

State of California
Natural Resources Agency / Department of Conservation
GEOLOGIC ENERGY MANAGEMENT DIVISION

**California Environmental Quality Act
Notice of Exemption**

To: Office of Planning & Research
State Clearinghouse
1400 Tenth Street, Room 113
Sacramento, CA 95814

From: Department of Conservation
715 P Street, MS 1803
Sacramento, CA 95814
Contact: Jan Perez, (916) 445-9686

Project Title: OG Chevron 23 Wells 11012021

Project Applicant: Department of Conservation, Geologic Energy Management Division

Project Location: Multiple locations in the Cymric Oil Field in Kern County. See Attachment 1 for specific locations.

Exempt Status: As the California Environmental Quality Act (CEQA) lead agency for the project, CalGEM has determined that the proposed project is exempt from further environmental review requirements of CEQA, pursuant to the statutory exemption: Emergency Project (Pub. Resources Code, § 21080(b)(4); 14 CCR § 15269(c)). "Specific actions necessary to prevent or mitigate an emergency. This does not include long-term projects undertaken for the purpose of preventing or mitigating a situation that has a low probability of occurrence in the short-term, but this exclusion does not apply (i) if the anticipated period of time to conduct an environmental review of such a long-term project would create a risk to public health, safety or welfare, or (ii) if activities (such as fire or catastrophic risk mitigation or modifications to improve facility integrity) are proposed for existing facilities in response to an emergency at a similar existing facility." (14 CCR § 15269(c).)

Project Description: Chevron U.S.A. Inc. (Chevron) proposes to drill 23 new wells (Attachment 1) in the Cymric oil field in Kern County to help mitigate the unrestricted flow of oil and water at the surface that is caused by a series of surface expressions referred to as "Gauge Setting 5" (GS-5). (Manmade surface expression can occur when steam injected under pressure to produce oil breaks through natural geologic barriers and comes to the surface; this is the case in the GS-5 surface expression.) Four of the new wells will be used to gather information and may never produce oil. Other new wells will produce oil in amounts determined necessary to relieve pressure in areas believed to be influencing GS-5. Only 4 of the 23 new wells will be drilled into the primary productive subsurface layer (the diatomite) for information gathering purposes but then will be plugged above that zone within the overburden. No production will occur from the diatomite productive zone.

Since the purpose of these wells is part of the effort to stop the GS-5 seeps, and the wells are not producing from the diatomite productive zone, the wells are not intended to be long-term wells. Some of the wells will be plugged and abandoned after information is obtained. Other wells may be in place longer depending on how long it

takes to relieve subsurface energy/pressure in the area and or stop GS-5 flow but are not expected to produce beyond approximately 5 years. Upon completion of useful life of the wells, the wells will be plugged and abandoned to CalGEM requirements.

The goal of the project is to reduce and ultimately stop the uncontrolled release of oil, water, and associated fluids into the environment. As such, the project qualifies for the statutory emergency project exemption. Specifically, an emergency exists due to uncontrolled surface expressions associated with GS-5. The surface expressions involve the flow or movement of fluid and other underground materials, and the emergency exemption expressly applies to occurrences of soil or geologic movements.

The 23-well relief effort is necessary to (1) mitigate and abate the ongoing, imminent, clear, and significant harm to the environment and threats to public health, safety, and welfare that the surface expressions pose and (2) prevent the harm from recurring or increasing in magnitude. The data CalGEM considers to be demonstrating that such harm includes, but is not limited to, the unrestricted flow to the surface of 100 barrels (4,200 gallons) a day of oil and produced water; ground subsidence that can result in damage to well casings; and a continued dangerous condition the surface expression possesses to oil field workers and regulators on the site.

In CalGEM's experience, if immediate action is not taken to control the surface expressions, the surface expressions will increase in number, volume, and size and the harm and threats resulting from the surface expression will become greater. In addition, successfully and fully abating the surface expressions will become more challenging. Therefore, the time to conduct a full environmental review prior to issuing approvals of the relief effort would create greater risk to the environment and public.

A copy of this NOE (as required by 14 CCR 15062(a)) and all other related materials are available for public inspection at CalGEM's CEQA Program, located at 715 P Street, 18th floor, Sacramento, CA 95814; or an electronic copy of these documents may also be accessed online at the State Clearinghouse: <https://ceqanet.opr.ca.gov>;

Certified: Jan Perez Date: August 5, 2022

Jan Perez

Geologic Energy Management Division, CEQA Program

Attachment 1

List of New Wells and Locations

API#	Well Name	Location Lat & Long	Date of Permit
0403069510	0320AS	35.355381 -119.675334	8.2.2022
0403069513	0622BS	35.35377 -119.673047	8.2.2022
0403069507	0720FS	35.355212 -119.673027	8.2.2022
0403069511	0701BS	35.353359 -119.672016	8.2.2022
0403069506	0221BS	35.354831 -119.676005	8.2.2022
0403069516	1203BS	35.352184 -119.668160	8.2.2022
0403069512	1204AS	35.351098 -119.668734	8.2.2022
0403069514	1809BS	35.348434 -119.663541	8.2.2022
0403069508	1608BS	35.348908 -119.664998	8.2.2022
0403069517	1610BS	35.347496 -119.665406	8.2.2022
0403069503	1004AS	35.351085 -119.670547	8.1.2022
0403069509	1203AS	35.351908 -119.668803	8.1.2022
0403069504	1908BS	35.348668 -119.663194	8.1.2022
0403069505	0702AS	35.352534 -119.672460	8.1.2022
0403069515	1003BS	35.352153 -119.669728	8.2.2022
0403069502	1001BS	35.352994 -119.670212	8.1.2022
0403069495	1202BS	35.352810 -119.668267	8.1.2022
0403069496	1202AS	35.352631 -119.669078	8.1.2022
0403069497	0903BS	35.352135 -119.670686	8.1.2022
0403069498	1807AS	35.348975 -119.664015	8.1.2022
0403069499	1307BS	35.349820 -119.667650	8.1.2022
0403069500	1106BS	35.350517 -119.669232	8.1.2022
0403069501	0322BS	35.354359 -119.675304	8.1.2022