

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: 644906_Group_Berry_OG_UIC

Project Applicant: Berry Petroleum Company, LLC (Berry)

Project Location: Kern County, Midway-Sunset Oil Field; 36/32S/23E/MD;
 35.09535599, -119.44959259

Project Description: Berry Petroleum Company, LLC (Berry) proposes to sidetrack five existing wells to support the continuation of oil and gas resource development in the area. The project includes preparation of the existing well pads, connection to existing electrical lines, installation of various above-ground piping to connect the well sites to existing infrastructure, sidetracking the wells, and returning the wells to injection and production. As indicated by the project applicant, the entirety of this project is in an area of existing disturbance and no change in the surface topography (such as drainage patterns) is included in the project design. The well pads would be able to accommodate all associated equipment and operations, and there would be no disturbance to previously undisturbed areas. Downhole activities would include drilling, cleaning the wellbores, setting and cementing casing, and completion of the wells in the target formation. Regular operations at the site include removal of weeds and other ruderal vegetation for fire control and road maintenance.

The proposed project consists of the California Department of Conservation, Geologic Energy Management Division (CalGEM) approving five permits for Berry to sidetrack the wells listed below, in the Midway-Sunset Oil Field in Kern County.

| API # | Well Name |
|------------|--------------|
| 0403042055 | Alpine 1225H |
| 0403032299 | Alpine 390H |
| 0403033311 | Alpine 410H |
| 0403039074 | Alpine 1150H |
| 0403068976 | Big Ten 425H |

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>) <input type="checkbox"/> Ministerial <input type="checkbox"/> Declared Emergency <input type="checkbox"/> Emergency Projects | 21169 21080 (b)(1) 21080 (b)(3) 21080 (b)(4) | 15261 (b) 15268 15269 (a) 15269 (b) or (c) | |
| <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 Construction/Conversion of Small Structures <input checked="" type="checkbox"/> Class 4: Minor Alterations to Land <input type="checkbox"/> Class 7: Protection of Natural Resources <input type="checkbox"/> Class 8: Protection of the Environment <input type="checkbox"/> Class 11: Accessory Structures <input type="checkbox"/> Class 21: Enforcement Actions to revoke a permit <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) <input type="checkbox"/> Class 33: Small Habitat Restoration Projects <input type="checkbox"/> General Exemption ("common sense") | 21084 | 15301 15302 15303 15304 15307 15308 15311 15321 15330 15333 | 1684.1 1684.2 |
| <input type="checkbox"/> Not a "Project" subject to CEQA | | 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 exempt under the Class 1, Existing Facilities exemption because the project would make minor changes to existing wells involving no expansion of the existing use of the wells. 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 sidetracking five existing wells and returning the wells to injection and production. As indicated by the project applicant, the existing well pads would be able to accommodate all associated equipment and operations, and there would be no disturbance to previously undisturbed areas. No expansion is proposed. According to a CalGEM engineer, the proposed work is within the scope of UIC project 46400185 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 proposed project is the sidetrack, or replacement, of the existing wellbores for five existing wells, which is needed to restore the wells to original functionality. According to a CalGEM engineer, the proposed work is within the scope of UIC project 46400185 and would be a continuation of operations within the confines of the UIC project as permitted by the PAL. Therefore, the proposed project would consist of sidetrack work on the same sites and would not change the capacity of the wells.

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 sidetrack work would be conducted entirely on existing pads, and as indicated by the project applicant, the existing well pads would be able to accommodate all associated equipment and operations, and there would be no disturbance to previously undisturbed areas. No expansion is 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.

