

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 **From:** Department of Conservation
State Clearinghouse 715 P Street, MS 1803
1400 Tenth Street, Room 113 Sacramento, CA 95814
Sacramento, CA 95814 **Contact:** CEQA@conservation.ca.gov

Project Title: NOE_477010_Group_Aera_UIC

Project Applicant: Aera Energy LLC

Project Location: Kern, Midway-Sunset; 21/ 31S/ 22E/ MD; 35.22325516/ -119.61543274;
and 306 ft S and 2450 ft W from the NE section corner

Project Description: The primary work objective is to sidetrack 4 existing cyclic steam well(s) to restore them to their original functionality. 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.

Currently the wells proposed for sidetracking are damaged to the extent that their functionality has been impaired and cannot be repaired; therefore, the purpose of the sidetrack is to remediate existing damage on these wells and restore their functionality. The potential disturbance footprint would encompass an existing 20,000 square foot (100 ft x 200 ft) well pad per well. The entirety of this work would be in an area of existing disturbance and no change in the surface topography (such as drainage patterns) would result. There will be no expansion of the existing well pads, roads, staging areas, or pipelines. No new grading would occur in any undisturbed areas. No new road construction or improvements would be required for the proposed project. Routine maintenance activities at the site would include removal of weeds and other ruderal vegetation for fire control and road maintenance.

The wells are located near the unincorporated community of Taft in Kern County, California and is on real property known and designated by Kern County as Assessor's Parcel Numbers [APNs] 183-200-02, and 183-200-01 (consisting of an approximately 1.84-acre portion of the subject property).

The subject property is currently owned and managed by Aera Energy. The proposed project area (referred herein as the "project site") consists of a fully operational active oil field named Midway Sunset Oil Field (MWOFF). The subject wells are among approximately 34,585 other wells within the oilfield. The subject property is located on a relatively flat, open area in a dry region of the southern San Joaquin Valley. The

topography of the area is typically comprised of low-lying hills, agricultural fields, and sparse vegetation, surrounded by fully industrial oil and gas development. The work will commence after CalGEM permit approval. The time of year the work would occur is dependent on the date of final CalGEM permit approval. For a single well, it is expected to take approximately 17 operational days to complete all construction phases.

Construction activities would generally include the following phases:

- Partial abandonment of existing damaged wellbore - zonal abandonment of well to be sidetracked in accordance with CalGEM abandonment requirements.
- Site preparation - site location work on existing well pads to create safe work site for personnel and environment.
- Sidetrack drilling (construction) of the well - sidetracking operations in accordance with CalGEM regulations including adding perforations.
- Well completion-subsurface completion of well in accordance with CalGEM regulations.
- Final site surface construction - re-installation of various aboveground piping and equipment to connect well sites to the existing infrastructure.

All work during the project phases, except for the drilling phase, will occur during the work week, Monday through Friday, from approximately from 6 am to 5 pm. The drilling rig will operate 24 hours per day. The construction activities will not include installation of new pipelines or infrastructure. No new ground disturbance would occur. The proposed construction activities would use existing electrical lines. The proposed construction activities would involve a combination of re-use, repair, or re-installation of various above-ground piping to connect subject well sites to the existing infrastructure. Perforations will be added within existing formations so the pool designation will not change.

API #	Well Name
0403000084	AG-69L
0402977282	AG-F13
0403026164	AG-G112
0402975172	AG-K18

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)	
<ul style="list-style-type: none"> .. Statutory Exemption: .. Ongoing Project (<i>pre-CEQA approval on April 5, 1973</i>) .. Ministerial .. Declared Emergency .. Emergency Projects 	<ul style="list-style-type: none"> 21169 21080 21080 21080 (b)(1) (b)(3) (b)(4) 	<ul style="list-style-type: none"> 15261 (b) 15268 15269 (a) 15269 (b) or (c) 	
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Categorical Exemption: <input checked="" type="checkbox"/> Class 1: Existing Facilities <input checked="" type="checkbox"/> Class 2: Replacement or Reconstruction <input type="checkbox"/> Class 3: New <ul style="list-style-type: none"> .. Construction/Conversion of Small Structures <input checked="" type="checkbox"/> Class 4: Minor Alterations to Land <input checked="" type="checkbox"/> Class 7: Protection of Natural Resources <input checked="" type="checkbox"/> Class 8: Protection of the Environment <ul style="list-style-type: none"> .. Class 11: Accessory Structures .. Class 21: Enforcement Actions to revoke a permit .. Class 30: Minor Actions to Prevent, Minimize, Stabilize, Mitigate, or Eliminate a Release (Actual or Threat) of Hazardous Substances (Waste or Material) .. Class 33: Small Habitat Restoration Projects .. General Exemption ("common sense") 	<ul style="list-style-type: none"> 21084 	<ul style="list-style-type: none"> 15301 15302 15303 15304 15307 15308 15311 15321 15330 15333 	<ul style="list-style-type: none"> 1684.1 1684.2
<ul style="list-style-type: none"> .. Not a "Project" subject to CEQA 		<ul style="list-style-type: none"> 15061 (b)(3) 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 categorically exempt from CEQA under the "Class 1" (14 CCR § 15301) exemption per the CEQA Guidelines because the proposed project is a repair or minor alteration of existing facilities and will not involve an expansion of use of the oil field, and therefore is exempt from the need for full CEQA review. Additionally, in accordance with 14 CCR § 1684.1 the Class 1 exemption consists of operation repair, maintenance, 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. The proposed work involves altering the existing casing and/or wellhead of existing wellbores to address integrity issues and restore productivity. Additionally, a CalGEM engineer has confirmed that the proposed work would be a continuation of operations within UIC Project 46400008, as permitted by the project approval letter (PAL).

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." The proposed work will be conducted on an existing wellbore, located on an existing well pad. The project will not expand operations or change the existing use of the well. Additionally, a CalGEM engineer has confirmed that the proposed work would be a continuation of operations within UIC Project 46400008, as permitted by the PAL.

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.") 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 active oil field. The rework would not expand the facilities.

Classes 7 and 8 – Actions by Regulatory Agencies for Protection of Natural Resources and the Environment (14 CCR § 15307, 15308): Class 7 and 8 exemptions apply. The exemptions are for "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." The proposed project involves remedial/rework activities to address known well integrity issues that requires swift action for the protection of natural resources and the 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: _____ **Date:** _____
Department of Conservation,
Geologic Energy Management Division