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: Patriot 112023-001

Project Applicant: Department of Conservation, Geologic Energy Management Division

Project Location: North Tapo Oil Field; 36/04N/18W/SB; 34.38309097, -118.72669220

Project Description:

The originally approved project consists of reworking (cement squeeze for casing repair) an existing well. Temporary equipment such as rigs and pumps will be used but once the job is completed will be removed from the location. No new permanent facilities will be constructed; all work activities are sub-surface, and no expansion of associated facilities will be required. Waste materials will be properly disposed of.

CalGEM has approved permits for Patriot Resources, LLC to rework the oil and gas well listed below, in the North Tapo oilfield.

API#	Well Name
0411120672	N. L. & F. 0-23

Exempt Status: As the Lead Agency, CalGEM has determined that the proposed project is exempt from further 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, or that any of the exceptions to the application of the exemptions apply (14 CCR § 15300.2).

Exemption Type		Statute (PRC)	Regulation (14 CCR)						
	Statutory Exemption:								
		Ongoing Project (pre-CEQA approval on April 5, 1973)	21169	15261 (b)					
		Ministerial	21080 (b)(1)	15268					
		Declared Emergency	21080 (b)(3)	15269 (a)					
		Emergency Projects	21080 (b)(4)	15269 (b) or (c)					

V	Categorical Exemption:		21084			
	\checkmark	Class 1: Existing Facilities		15301	1684.1	
	\checkmark	Class 2: Replacement or Reconstruction		15302		
		Class 3: New Construction/Conversion of Small Structures		15303		
	$\overline{\mathbf{V}}$	Class 4: Minor Alterations to Land		15304	1684.2	
	\checkmark	Class 7: Protection of Natural Resources		15307		
	\checkmark	Class 8: Protection of the Environment		15308		
		Class 11: Accessory Structures		15311		
		Class 21: Enforcement Actions to revoke a permit		15321		
		Class 30: Minor Actions to Prevent, Minimize, Stabilize, Mitigate, or Eliminate a Release (Actual or Threat) of Hazardous Substances (Waste or Material)		15330		
		Class 33: Small Habitat Restoration Projects		15333		
	General Exemption ("common sense")			15061 (b)(3)		
☐ Not a "Project" subject to CEQA						
CEQA Exceptions to the Exemptions (14 CCR § 15300.2): where project is located (e.g. sensitive environment);						

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.

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 rework is a cement squeeze for casing repair and is considered repair and maintenance of the well in order to ensure O&G production. The well will remain a production well with the same capacity. This rework does not propose any changes to the wellbore or structure of the well. Accordingly, there is no expansion of use beyond that previously existing.

Class 2, Replacement or Reconstruction (14 CCR § 15302): It is also a potential Class 2 as rework of the well could be considered "replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have the same purpose and capacity." This is a rework that involves repairing or reconstructing failed casing of an existing production well through a cement squeeze job followed by a casing pressure test to verify the repair and does not propose changes to the structure of the well (the wellbore). The location of the well will not change, nor will the underground structure of the well (the wellbore) change, nor will the purpose of the well, which is production. After the rework, the well will have the same capacity.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2): It is also a possible Class 4. The project would be conducted entirely on an existing pad with enough space to contain all

equipment. The project would not disturb any undisturbed areas. The project is located within an industrial area. Therefore, the 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 maintain level of service.

Classes 7 and 8, Protection of Natural Resources and the Environment (14 CCR §§ 15307, 15308): It is also a possible Class 7 and Class 8, which includes 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, this O&G well presents a safety concern that may increase the risk for adverse impacts to the environment or natural resources in the area. CalGEM has statutory and regulatory authority to protect natural resources and the environment. 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, which include locating the hole in the casing, a cement squeeze job, and a casing pressure test to verify the repair, the rework would assure the maintenance, restoration, enhancement, and/or protection of a natural resource and the environment.

Exceptions to Exemptions:

The Division further finds that there are no exceptions to the otherwise-applicable categorical exemptions (PRC § 21084; 14 CCR § 15300.2 (c)). 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 that there are no significant "cumulative impacts" resulting from successive projects of the same type in the same place. Therefore, reliance on these exemptions is appropriate.

Consistent with the purposes of Public Resources Code § 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://ceganet.opr.ca.gov

Certified: Nicols Trazza

California Geologic Energy Management Division Date: 5/6/2024

CEQA Program