused by the negligence or intentional misconduct of CONSULTANT, its agents, subcontractors, or employees.

6. DISCOVERY OF UNANTICIPATED POLLUTANT RISKS. If, while performing the services, pollutants are discovered that pose unanticipated risks, it is hereby agreed that the scope of services, schedule, and the estimated project costs will be reconsidered and that this contract shall immediately become subject to renegotiation or termination.

7. SAMPLE DISPOSAL. Samples of unpolluted soil and rock will be disposed of by the CONSULTANT thirty (30) days after submission of the final Report. If samples are suspected to contain hazardous substances as defined by federal, state, or local statutes, regulations, or ordinances, CONSULTANT will, after completion of testing (i) return such samples and materials to CLIENT, or (ii) reach an agreement in writing to have such samples and materials properly disposed in accordance with applicable laws. CLIENT agrees to pay all costs associated with the storage, transport, and disposal of samples and materials. CLIENT recognizes and agrees that CONSULTANT is acting as a bailee and at no time assumes title to said waste.

padre associates, inc.
ENGINEERS, GEOLOGISTS & ENVIRONMENTAL SCIENTISTS

2007 STANDARD FEE SCHEDULE

PROFESSIONAL SERVICES

Principal Professional	$	150/hr
Senior Professional	$	130/hr
Project Professional	$	110/hr
Staff Professional	$	85/hr
Senior Technician	$	80/hr
Technician	$	75/hr
Drafting	$	65/hr
Word Processing	$	55/hr

Fees for expert witness preparation, testimony, court appearances, or depositions will be billed at the rate of $400 per hour.

OTHER DIRECT CHARGES

Subcontracted Services	Cost Plus 15%
Outside Reproduction	Cost Plus 15%
Travel, Subsistence, and Expenses	Cost Plus 15%

Vehicle	$	80/day
Photoionization Detector	$	150/day
Nuclear Density Gauge	$	80/day
Automobile Mileage	$	0.75/mile

STATE OF CALIFORNIA-RESOURCES AGENCY
GEORGE DEUKMEJIAN, *Governor*
DEPARTMENT OF CONSERVATION
DIVISION OF OIL AND GAS
6401 TELEPHONE ROAD, SUITE 240
VENTURA, CALIFORNIA 93003-4458
(805) 654-4761

October 23, 1990

Jimmy Avancina
RSA Associates
15414 Cabrilto Road Unit A
Van Nuys, CA. 91406

Re: Construction Site Procedure

Dear Mr. Avancina:

As per your inquiry concerning construction over or in proximity to oil wells, I am enclosing a Division of Oil and Gas "Construction Project Site Review and Well Abandonment Procedure" package. Public Resources Code, Section 3208.1 allows the Division of Oil and Gas to order the re-abandonment of any previously abandoned well where future construction of any structure over or in proximity of the well could result in a hazard. The definition of "in proximity" is determined to be an area of 20 feet X 20 feet X 50 foot and open on the fourth side.

The particular well that you had inquired about is:

Chevron USA, Inc.
"Devils Canyon"1
API Number 037-05443
Section 27-Township 5N-Range 17W SB B&M.

Location of record: "From the NW corner of Section 27: 1650'S and 990' East."

Details on the well are:

This exploratory well was drilled to a total depth of 7657 feet in 1946-1947. The well was abandoned on March 24, 1947. The requirements in effect at the time of abandonment are somewhat different than the current abandonment requirements. As a result, in order to build over or in proximity of this well, it must be re-abandoned to current days's standards.

In the "Construction Project Site Review and Well Abandonment Procedure" package, we indicated that a OG123 "Supplementary Notice" (copy enclosed) shall be filed prior to commencing operations. In addition, our records indicate that this well may be on Bureau of Land Management Land. As a result, they must be contacted to determine the requirements for obtaining a permit from them to perform work.

doubt ↑ Koda Fields 10-27-09

Minium abandonment procedure will be:

1. Drill out 10 foot cement surface plug with regulation USGS marker.
2. Cleanout cement plug from 480' to 517'.
3. Clean out wooden plug at 517'.
4. Clean out in open hole to 2190'.
5. Re-enter 8-5/8" casing at 2190' and continue to clean out to 4370'.
5. Plug with cement from 4370' to 4270'.
6. Fill hole with 72 lbs/sq. ft. of drilling mud.
7. Plug with cement from 2190'-2090'.
8. Plug with cement from 750' to 447'.
9. Plug with cement from 25' to surface.

In the event that the above cannot be performed, then this Division will issue a report to the ;local permitting agency that no construction be allowed over or in proximity to this well.

If you have any questions, please feel free to contact me at (805) 654-4761.

Steven A. Fields
Operations Engineer

May 26, 2010

Jim Bush
School Site Solutions

ATTN: Jim Bush

RE: Turnkey Bid for 1 well @ Santa Clarita-Devils Canyon #1.

Dear Jim:

Thank you for allowing MMI the opportunity to submit the following turnkey bid. Enclosed you will find a list of services to be provided by MMI Services (MMI), a time-and-materials price list, a turnkey bid, and a list of terms and conditions.

MMI has an excellent safety record and you can be confident that all work will be done in strict compliance with Division of Oil and Gas specifications. We are proud of our first-class quality and safety programs, and you can trust that we will provide you with top quality crews, supervision, and equipment.

We are extremely excited about the possibility of working for you in the near future, and completing your plug back and abandonment needs. If you have any questions or need additional information, please call me or Lyle Bowen at (661) 589-9366.

Respectfully,

Richie McGowan
President

ABANDONMENT PROPOSAL

PROPOSED SERVICES:

The following is a list of services and equipment to be used, along with the proposed procedures to complete the abandonment program.

MMI will provide the following equipment, services and personnel:

1. Identify wells and locations.
2. Write up notice of intends and well histories.
3. Conventional rig to drill out cement plugs- wooden plug, & c/o to bottom @ 4370'.
4. Cementing equipment, and experienced personnel.
5. Cement and placement of cement.
6. Mud and placement of mud.
7. Includes no perforations as described in the abandonment procedures.
8. Vacuum trucks to supply fresh water and mud, as needed.
9. Vacuum trucks for returns, as needed @ time and materials rates.
10. Notification of Division of Oil and Gas, as required.
11. Scheduling of all work.
12. Submitting daily reports and other paperwork required by School Site Solutions.
13. Complete site restoration to DOGGR specifications.

We propose that School Site Solutions provide the following services:

1. Proper information regarding each well.
2. A place for disposal of all well fluids within 3 miles.
3. A place to load fresh water within 3 miles..
4. Two 500 bbl. tanks for all well bore returns.
5. Clean-out MMI provided 1/2 tank of cement returns, daily.
6. Dispose of all concrete and all well bore returns.
7. Supply vacuum trucks for well bore returns to disposal site.

School Site Solutions
TERMS AND CONDITIONS

1. All fishing jobs will be completed on a time-and-materials basis. During this operation, all costs will be billed directly to School Site Solutions. If School Site Solutions would like MMI to handle any third party billing, an additional 15% handling charge will be added to all charges.

2. If we encounter unforeseen conditions such as damaged casing, excessive fill, loss of cement plugs, fishing, well control problems, incorrect data, etc., all work will revert to time-and-materials until normal operations can recommence.

3. MMI has allowed for no perforations in the well.

4. All well-bore returns will be put into tanks supplied by School Site Solutions.

5. This bid includes cement volumes plus 25% excess according to the procedures received by Jim Bush. Excess cement used beyond these volumes will be charged according to the attached price sheet. Cement not used will be credited back to School Site Solutions.

6. All T&M charges will be charged at current contract prices.

* 7. MMI hasn`t allowed for any well bore returns to be hauled off.

* 8. MMI has only allowed for 125 hours drilling out the cement plug @ 10feet, 480' to 517', drill-out wooden plug @517ft, and re-enter 8-5/8" casing at 2190 ft--then clean out well to 4370 ft. Any excess drilling (or cleaning out) to bottom will be done at time and materials.

Note : These Terms and Conditions are all subject to negotiation. If you have any questions or need additional information regarding our plug back and abandonment procedures, or would like to discuss these proposed Terms and Conditions, please contact us to set up a meeting.

CUSTOMER	School Site Solutions			DATE	5/26/2010
WELL NUMBER	DevilsCanyon 1		EST. HOURS		20.39
			EST. SACKS		210.05
			EST. CUFT		401.19
			EST. MUD		498.57
CEMENT TYPE	50/50 POZ w/35% silica flour & 5% gel				
YIELD	1.91 MIX H2O	9.76	WEIGHT	13.1	
					EXCESS
TOL	2190 T-DEPTH	4370		PLUG # 1	125.00%
				PLUG # 2	125.00%
L-SIZE	8.625 C-SIZE	11.75		PLUG # 3	125.00%
L-WIEGHT	32 L-WIEGHT	45		PLUG # 4	125.00%
CSG ID =	7.915 CSG ID =	11.024		PLUG # 5	150.00%
cubic/lin ft	0.3414 cubic/lin ft	0.6624			

			CEMENT	CEMENT	THOE			H2O
BOTTOM PLUG		T-FEET	CUFT	SACKS	TOP PLUG	S-YIELD	MIX H2O	AHEAD
4370	4270	100	42.67	22.34		7.60	5.19	25
EST.TIME	4.97							

			CEMENT	CEMENT	THOE			H2O
SECOND PLUG		T-FEET	CUFT	SACKS	TOP PLUG	S-YIELD	MIX H2O	AHEAD
2190	2090	100	82.80	43.35		14.75	10.07	0
EST.TIME	4.62							

			CEMENT	CEMENT	THOE			H2O
THIRD PLUG		T-FEET	CUFT	SACKS	TOP PLUG	S-YIELD	MIX H2O	AHEAD
750	447	303	250.88	131.35		44.68	30.52	0
EST.TIME	3.91							

			CEMENT	CEMENT	THOE			H2O
FORTH PLUG		T-FEET	CUFT	SACKS	TOP PLUG	S-YIELD	MIX H2O	AHEAD
0	0	0	0.00	0.00		0.00	0.00	0
EST.TIME	0.00							

			CEMENT	CEMENT	THOE			H2O
SURFACE PLUG		T-FEET	CUFT	SACKS	TOP PLUG	S-YIELD	MIX H2O	AHEAD
25	0	25	24.84	13.00		4.42	3.02	25
EST.TIME	2.74							

			FIRST	SECOND	THIRD	FORTH
MUD REQUIREMENTS			STAGE	STAGE	STAGE	STAGE
EXCESS	110%	TOP	4270	2090	447	0
		BOTTOM	2190	750	25	0
T-MUD	498.57		245.38	158.08	49.78	0.00

WELL NUMBER: DevilsCanyon 1
CEMENT TYPE: 50/50 POZ w/35% silica flour & 5% gel

		EST.	BID		RATES:	T.REVENUE
CTU EQ:		20.39	0	HOURS	245.00	0.00
CMT EQ:		20.39	40	HOURS	320.00	12800.00
G-NEAT:		0.00	0.00	CUFT	12.00	0.00
POZ:		401.19	401.19	CUFT	11.25	4513.39
CALCUIM:		0.00	650.00	LBS	1.50	975.00
C.FLAKES:		0.00	100.00	LBS	2.70	270.00
MUD:		498.57	498.57	BBLS	18.00	8974.22
TAX:			14732.61	TOTAL	0.00	0.00
Supervision-cement			5	days	800.00	4000.00
crew travel			10	hours	200.00	2000.00
Tanks			20	WELL	50.00	1000.00
TRAVEL:			36	HOURS	95.00	3420.00
SUBSISTENCE:			4	DAYS	900.00	3600.00
			SUB TOTAL:			$ 41,552.61
MISC. EQUIPMENT						
W-LINE:	perfs		0	JOB	2000.00	0.00
W-LINE:	c/s		0	JOB	2300.00	0.00
VAC WATER:			65	HOURS	75.00	4875.00
VAC MUD:			0	HOURS	75.00	0.00
VAC RETURNS:			65	HOURS	75.00	4875.00
VAC RIG WORK:			35	HOURS	75.00	2625.00
Conventional Rig			190	HOURS	340.00	64600.00
Mob-Demob rig			1	each	5000.00	5000.00
BOPE:			16	DAY	750.00	12000.00
Circulating Pump			16	DAY	1000.00	16000.00
Supervision--rig			16	DAY	800.00	12800.00
Disposal			0	BBLS.	20.00	0.00
MISC.-bond cost	4% of T/C		0	JOB	2715.40	0.00
Bits-10-1/2"& 7-7/8"			2	WELL	2000.00	4000.00
Drill Collars 6"			16	days	375.00	6000.00
Power Swivel			16	DAY	750.00	12000.00
Dirt work			2	WELL	5000.00	10000.00
				SUB TOTAL		$ 154,775.00
				ABOVE TOTAL		$ 41,552.61
				TOTAL		$ 196,327.61

PERCENTAGE

Education Code and Title 5 Requirements
For School Site Approvals

California Education Code 17251 provides that the State Department of Education develop standards for the selection of school sites. Title 5 of the California Code of Regulations implements these standards. Prior to CDE approving the site, the following issues must be approved:

Standard	Hasley Sloan	Romero
Net usable acres as recommended by CDE	• Master planned for 2,600 students • CDE recommends 58.3 net usable acres • Gross is 68.55 acres • Net usable is 48.6 acres • This is 83.3% of the CDE recommended acres	• Master planned for 2,600 students • CDE recommends 58.3 net usable acres • Gross is 113.82 acres • Net usable is 50.1 acres • This is 85% of the CDE recommended acres
Safety Standards:		
Power lines	OK	OK
Pipelines (1500 ft)	OK	OK
Railroads (1500 ft)	OK	OK
Active earthquake faults on or near site	• No mapped active faults. Possible shearing noted about ½- mile from site. • DSA/CGS will probably require further investigation and possible trenching on site	No mapped active faults
Flood or dam inundation	Potential 100 year flood zone	OK
Liquefaction / landslides, slope stability, soil subsidence	• Possible liquefaction related to drainage area • Seismic settling issue • Potential for landslides - considered minor • CGS would have to approve studies and improvement plans prior to DSA	• Four large landslide areas identified on site • Cut slope issue identified • Fill settlement issue identified • CGS would have to approve studies and improvement plans prior to DSA

Water / fuel aboveground storage tanks	Safety study needed if aboveground tanks are placed on or near a school site.	Safety study needed if aboveground tanks are placed on or near a school site.
Hazardous air emissions within ¼-mile	OK	OK
Airport within 2 nautical miles	OK	OK
DTSC Clearance	• Phase I ESA completed July 2, 2002 • DTSC issues a No Further Action letter on August 1, 2002 • Padre recently updated the Phase I (April 2010) since the original study was over 5 years old • Recommended no further action	• Phase I ESA completed February 2010 • Submitted to DTSC April 22, 2010 • Additional information requested by DTSC, received May 19, 2010 • DTSC determined further action was needed – Preliminary Environmental Assessment (PEA) • Abandon well per Dept. of Oil and Gas • Soil testing around oil well drilling needed, old well pit testing and soil gas testing (proposal attached)
CEQA Adoption by School Board	• The school Board would be the lead agency and responsible for completing and distributing the CEQA document for public comment and approving the document. • Padre will prepare the initial study as soon as the preferred site is selected.	• The school Board would be the lead agency and responsible for completing and distributing the CEQA document for public comment and approving the document. • The CEQA analysis would need to be prepared for the school project if the Board purchased a pad ready lot or undeveloped land. • Padre would prepare the initial study as soon as the preferred site is selected.

Site conveniently located for public services	Off-site extensions will be required	Off-site extensions will be required
Air Pollution Control District – hazardous facilities within ¼-mile	OK	OK
Written notice to local planning agency with respect to conformity to the adopted General Plan	To be done when preferred site is selected	To be done when preferred site is selected
Meet with local government and or park authorities to promote joint use	To be done when preferred site is selected	To be done when preferred site is selected