

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

California Environmental Quality Act Notice of Exemption

To: Office of Land Use and Climate Innovation
 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: 652816_Crimson_OG_UIC

Project Applicant: Crimson Resource Management Corp. (Crimson)

Project Location: Kern County, Lost Hills Oil Field; 34/25S/20E/MD;
 35.70735550, -119.79864502

Project Description: Crimson proposes a Supplemental Notice of Intention (NOI) to change the well type from Cyclic Steam to Oil & Gas. This well was drilled in 2012. This producer well is supported by 3 offset steam injectors. These injectors came online in 2012 and 2013 and have remained online since. The well has not been cyclic steamed since its initial drilling as it currently shows enhance oil recovery supported by these offset steam injectors. Cyclic steaming this well is not required at this time. Should this change and cyclic steaming is needed, Crimson will notify all appropriate agencies immediately and complete the necessary requirements to be able to do so.

This request does not require mechanical changes to the wellbore. This request does not require the use of any temporary equipment or personnel. No location modifications are needed for this request.

The proposed project consists of the California Department of Conservation, Geologic Energy Management Division (CalGEM) approving a permit for Crimson to rework the well listed below, in the Lost Hills Oil Field in Kern County.

API #	Well Name
0403047375	Section 34 BT-R23

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)	
<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): The project is exempt under the Class 1, Existing Facilities exemption because the project would make minor changes to an existing well involving no expansion of the existing use of the well. Class 1 exemption consists of operation, repair, maintenance, or minor alternation of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of use beyond that existing previously. This includes "alteration of well casing, such as perforating and casing repair, removal or replacement; installation or removal of downhole production or injection equipment, cement plugs, bridge plugs, and packers set to isolate production or injection intervals." (14 CCR § 1684.1.) The project consists of changing the well type of an existing well from

cyclic steam to oil & gas production. This project does not require mechanical changes to the wellbore, nor does it require the use of any temporary equipment or personnel. No expansion of the existing well pad, roads, staging areas, or pipelines are proposed. According to a CalGEM engineer, the proposed work is within the scope of UIC project 43200041 and would be a continuation of operations within the confines of the UIC project as permitted by the project approval letter (PAL). Therefore, the proposed project would not change the existing facilities and would not expand the existing use.

Class 2, Replacement or Reconstruction (14 CCR § 15302): Class 2 exemption applies because it consists of the “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 Class 2 include, but are not limited to, “[r]eplacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity.” (14 CCR § 15302.) The project would include changing the well type of an existing well from cyclic steam to oil & gas. The project would not require mechanical changes to the wellbore, nor would it require the use of any temporary equipment or personnel. No additional construction will occur. According to a CalGEM engineer, the proposed work is within the scope of UIC project 43200041 and would be a continuation of operations within the confines of the UIC project as permitted by the PAL. Therefore, the proposed project consists of rework activity on the same site and would not change the capacity of the well.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2): Class 4 exemption applies. Class 4 consists of “drilling operations that result only in minor alterations with negligible or no permanent effects to the existing condition of the land, water, air, and/or vegetation.” (14 CCR § 1684.2; see also 14 CCR § 15304.) The proposed rework to change the well type from cyclic steam to oil & gas would not require mechanical changes to the wellbore, nor would it require the use of any temporary equipment or personnel. No location modifications are needed for this request. The proposed project would be conducted entirely on an existing pad, and no expansion of the existing well pad, roads, staging areas, or pipelines are proposed. The proposed project is located within a developed oil field. Therefore, the proposed project would result in only minor alterations with negligible or no permanent effects to the existing condition of the land, water, air, and/or vegetation.

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 that 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.

A copy of this NOE (as required by 14 CCR § 15062(a)) and all other related materials can be made available to the public by contacting the CalGEM CEQA Program, located at 715 P Street, MS 1803, Sacramento, CA 95814; by calling (916) 445-9686; or an electronic copy of these documents may be requested by contacting

