

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 & 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: 649391_Group_Macpherson_OG_UIC

Project Applicant: Macpherson Oil Company

Project Location: Kern County, Round Mountain Oil Field; 18/28S/29E/MD; Latitude 35.48916245, Longitude -118.89284515

Project Description: The proposed project consists of reworking three existing wells to continue resource development. One well would be converted from oil and gas production to waterflood injection, one well would be converted from steamflood injection to observation, and one well would be converted from temperature observation to pressure observation. The proposed work includes laying cement plugs, drilling out cement, pressure testing casing, and perforating casing. The proposed project is estimated to take five days per well once work has begun. The project will utilize a workover rig, and various temporary support equipment that include delivery trucks, backhoes, and pickup trucks. The well pad will be able to accommodate all associated equipment and operations, including personnel parking. The rig will then conduct day-light operations until work is completed. The rig operations and equipment will then be demobilized and removed from the site. No production facilities and no new ground surface disturbance will be associated with the reworks.

The proposed project consists of the California Department of Conservation, Geologic Energy Management Division (CalGEM) approving three permits for Macpherson Oil Company to rework the wells listed below, in the Round Mountain Oil Field.

API #	Well Name
0403027699	USL 18 530
0403040457	USL 18 337
0402918014	USL 18 56-X

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):

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." This includes "remedial, maintenance, conversion, and abandonment work on oil, gas, injection, and geothermal wells involving the 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 involves remedial, maintenance, and conversion work on three existing wells in order to continue resource development. The proposed work includes laying cement plugs, drilling out cement, pressure testing casing, and perforating casing. All perforations will be made within the Pyramid Hill zone. These are negligible changes that would not result in significant impacts to surface or subsurface conditions. USL 18 530 would become an injection well part of UIC project 62809023 and is part of the AOR for UIC project 62809021. The conversion of USL 18 530 to injection is part of an approved expansion of UIC project 62809023. The State Water Resources Control Board reviewed UIC project 62809023 for groundwater impacts and did not object to the UIC project expansion. Any subsurface impacts due to this conversion would therefore be negligible. USL 18 337 is an injection well part of UIC project 62809023 and would become part of the AOR for UIC projects 62809023 and 62809021. USL 18 337 would be converted from steamflood injection to observation. This conversion would remove the injection capacity of the well and therefore would have negligible subsurface impacts. USL 18 56-X would remain an observation well and is not part of any UIC project. USL 18 56-X passes through the following UIC projects: 62809014, 62809021, 62809023, and 62809024. Conversion from temperature observation to pressure observation requires perforations. The well would obtain pressure data within the Pyramid Hill formation to ensure compliance as a condition of the PAL for UIC project 62809023. The well would not be used for injection. Therefore, this conversion would have negligible subsurface impacts. A CalGEM engineer has confirmed that the proposed work is within the scope of UIC projects 62809014, 62809021, 62809023, and 62809024, and the purpose of the proposed work is the continuation of operations as permitted by the project approval letters (PALs).

Class 2, Replacement or Reconstruction (14 CCR § 15302):

Class 2 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[.]" (14 CCR § 15302.) The proposed project would reconstruct the casings and wellbores of three existing wells by laying cement plugs, drilling out cement, pressure testing casing, and perforating casing. The work would take place on existing wellbores and well pads. The work involves the following conversions: conversion of USL 18 530 from oil and gas production to steamflood injection, conversion of USL 18 337 from steamflood injection to observation, and conversion of USL 18 56-X from temperature observation to pressure observation. These are negligible changes as they would not expand or modify the associated UIC projects and would have negligible surface and subsurface impacts.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2):

The project is exempt under the Class 4, Minor Alterations to Land because the project involves minimal surface disturbance that could significantly impact the surrounding environment. 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 project would take place on previously disturbed, existing well pads which are large enough to accommodate the necessary equipment and can be accessed by existing roads. The project does not involve the expansion of the existing well pads, flowlines corridor, or powerline corridor.

The project is located in a densely developed oil field. Therefore, there would be minimal new disturbance that could significantly impact the surrounding 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 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 CEQA@conservation.ca.gov. The notice filed with the State Clearinghouse may be accessed online at: <https://ceqanet.opr.ca.gov>

Certified: _____ *Mikayla Vaba* _____ **Date:** _____ 4/14/2025
Department of Conservation,
Geologic Energy Management Division