

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
 11000 River Run Boulevard
 Bakersfield CA 93311
Contact: CalGEMCentral@conservation.ca.gov

Project Title: 391028_CREH_O&G

Project Applicant: California Resources Elk Hills, LLC

Project Location: Kern, Buena Vista; Section 25/T.31S/R.23E/B&M: MD; 35.20466232,
 -119.46442413

Project Description: The primary work objective is to sidetrack one (1) existing well(s). This work is designed to support continuation of oil and gas resource development in the area. The wells are not being sidetracked (i) for abandonment purposes only or (ii) in connection with an enforcement order to mitigate or prevent environmental damage or surface expression.

Sidetracking is the process of drilling a new wellbore from an existing wellbore. This is typically done when the original wellbore encounters a problem, when accessing remaining hydrocarbons within portions of the same reservoir, or when obstructions in the wellbore need to be bypassed. This process allows drilling a new section in an existing wellbore in the same rock formation restoring the well's original functionality.

The proposed project consists of the California Department of Conservation, Geologic Energy Management Division (CalGEM) approving 1 permit for California Resources Elk Hills, LLC to perform sidetrack work on the well listed below, in the Buena Vista Oil Field.

| API # | Well Name |
|------------|-----------|
| 0403063396 | 612-25B |

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, or that any 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 checked="" type="checkbox"/> | Categorical Exemption: | 21084 | | |
| <input checked="" type="checkbox"/> | Class 1: Existing Facilities | | 15301 | 1684.1 |
| <input checked="" type="checkbox"/> | Class 2: Replacement or Reconstruction | | 15302 | |
| <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 type="checkbox"/> | Class 7: Protection of Natural Resources | | 15307 | |
| <input 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) | |
| 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): The "Class 1" (14 CCR § 15301) exemption is applicable per the CEQA Guidelines and CalGEM's regulations (14 CCR § 1684.1) because the proposed work consists of repair, maintenance, or minor alteration of an existing previously permitted well involving no expansion of former use. The Class includes, but is not limited to: remedial, maintenance, conversion, and abandonment work on oil, gas, injection, and geothermal wells. The well would maintain its existing well type and the use of the well would remain the same as before.

Class 2, Replacement or Reconstruction (14 CCR § 15302): Class 2 applies because it consists of "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 substantially the same purpose and capacity as the structure replaced[.]" Examples of

