

January 11, 2018

VIA EMAIL

Mr. Caleb Pate
Court 1300 Partners, LLC.
9748 Topanga Canyon Boulevard
Chatsworth, CA 91331
caleb@dbinc.net

Mr. Roshanak Varjavand, Plan Check Engineer
City of Los Angeles – Downtown Office
Department of Building and Safety
201 North Figueroa Street
Los Angeles, CA 90012
roshanak.varjavand@lacity.org

Mr. Bill McReynolds
Court 1300 Partners, LLC.
9748 Topanga Canyon Boulevard
Chatsworth, CA 91311
bill@dbinc.net

Property Owner: Court 1300 Partners, LLC.
Project Name: Court 1300 Partners, LLC Residential Redevelopment
Project Address: 1346, 1350, and 1354 Court Street, Los Angeles, CA 90026
Assessor Parcel Number: 5160-011-008, 5160-011-009, 5160-011-010
Division Reference Number: **5404**

Dear Messrs. Pate, Varjavand, and McReynolds:

Per Public Resources Code (PRC) § 3215, and 3216, the Department of Conservation, Division of Oil, Gas, and Geothermal Resources (Division) possesses records regarding oil and gas wells drilled and operated in the State of California. The Division has received and reviewed the above referenced project application dated June 7, 2017, and following examination of Division records, submits the following evaluation.

The project is located in Los Angeles County, within the Los Angeles City oil field boundaries. Our records indicate there are four known oil and gas wells located within the project boundary as identified in the application.

The well listed below is abandoned to current Division requirements as prescribed by law, and based upon information provided, are projected to be built over or have future access impeded.

Well	Status
Courtland City Lights Association "Jay Kern" 1 API No. 037-19064	<p>The record review process shows that the subject well is abandoned consistent with current PRC and California Code of Regulations (CCR) as of January 10, 2017.</p> <p>Note: The well's surface plug has not been verified nor leak tested. Please refer to the proposed site plan for well location.</p>

The three wells listed below are not abandoned to current Division requirements as prescribed by law, and based upon information provided, is projected to be built over or have future access impeded. **The Division expects these wells to be reabandoned in compliance with current California law, prior to development activities.**

Well	Status
Parker Morrell Oil Co. No. 3 API No. 037-25986	<p>The record review process shows that the subject well is not abandoned consistent with current PRC and California Code of Regulations (CCR) as of January 10, 2017.</p> <p>Based on well records:</p> <ol style="list-style-type: none"> 1. The well is buried-idle. 2. Surface plug is not present. (CCR § 1723.5) 3. Base of freshwater (BFW) isolation plug is not present. (CCR § 1723.2). 4. Hydrocarbon zone plugs are not present. (CCR § 1723.1). <p>Note: The well's surface plug has not been verified nor leak tested. Please refer to the proposed site plan for well location.</p>
Parker Morrell Oil Co No.4 API No. 037-25989	<p>The record review process shows that the subject well is not abandoned consistent with current PRC and California Code of Regulations (CCR) as of January 10, 2017.</p> <p>Based on well records:</p> <ol style="list-style-type: none"> 1. The well is buried-idle. 2. Surface plug is not present. (CCR § 1723.5) 3. Base of freshwater (BFW) isolation plug is not present. (CCR § 1723.2). 4. Hydrocarbon zone plugs are not present. (CCR § 1723.1). <p>Note: The well's surface plug has not been verified nor leak tested. Please refer to the proposed site plan for well location.</p>

<p>Courtland City Lights Association "F. Davies" 2 API No .037-25059</p>	<p>The record review process shows that the subject well is not abandoned consistent with current PRC and California Code of Regulations (CCR) as of January 10, 2017.</p> <p>Based on well records:</p> <ol style="list-style-type: none"> 1. The well is buried-idle. 2. Surface plug is not present. (CCR § 1723.5) 3. Base of freshwater (BFW) isolation plug is not present. (CCR § 1723.2). 4. Hydrocarbon zone plugs are not present. (CCR § 1723.1). <p>Note: The well's surface plug has not been verified nor leak tested. Please refer to the proposed site plan for well location.</p>
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Failure to plug and reabandon the wells may result in enforcement action, including an order to perform reabandonment well work, pursuant to PRC § 3106, 3208.1, 3224, 3235, 3236, 3236.5, and 3255.

The Division does not advise building over, or in any way impeding access to, oil, gas, or geothermal wells. There are no guarantees a well abandoned in compliance with current California laws will not start leaking in the future. It always remains a possibility that any well may start to leak oil, gas, and/or water after abandonment, no matter how thoroughly the well was plugged and abandoned. The Division acknowledges wells plugged and abandoned to the most current standards have a lower probability of leaking in the future, however there is no guarantees that such abandonments will not leak.

The Division advises that all wells uncovered prior to, or during development activities, be tested for liquid and gas leakage. Surveyed locations should be provided to the Division in Latitude and Longitude, NAD 83 decimal format. The Division expects any wells found leaking to be reported to it immediately.

The Division does not have jurisdiction or statutory authority over land use decisions or building construction. However, the Division does have statutory authority over the drilling, operation, maintenance, and abandonment of oil, gas, and geothermal wells, and attendant facilities, to prevent, as far as possible, damage to life, health, property, and natural resources; damage to underground oil, gas, and geothermal deposits; and damage to underground and surface waters suitable for irrigation or domestic purposes.

PRC § 3208.1(a) states "To prevent, as far as possible, damage to life, health, and property, the supervisor or district deputy may order, or permit, the reabandonment of any previously abandoned well if the supervisor or the district deputy has reason to question the integrity of the previous abandonment, or if the well is not accessible or visible." The PRC continues to define the person or entity responsible for reabandonment as:

1. **The property owner** - if the well was plugged and abandoned in conformance with Division requirements at the time of abandonment, and does not pose an immediate danger to life, health, and property, but requires additional work solely because the owner of the property on which the well is located proposes construction on the property that would prevent or impede access to the well for purposes of remedying a currently perceived future problem.

2. **The person or entity causing construction over or near the well** - if the well was plugged and abandoned in conformance with Division requirements at the time of abandonment, and the property owner, developer, or local agency permitting the construction failed either to obtain an opinion from the supervisor or district deputy as to whether the previously abandoned well is required to be reabandoned, or to follow the advice of the supervisor or district deputy not to undertake the construction.
3. **The party or parties responsible for disturbing the integrity of the abandonment** - if the well was plugged and abandoned in conformance with Division requirements at the time of abandonment, and after that time someone other than the operator or an affiliate of the operator disturbed the integrity of the abandonment in the course of developing the property.

To view PRC 3208.1 in its entirety, please visit <ftp://ftp.consrv.ca.gov/pub/oil/laws/PRC10.pdf>.

The local permitting agency, property owner, and/or developer should be aware of, and fully understand, that significant and potentially dangerous issues may be associated with development near oil and gas wells. These issues are non-exhaustively identified in the following comments, and are provided by the Division for consideration by the local permitting agency, in conjunction with the property owner and/or developer, on a parcel-by-parcel or well-by-well basis. The Division provides the above well review information to facilitate decisions made by the local permitting agency regarding potential development near oil, gas, or geothermal wells.

1. The Division advises all parties not to undertake construction that could prevent or impede access to the well in the event abandonment or re-abandonment of the well becomes necessary in the future. Impeding access to a well could result in the need to remove any structure or obstacle that prevents or impedes access. This includes, but is not limited to, buildings, housing, fencing, landscaping, trees, pools, patios, sidewalks, and decking. Maintaining sufficient access is considered that access necessary to allow a well servicing unit and associated necessary equipment to reach the well from a public street or access way, solely over the parcel on which the well is located. A well servicing unit, and any necessary equipment, should be able to pass unimpeded along and over the route, and should be able to access the well without disturbing the integrity of surrounding infrastructure.
2. The Division has determined there are wells that are not abandoned to current standards and require additional work because the owner of the property on which the wells are located proposed construction on the property that would prevent or impede access to the well for purposes of remedying a currently perceived future problem.
3. Nothing guarantees that wells abandoned to current standards will not start leaking oil, gas, and/or water in the future. It always remains a possibility that any well may start to leak oil, gas, and/or water after abandonment, no matter how thoroughly the well was plugged and abandoned. The Division acknowledges wells that are presently abandoned to current standards have a lower probability of leaking oil, gas, and/or water in the future, but makes no guarantees as to the adequacy of the abandonment or the potential need for future re-abandonment.

4. PRC § 3208.1 and 3255(a)(3) give the Division the authority to order the re-abandonment of any well that is hazardous, or that poses a danger to life, health, or natural resources. Responsibility for re-abandonment costs for any well may be affected by the choices made by the local permitting agency, property owner, and/or developer in considering the general recommendations set forth in this letter.
5. To ensure that present and future property owners are aware of (1) the well located on the property, and (2) potentially significant issues associated with any improvements near oil or gas wells, the Division recommends that information regarding the above identified well, and any other pertinent information obtained after the issuance of this letter, be communicated to the appropriate county recorder for inclusion in the title information of the subject real property.
6. The Division recommends that any soil containing significant amounts of hydrocarbons be disposed of in accordance with local, state, and federal laws. Please notify the appropriate authorities if soil containing significant amounts of hydrocarbons is discovered during development.
7. No well work may be performed on any oil, gas, or geothermal well without written approval from the Division in the form of an appropriate permit. This includes, but is not limited to, mitigating leaking gas or other fluids from abandoned wells, modifications to well casings, and/or any other re-abandonment work. The Division regulates the top of a plugged and abandoned well's minimum and maximum depth below final grade (depth below the surface of the ground). CCR §1723.5 states well casings shall be cut off at least 5 feet but no more than 10 feet below grade. If any well needs to be lowered or raised (i.e. casing cut down or casing riser added) to meet this regulation, a permit from the Division is required before work can start.

If during development activities, any wells are encountered that were not part of this review, the property owner is expected to immediately notify the Division's construction site well review engineer in the Cypress district office, and file for Division review an amended site plan with well casing diagrams. The District office will send a follow-up well evaluation letter to the property owner and local permitting agency.

Should you have any questions, please contact me at (714) 816-6847 or via email at dogdist1@conservation.ca.gov.

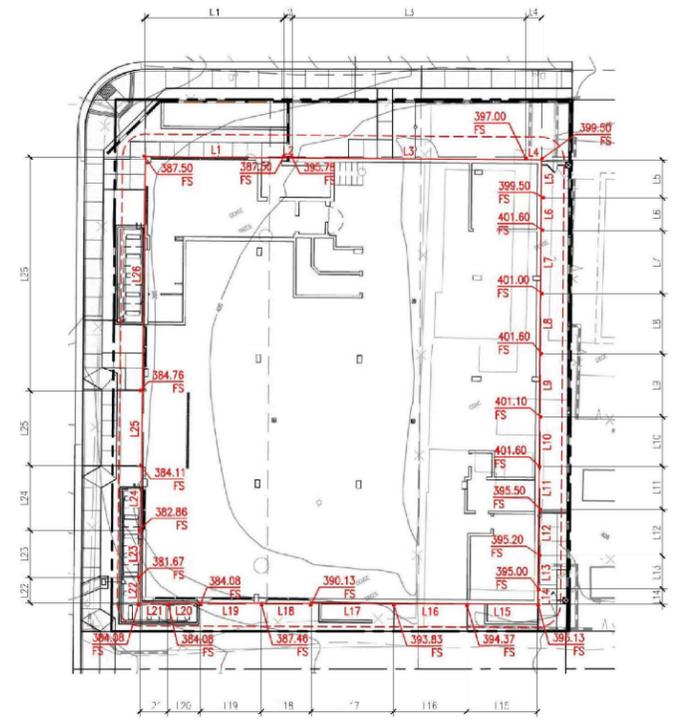
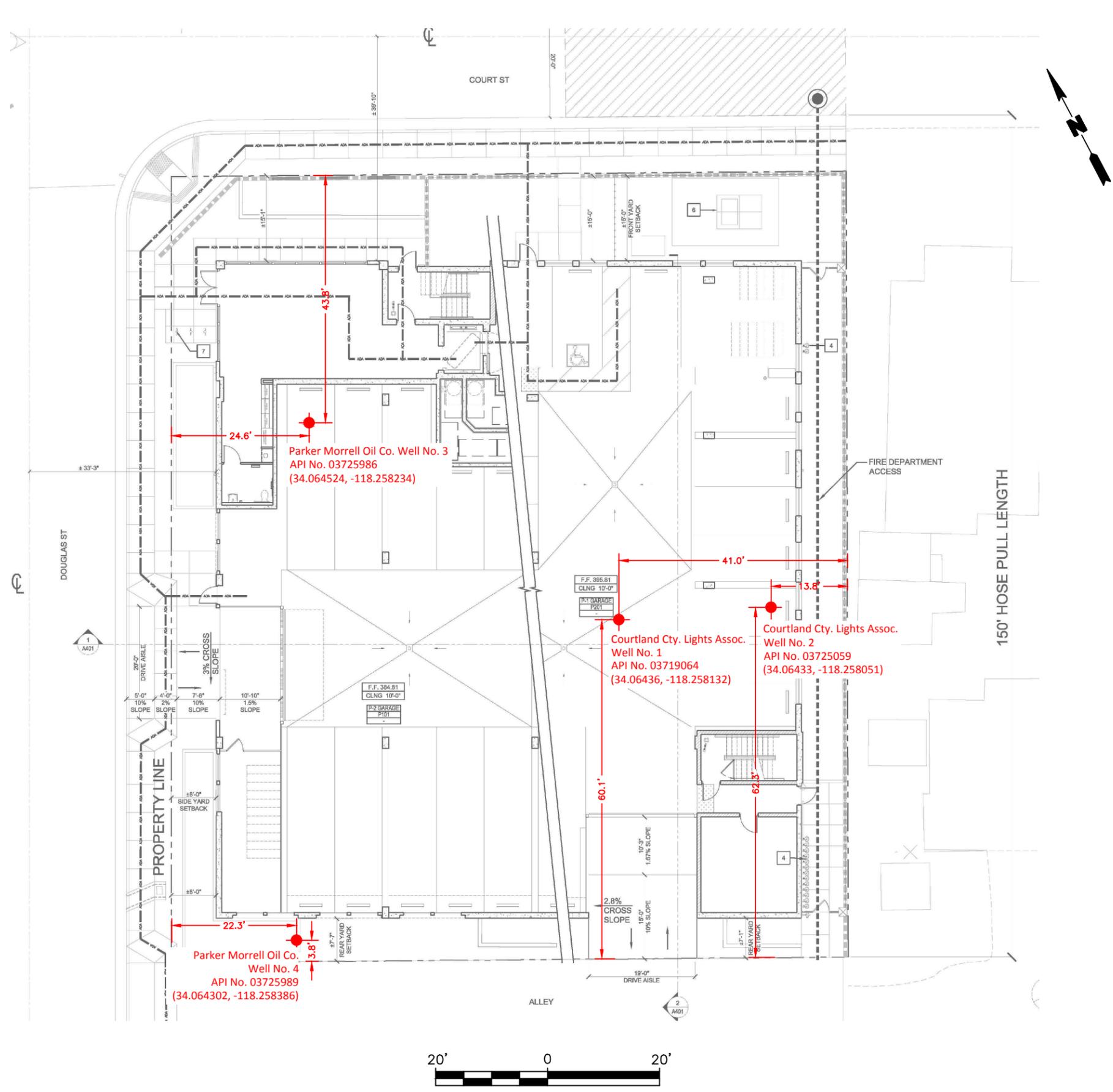
Sincerely,



Grace P. Brandt
Construction Site Well Review Engineer

cc: Uduak Ntuk, Los Angeles City Petroleum Administrator
CSWR File
Well File

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GRADE PLAN ELEVATION CALCS					
PERIMETER SECTION	ELEV. 1	ELEV. 2	AVERAGE ELEV.	DISTANCE	AVERAGE ELEV x DISTANCE
L1	387.50	387.50	387.50	36.95	14318.13
L2	387.50	395.78	391.64	1.55	607.04
L3	395.78	397.00	396.39	61.95	24558.36
L4	397.00	399.50	398.25	4.04	1908.03
L5	399.50	399.50	399.50	9.85	3935.08
L6	399.50	401.60	400.55	8.83	3536.66
L7	401.60	401.00	401.30	16.33	6553.23
L8	401.00	401.60	401.30	16.04	6436.85
L9	401.60	401.10	401.35	16.54	6838.33
L10	401.10	401.60	401.35	13.22	5305.65
L11	401.60	395.50	398.55	11.43	4555.43
L12	395.50	395.20	395.35	11.98	4738.29
L13	395.20	395.00	395.10	8.85	3496.64
L14	395.00	395.13	395.07	3.91	1544.70
L15	395.13	394.37	394.75	18.66	7366.04
L16	394.37	393.83	394.10	19.25	7566.43
L17	393.83	390.13	391.98	22.06	8847.08
L18	390.13	387.46	388.80	12.89	5011.57
L19	387.46	384.08	385.77	16.43	6338.20
L20	384.08	384.08	384.08	8.20	3149.46
L21	384.08	384.08	384.08	7.00	2688.56
L22	384.08	384.08	384.08	6.62	2542.61
L23	384.08	384.08	384.08	12.59	4835.57
L24	384.08	384.11	384.10	16.71	6418.23
L25	384.11	384.76	384.44	19.94	7865.63
L26	384.76	387.50	386.13	61.15	23611.85
TOTAL				442.97	173690.92
GRADE PLANE				173690.92 / 442.97 =	392.11
*LOWEST ADJACENT GRADE					384.08

Title:

SITE PLAN

1346, 1350 AND 1354 WEST COURT STREET
LOS ANGELES, CALIFORNIA

Prepared For:

DB COMPANIES

ROUX ROUX ASSOCIATES, INC. <i>Environmental Consulting & Management</i>	Compiled by: M.S.	Date: 06JUN17	FIGURE 1
	Prepared by: B.H.C.	Scale: AS SHOWN	
	Project Mgr: J.C.	Project: 2765.0001L000	
	File: 2765.0001L109.01.DWG		