

COUNTY CLERK'S USE

CITY OF LOS ANGELES  
OFFICE OF THE CITY CLERK  
200 NORTH SPRING STREET, ROOM 395  
LOS ANGELES, CALIFORNIA 90012

CALIFORNIA ENVIRONMENTAL QUALITY ACT  
**NOTICE OF EXEMPTION**  
(PRC Section 21152; CEQA Guidelines Section 15062)

Pursuant to Public Resources Code § 21152(b) and CEQA Guidelines § 15062, the notice should be posted with the County Clerk by mailing the form and posting fee payment to the following address: Los Angeles County Clerk/Recorder, Environmental Notices, P.O. Box 1208, Norwalk, CA 90650. Pursuant to Public Resources Code § 21167 (d), the posting of this notice starts a 35-day statute of limitations on court challenges to reliance on an exemption for the project. Failure to file this notice as provided above, results in the statute of limitations being extended to 180 days.

PARENT CASE NUMBER(S) / REQUESTED ENTITLEMENTS  
ZA-1959-15227-O-PA6-1A

LEAD CITY AGENCY  
**City of Los Angeles (Department of City Planning)**

CASE NUMBER  
ENV-2021-7445-CE

PROJECT TITLE  
Murphy Drill Site Compliance Review

COUNCIL DISTRICT  
10 - Hutt

PROJECT LOCATION (Street Address and Cross Streets and/or Attached Map)  
**2126 West Adams Boulevard (S. Gramercy Place and W. Adams Blvd)**

Map attached.

PROJECT DESCRIPTION:  
The proposed Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M. The Project does not involve the approval of new wells or conversion of existing wells nor will the Project result in a change the number of wells as the capacity of the oil and gas extraction facility will remain the same as it was at the time of the application submittal (September 1, 2021 ). Therefore, this will not result in any expansion of use at the well site.

Additional page(s) attached.

NAME OF APPLICANT / OWNER:  
**(applicant) Ted Cordova, c/o E&B Natural Resources, 249 East Ocean Blvd, Long Beach, CA 90802**

CONTACT PERSON (If different from Applicant/Owner above)  
**Ted Cordova, c/o E&B Natural Resources**

(AREA CODE) TELEPHONE NUMBER | EXT.  
**(562) 548-6806**

EXEMPT STATUS: (Check all boxes, and include all exemptions, that apply and provide relevant citations.)

STATE CEQA STATUTE & GUIDELINES

- STATUTORY EXEMPTION(S)  
Public Resources Code Section(s) \_\_\_\_\_
- CATEGORICAL EXEMPTION(S) (State CEQA Guidelines Sec. 15301-15333 / Class 1-Class 33)  
CEQA Guideline Section(s) / Class(es) 15301/ - **Class 1, 15303/-Class 3, 15305/-Class 5, 15308/-Class 8 and 15321/-Class 21**
- OTHER BASIS FOR EXEMPTION (E.g., CEQA Guidelines Section 15061(b)(3) or (b)(4) or Section 15378(b) )  
\_\_\_\_\_

JUSTIFICATION FOR PROJECT EXEMPTION:  Additional page(s) attached

See attached document for amended CEQA Findings (pages 6 of 6)

- None of the exceptions in CEQA Guidelines Section 15300.2 to the categorical exemption(s) apply to the Project.
- The project is identified in one or more of the list of activities in the City of Los Angeles CEQA Guidelines as cited in the justification.

IF FILED BY APPLICANT, ATTACH CERTIFIED DOCUMENT ISSUED BY THE CITY PLANNING DEPARTMENT STATING THAT THE DEPARTMENT HAS FOUND THE PROJECT TO BE EXEMPT.  
If different from the applicant, the identity of the person undertaking the project.

<b>CITY STAFF USE ONLY:</b>	
CITY STAFF NAME AND SIGNATURE Edber Macedo <i>Edber Macedo</i>	STAFF TITLE City Planning Associate
ENTITLEMENTS APPROVED Plan Approval	



## **ADDITIONAL MANDATORY FINDINGS/DISCUSSIONS (ENVIRONMENTAL REVIEW)**

As a Plan Approval related to a review of conditions on an existing drill site, the Proposed Project qualifies for exemption from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Article 19, Sections 15301 (Class 1), 15303 (Class 3) 15305 (Class 5), 15308 (Class 8) and 15321 (Class 21).

*Section 15301; Class 1: Consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The key consideration is whether the project involves negligible or no expansion of use.*

The proposed Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M. The Project does not involve the approval of new wells or conversion of existing wells nor will the Project result in a change in the number of wells as the capacity of the oil and gas extraction facility will remain the same as it was at the time of the application submittal (September 1, 2021). Therefore, this will not result in any expansion of use at the well site.

*Section 15301; Class 1 Category (f): Addition of safety or health protection devices for use during construction of or in conjunction with existing structures, facilities, or mechanical equipment, or topographical features including navigational devices.*

Following a review of the effectiveness of the current conditions, revisions were made to the existing conditions and additional conditions added to require the installation of enclosures, structures and equipment such as fence line monitoring devices, vapor recovery equipment and a containment structure which are necessary for reducing and neutralizing noxious odors, noise and fluid spills from the site. Other conditions require additional monitoring and regulatory plans and reports to State, Regional and Local agencies such as CalGEM, South Coast Air Quality Management District, and the City of Los Angeles' Department of Building and Safety, the Fire Department and the Department of City Planning's Office of Zoning Administration. The construction of the containment structure is necessary to block odors from oil and natural gas which is extracted on the site from migrating to adjacent residential and medical uses. The walls of the structure will also reduce impacts on nearby residences from any noise which is generated by the operation of the extraction of oil or the co-generation of electricity from the burning of natural gas on the site. The enhanced vapor recovery system within the containment building will reduce any airborne vapor and odors from migrating to adjacent properties.

*Section 15303; Class 3 involves the new construction or conversion of small structures or facilities and installation of small new equipment and facilities in small structures.*

The required containment structure consists of walls with no roof. This results in an open-air structure with vapor recovery equipment to reduce odor, noise and dust impacts on the surrounding residential neighborhood. The structure qualifies as a Class 3 small structure in that it is designed to contain the production facility and reduce noxious odors, noise and dust in the area. It is not designed to draw people or vehicle traffic to the site due to any operational effects. It is solely built to contain and reduce noxious operational impacts of the existing use on its surrounding neighborhood.

*Section 15305; Class 5: Consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which does not result in any changes in land use or density.*

The proposed Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M. The site is relatively flat with only a slight slope, well below 20%. The Project does not change the land use or the density of the subject site. Nor does it result in an intensification of the number of wells, either for production or injection, on the site. The Project does not involve expanding allowed uses on a site; instead, this review is narrowly limited to a review of existing conditions. The Plan Approval is making modifications to the existing conditions and adding targeted new conditions that do not result in any changes in land use or density. The Project's scope is limited to the City's review of the Applicant's compliance with the applicable conditions of approval and the effectiveness of those conditions, it does not include the approval of any drilling, re-drilling, or converting of wells. Any new construction of structures is limited to the purpose of containing noxious odors, noise, spills and dust which have migrated to the surrounding residential neighborhood.

*Section 15308; Class 8: Consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement or protection of the environment where the regulatory process involves procedures for protection of the environment.*

The Department of City Planning is one of the City's regulatory agencies which control oil drilling in Los Angeles by determining the methods, standards and conditions for oil drilling sites in the City. The modified and additional conditions contained in this Plan Approval are designed to lessen the effects of odors, noise and dust which result from the drilling operation on the surrounding residential neighborhood. The neighborhood also includes four medical facilities (the AIDS Healthcare Foundation facility adjacent to the site, the John Tracy Clinic and Center 125 feet west of the site, the Western Convalescent Hospital 350 feet west of the site and the Saint John of God Hospital and Rest Home 500 feet east of the site at the corner of Adams Boulevard and Western Avenue) in proximity to the drill site and numerous other educational facilities. The additional monitoring and vapor recovery devices required by the conditions of approval will reduce and control the known environmental effects of oil drilling including noxious odors, noise, vapors and dust which are affecting this residential neighborhood.

*Section 15321; Class 21 Category 2: Consists of Actions by regulatory agencies to enforce or revoke a lease, permit, license, certificate, or other entitlement for use issued, adopted, or prescribed by the regulatory agency or enforcement of law, general rule, standard, or objective, administered, or adopted by the regulatory agency. This includes the adoption of an administrative decision or order enforcing or revoking the lease, permit, license, certificate, or entitlement for use or enforcing the general rule, standard, or objective.*

The proposed project qualifies for the Class 21 exemption because it involves a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4). The proposed project allows the continued operation of the drill site subject to the existing conditions and added or revised conditions. This regulatory action would not result in any adverse impacts on the environment as any required construction or installation is for the purpose of odor and noise control of the site and for the health and safety of both area residents and employees of the site as well as enforcement of the existing conditions of approval.

### **CEQA Section 15300.2: Exceptions to the Use of Categorical Exemptions.**

The City has considered whether the Proposed Project is subject to any of the six (6) exceptions that would prohibit the use of a categorical exemption as set forth in CEQA Guidelines Section 15300.2. The six (6) exceptions to this Exemption are: (a) Location; (b) Cumulative Impacts; (c) Significant Effect; (d) Scenic Highways; (e) Hazardous Waste Sites; and (f) Historical Resources.

1. Location. *Classes 1, 3, 5, 8 and 21 are qualified by consideration of where the project is to be located – a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply in all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.*

The Subject Site is located within a Methane Zone and is located approximately 2.5 kilometers from the Puente Hills Blind Thrust Fault and is subject to specific Regulatory Compliance Measures (RCMs) in the City of Los Angeles. These measures regulate the grading and construction of projects in these particular types of “sensitive” locations and reduce any potential impacts to less than significant; thus, the following RCMs would apply:

- Regulatory Compliance Measure RC-GEO-1 (Seismic): The design and construction of the project shall conform to the California Building Code seismic standards as approved by the Department of Building and Safety.
- Regulatory Compliance Measure RC-HAZ-2: Explosion/Release (Methane Zone): As the Project Site is within a methane zone, prior to the issuance of a building permit, the Site shall be independently analyzed by a qualified engineer, as defined in Ordinance No. 175,790 and Section 91.7102 of the LAMC, hired by the Project Applicant. The engineer shall investigate and design a methane mitigation system in compliance with the LADBS Methane Mitigation Standards for the appropriate Site

Design Level which will prevent or retard potential methane gas seepage into any new building or structure built on the site. The Applicant shall implement the engineer's design recommendations subject to CalGEM, LADBS and LAFD plan review and approval. Additional conditions to reduce and prevent odors, noise and dust from migrating into the adjacent neighborhood have been required.

These RCMs have been historically proven to work to the satisfaction of the City Engineer to reduce any impacts from the specific environment of the Project Site. Thus, in conjunction with the above RCMs and compliance with other applicable regulations, the Project will not result in a significant impact based on its location.

2. Cumulative Impacts. *All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.*

According to the California Department of Conservation (CalGEM) Well Finder database, the closest oil drilling facility is located near the intersection of Washington Boulevard and 4th Avenue, approximately 0.7 miles away from the project site. This site is no longer operational. As such, there are no known successive projects of the same type and in the same place as the proposed project. The Plan Approval review of conditions of approval compliance and the subsequent reporting involves no changes of the existing baseline conditions as the resulting review will not change the number of wells or the production activities. Therefore, this exception does not apply.

3. Significant Effect. *A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.*

The Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use.

Trees and plants will continue to line the exterior of the walls. The exterior walls will remain the same. Condition No. 23 requires the enclosure of the equipment within the production portion of the site consistent with other drill sites in the area. This will reduce impacts to noise and odors caused by the pumping of oil at the site and the generation of electricity by the on-site microturbines. Adjacent properties to the north, east, and west of the project site will remain zoned R3-1-O-HPOZ and R4-1-O-HPOZ. Properties to the north, east, and west of the project site are developed with single-family and multifamily residential, healthcare, and religious uses. Properties to the south across 27th Street will remain zoned RD2-1-O-HPOZ and developed with single-family residential buildings. The existing drill site's operation remains bound by all prior conditions of approval and regulatory requirements from the Southern California Air Quality Management District (SCAQMD). Therefore, the baseline conditions will remain unchanged and there are no foreseeable impacts from the project. The Plan Approval has resulted in additional or modified conditions that will reduce

the known impacts of odors, noise and dust that exist in the area. Thus, there are no unusual circumstances and no reasonable possibility that the project and on-site activities will lead to a significant effect on the environment, and this exception does not apply.

4. Scenic Highways. *A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway.*

The only State Scenic Highway within the City of Los Angeles is the Topanga Canyon State Scenic Highway, State Route 27, which travels through a portion of Topanga State Park. The project site is approximately 15 miles east of State Route 27. Therefore, the proposed project will not result in any damage to any scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway, and this exception does not apply.

5. Hazardous Waste. *A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.*

According to Envirostar, the State of California's database of Hazardous Waste Sites, neither the project site, nor any site in the vicinity, is identified as a hazardous waste site, and this exception does not apply.

6. Historic Resources. *A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.*

The Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M.

This project site has not been identified individually as a potential historic resource in SurveyLA, the citywide survey of Los Angeles, and is not designated individually as a historic resource. However, the project site is identified as a non-contributor within an identified historic district, the Jefferson Park Historic Preservation Overlay District. The site's non-contributor status is verified by the Historic Preservation Overlay Referral Form dated December 29, 2021.

A substantial adverse change in the significance of a historic resource means demolition, destruction, relocation, or alteration of the resource or its immediate surroundings such that the significance of a historical resource would be materially impaired. Condition No. 23 of the project requires that a maximum 45-foot high structure be constructed to contain noise, odor and other objectionable byproducts of oil drilling

and retrieval and co-generation of electricity on the site. Because such a structure is located within the boundaries of the HPOZ, it is required by Section 12.20.3-L of the Municipal Code to receive a Certificate of Compatibility from the Director of Planning. The HPOZ's Historic Preservation Board will make a recommendation to the Director as to its compatibility with the HPOZ's Historic Preservation Plan. The Project would not result in any substantial adverse change to any historical resource, including to any neighboring contributing or altered contributing structure or to the HPOZ as a whole, and this exception does not apply.