

Department of Conservation

Notice of Exemption

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
11000 River Run Boulevard
Bakersfield CA 93311

Contact: CalGEMCentral@conservation.ca.gov

Project Title: 674603_Petro-Lud_OG

Project Applicant: Petro-Lud, Inc.

Project Location: Kern County, Mount Poso; Sec. 2, Twn. 27S, Rng. 28E/Base MD;
Latitude: 35.54976200, Longitude: -118.95716200

Project Description: Project Name: "Elliot-Glide" 2-27, API 029-86250, Sidetrack plugged back and suspended well.

Operator: Petro-Lud, Inc.

Location: Mt. Poso Field, Sec 27, T27S-R28E, MD B&M

Proposed Project: "Elliot-Glide" 2-27, Sidetrack plugged back and suspended well and complete as producer.

Specific Project Details:

The proposed project involves sidetracking the "Elliot-Glide" 2-27 well to establish production from the originally intended target zone, the Upper Vedder. The well site is accessible via existing roads and utilizes the current footprint of the existing well pad. No new grading, disturbances, or expansion of infrastructure, including well pads, roads, staging areas, power lines, or pipeline corridors, will occur as part of this project.

Use of Existing Infrastructure:

The operator proposes to utilize existing pipeline and production facilities infrastructure.

Sidetrack Program:

No diverter on the 10 3/4" conductor is necessary as reservoir pressure is only about 100 psia. Using a rework rig and a stiff drilling assembly, clean out cement plug from 241'-353' (top of fish). Using wash pipe, wash-over fish and recover in segments. Cleanout to original TD at 1624'. Plug w/cement from 1624' to 1400', CALGEM to witness tag. Sidetrack hole and drill to 1624' TD. Condition hole for open-hole logs. Run SP /

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Induction log. Run 7", 23#, J-55, API casing to 1610'. Cement to surface w/ 12.5 ppg slurry. Drill out 7" casing shoe, clean out hole to 1624' (no deeper than original TD). Run wire-wrapped screen liner and set lead seal adaptor. Complete on rod pump.

Environmental Setting:

The project site is located in the Mt. Poso oil field, amidst active oil field operations within the lower foothills of the Sierra Nevada. Native grasslands are adjacent to the east of the project area; however, the proposed work will utilize existing infrastructure without additional land disturbance. The nearest sensitive receptor is located approximately 9000 feet from the project site.

The proposed project consists of the California Department of Conservation, Geologic Energy Management Division (CalGEM) approving 1 permit(s) for Petro-Lud, Inc. to perform sidetrack work on the well(s) listed below, in the Mount Poso Oil Field.

| API # | Well Name |
|------------|--------------------|
| 0402986250 | Elliott-Glide 2-27 |

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><u>CEQA Exceptions to the Exemptions (14 CCR § 15300.2):</u> 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 "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

Class 2 include, but are not limited to, "Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity." The proposed project is the sidetrack, or replacement, of the existing wellbore which is needed to restore the wells to their original functionality. The sidetracked well will be located on the same site and would have substantially the same purpose and capacity as the well did before the sidetrack. Additionally, no additional construction will occur.

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 with 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 sidetrack would not expand the facility.

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 Notice of Exemption (as required by 14 CCR § 15062(a)) and all other related materials are available for public inspection at CalGEM's District office, located at 11000 River Run Boulevard, Bakersfield CA 93311; or an electronic copy of these documents may also be accessed online at the State Clearinghouse: <https://ceqanet.opr.ca.gov>.

Certified: Wayne Janssen **Date:** 4/10/2025
 Department of Conservation,
 Geologic Energy Management Division