

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: CEQA@conservation.ca.gov

Project Title: UGS SoCalGas 052023-001

Project Applicant: Southern California Gas Company

Project Location: Los Angeles County, Honor Rancho Gas Field
Latitude 34.44681168, Longitude -118.58569336

Project Description: Southern California Gas Company (SoCalGas) submitted one Notice of Intention (NOI) to rework an existing underground gas storage (UGS) well at the Honor Rancho Gas Storage Facility (Honor Rancho Facility) in Los Angeles County (Project).

The well that will be reworked is part of the Honor Rancho Facility, an existing facility of an investor-owned utility that is used to provide natural gas services. The proposed Project is located at the Honor Rancho Facility in Los Angeles County, 30 miles north of the city of Los Angeles, within the Honor Rancho Gas Field. The Honor Rancho Gas Field was discovered in 1956 and a depleted reservoir in the field was converted into a natural gas storage facility in 1975 (now, Honor Rancho Facility). The Honor Rancho Gas Field is approximately 2,300 acres. The Honor Rancho Facility occupies approximately 600 acres of the entire gas field. Approximately 50% of the Honor Rancho Facility is located in the City of Santa Clarita, with the remainder located in unincorporated Los Angeles County.

The purpose of the proposed Project is to rework a well, WEZU C-2A. The rework involves inspecting and remediating conditions impacting well integrity of casing. Activities include review well history, available directional surveys and inspection logs, and current wellbore configuration (casing size, restrictions, perforations, and liner) and develop a plan to complete the integrity of the well. This project includes pulling kill string, running expansion tool, performing pressure test and inspections, and running a completion string to ensure compliance with revised regulations (14 CCR § 1726 *et seq.*) to enhance the safety of UGS projects.

In 2018, CalGEM promulgated regulations that establish standards for the design, construction, and maintenance of all gas storage wells. The regulations include stringent well construction standards that are required to ensure that gas storage wells are safe and will maintain their integrity over time. The well construction standards promote environmental safety by focusing on leak prevention.

The proposed project consists of CalGEM approving one permit for SoCalGas to preform rework on the gas well listed below, in the Honor Rancho Gas Field.

API # 0403721474, **Well Name:** WEZU C-2A

Exempt Status: As the Lead Agency, CalGEM has determined that the proposed project is exempt from full environmental review requirements of the California Environmental Quality Act

(CEQA), pursuant to the specified exemptions marked in the section below. CalGEM further finds that the proposed project would not result in a significant adverse impact to the environment and that none of the exceptions to the application of the exemptions apply (14 CCR § 15300.2).

Exemption Type		Statute (PRC)	Regulation (14 CCR)	
<input type="checkbox"/>	Statutory Exemption:			
<input type="checkbox"/>	Ongoing Project (<i>pre-CEQA approval on April 5, 1973</i>)	21169	15261 (b)	
<input type="checkbox"/>	Ministerial	21080 (b)(1)	15268	
<input type="checkbox"/>	Declared Emergency	21080 (b)(3)	15269 (a)	
<input type="checkbox"/>	Emergency Projects	21080 (b)(4)	15269 (b) or (c)	
<input type="checkbox"/>	Categorical Exemption:	21084		
<input checked="" type="checkbox"/>	Class 1: Existing Facilities		15301	1684.1
<input type="checkbox"/>	Class 3: New Construction/Conversion of Small Structures		15303	
<input checked="" type="checkbox"/>	Class 4: Minor Alterations to Land		15304	1684.2
<input checked="" type="checkbox"/>	Class 7: Protection of Natural Resources		15307	
<input checked="" type="checkbox"/>	Class 8: Protection of the Environment		15308	
<input type="checkbox"/>	Class 11: Accessory Structures		15311	
<input type="checkbox"/>	Class 21: Enforcement Actions to revoke a permit		15321	
<input type="checkbox"/>	Class 30: Minor Actions to Prevent, Minimize, Stabilize, Mitigate, or Eliminate a Release (Actual or Threat) of Hazardous Substances (Waste or Material)		15330	
<input type="checkbox"/>	Class 33: Small Habitat Restoration Projects		15333	
<input type="checkbox"/>	General Exemption (“common sense”)		15061 (b)(3)	
<input type="checkbox"/>	Not a “Project” subject to CEQA		15378 (b)(2)	
<p>CEQA Exceptions to the Exemptions (14 CCR § 15300.2): where project is located (e.g. sensitive environment); Cumulative Impact; Significant Effect due to Unusual Circumstances; Scenic Highways; Hazardous Waste Sites; Historical Resources.</p>				

Reasons Why Project is Exempt: The basis for CalGEM’s determination that the project is exempt from the requirements of CEQA is provided in the brief explanation below.

Class 1, Existing Facilities (14 CCR §§ 15301, 1684.1): Class 1 exemption applies as CalGEM’s regulations state: “Class 1 consists of the operation, repair, maintenance, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of use beyond that existing previously. The Class includes, but is not limited to: remedial, maintenance, conversion, and abandonment work on oil, gas, injection, and geothermal wells. This project includes rework of an existing well, to return to service, and includes pulling kill string, running expansion tool, performing pressure test and inspections, and running completion string. This required well construction upgrade will maintain or diminish the throughput capacity of the reworked gas storage well resulting in negligible or no expansion of the existing use. This rework is considered remedial because it is attendant to compliance with CalGEM’s heightened well construction standards and safety regulations and involves associated maintenance of the well in order to ensure continued operation.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2): Class 4 exemption applies. The proposed Project would be conducted entirely on an existing pad, and when combined with existing roads, has enough space to contain all equipment. The project would not disturb any undisturbed areas. The proposed project is located within an industrial area. Therefore, the proposed project “consists of drilling operations that result in only minor alterations with negligible or no permanent effects to the existing condition of the land, water, air, and/or vegetation.” The rework would not expand the facility and is conducted in order to comply with CalGEM safety regulations (remedial) and maintain level of service.

Classes 7 and 8, Protection of Natural Resources and the Environment (14 CCR §§ 15307, 15308): Class 7 and Class 8 exemptions apply. The exemptions are for actions taken by regulatory agencies as authorized by law to assure the maintenance, restoration, enhancement, or protection of a natural resource or the environment where the regulatory process involves procedures for the protection of the environment.” As demonstrated in the record, the rework involves pulling kill string, running expansion tool and performing pressure test and inspections, and finally running completion string to comply with the regulations CalGEM promulgated in 2018, that establish standards for the design, construction, and maintenance of all gas storage wells. The regulations include stringent well construction standards that decrease the risk for adverse impacts to natural resources in the area. CalGEM has statutory and regulatory authority to protect natural resources and the environment. The rework of this well would ensure that potential impacts to natural resources and the environment from compliance issues associated with the well are minimized, and the approval for the rework will also include conditions that protect natural resources and the environment. Therefore, as demonstrated in the proposed Project file description of the well, rework operations would assure the maintenance, restoration, enhancement, and/or protection of a natural resource and the environment.

Exceptions to Exemptions:

CalGEM further finds that there are no exceptions to the application of the categorical exemptions (PRC § 21084; 14 CCR § 15300.2) referenced above. For example, there is no substantial evidence that there are any “unusual circumstances” associated with the proposed project that create a reasonable possibility that the activity will have a significant effect on the environment, and there are no significant “cumulative impacts” resulting from successive projects of the same type in the same place. Therefore, reliance on the exemptions is appropriate.

Consistent with the purposes of PRC § 3250 et seq and the documentation available for the preliminary review, the proposed project will benefit the environment. In addition, the work under the contracts and any resulting impacts will be temporary in duration. Therefore, the project can be considered exempt from the need for full CEQA review.

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:** _____

Department of Conservation,
Geologic Energy Management Division
CEQA Program