



APPLICATIONS:

APPEAL APPLICATION

Instructions and Checklist

Related Code Section: Refer to the City Planning case determination to identify the Zone Code section for the entitlement and the appeal procedure.

Purpose: This application is for the appeal of Department of City Planning determinations authorized by the Los Angeles Municipal Code (LAMC).

A. APPELLATE BODY/CASE INFORMATION

1. APPELLATE BODY

- Area Planning Commission City Planning Commission City Council Director of Planning
- Zoning Administrator

Regarding Case Number: ENV-2020-1328-CE

Project Address: 9101 West Pico Boulevard / 9151 West Pico Boulevard

Final Date to Appeal: September 10, 2021

2. APPELLANT

Appellant Identity:
(check all that apply)

- Representative Property Owner
- Applicant Operator of the Use/Site
- Person, other than the Applicant, Owner or Operator claiming to be aggrieved

- Person affected by the determination made by the **Department of Building and Safety**
- Representative Owner Aggrieved Party
- Applicant Operator

3. APPELLANT INFORMATION

Appellant's Name: Amy C. Minter on behalf of Neighbors for a Safe Environment

Company/Organization: Chatten-Brown, Carstens & Minter LLP

Mailing Address: 2200 Pacific Coast Highway, Ste. 318

City: Hermosa Beach State: CA Zip: 90254

Telephone: (310) 798-2400 E-mail: acm@cbcearthlaw.com

a. Is the appeal being filed on your behalf or on behalf of another party, organization or company?

- Self Other: Neighbors for a Safe Environment

b. Is the appeal being filed to support the original applicant's position? Yes No

SPECIFIC CASE TYPES - APPEAL FILING INFORMATION

C. DENSITY BONUS / TRANSIT ORIENTED COMMUNITES (TOC)

1. Density Bonus/TOC

Appeal procedures for Density Bonus/TOC per LAMC Section 12.22.A 25 (g) f.

NOTE:

- Density Bonus/TOC cases, only the *on menu or additional incentives* items can be appealed.
- Appeals of Density Bonus/TOC cases can only be filed by adjacent owners or tenants (must have documentation), and always only appealable to the Citywide Planning Commission.

- Provide documentation to confirm adjacent owner or tenant status, i.e., a lease agreement, rent receipt, utility bill, property tax bill, ZIMAS, drivers license, bill statement etc.

D. WAIVER OF DEDICATION AND OR IMPROVEMENT

Appeal procedure for Waiver of Dedication or Improvement per LAMC Section 12.37 I.

NOTE:

- Waivers for By-Right Projects, can only be appealed by the owner.
- When a Waiver is on appeal and is part of a master land use application request or subdivider's statement for a project, the applicant may appeal pursuant to the procedures that governs the entitlement.

E. TENTATIVE TRACT/VESTING

1. Tentative Tract/Vesting - Appeal procedure for Tentative Tract / Vesting application per LAMC Section 17.54 A.

NOTE: Appeals to the City Council from a determination on a Tentative Tract (TT or VTT) by the Area or City Planning Commission must be filed within 10 days of the date of the written determination of said Commission.

- Provide a copy of the written determination letter from Commission.

F. BUILDING AND SAFETY DETERMINATION

- 1.** Appeal of the Department of Building and Safety determination, per LAMC 12.26 K 1, an appellant is considered the **Original Applicant** and must provide noticing and pay mailing fees.

a. Appeal Fee

- Original Applicant - The fee charged shall be in accordance with LAMC Section 19.01B 2, as stated in the Building and Safety determination letter, plus all surcharges. (the fee specified in Table 4-A, Section 98.0403.2 of the City of Los Angeles Building Code)

b. Notice Requirement

- Mailing Fee - The applicant must pay mailing fees to City Planning's mailing contractor (BTC) and submit a copy of receipt as proof of payment.

- 2.** Appeal of the Director of City Planning determination per LAMC Section 12.26 K 6, an applicant or any other aggrieved person may file an appeal, and is appealable to the Area Planning Commission or Citywide Planning Commission as noted in the determination.

a. Appeal Fee

- Original Applicant - The fee charged shall be in accordance with the LAMC Section 19.01 B 1 a.

b. Notice Requirement

- Mailing List - The appeal notification requirements per LAMC Section 12.26 K 7 apply.
- Mailing Fees - The appeal notice mailing fee is made to City Planning's mailing contractor (BTC), a copy of receipt must be submitted as proof of payment.

G. NUISANCE ABATEMENT

1. Nuisance Abatement - Appeal procedure for Nuisance Abatement per LAMC Section 12.27.1 C 4

NOTE:

- Nuisance Abatement is only appealable to the City Council.

a. Appeal Fee

Aggrieved Party the fee charged shall be in accordance with the LAMC Section 19.01 B 1.

2. Plan Approval/Compliance Review

Appeal procedure for Nuisance Abatement Plan Approval/Compliance Review per LAMC Section 12.27.1 C 4.

a. Appeal Fee

Compliance Review - The fee charged shall be in accordance with the LAMC Section 19.01 B.

Modification - The fee shall be in accordance with the LAMC Section 19.01 B.

NOTES

A Certified Neighborhood Council (CNC) or a person identified as a member of a CNC or as representing the CNC may not file an appeal on behalf of the Neighborhood Council; persons affiliated with a CNC may only file as an individual on behalf of self.

Please note that the appellate body must act on your appeal within a time period specified in the Section(s) of the Los Angeles Municipal Code (LAMC) pertaining to the type of appeal being filed. The Department of City Planning will make its best efforts to have appeals scheduled prior to the appellate body's last day to act in order to provide due process to the appellant. If the appellate body is unable to come to a consensus or is unable to hear and consider the appeal prior to the last day to act, the appeal is automatically deemed denied, and the original decision will stand. The last day to act as defined in the LAMC may only be extended if formally agreed upon by the applicant.

This Section for City Planning Staff Use Only		
Base Fee:	Reviewed & Accepted by (DSC Planner):	Date:
Receipt No:	Deemed Complete by (Project Planner):	Date:
<input type="checkbox"/> Determination authority notified		<input type="checkbox"/> Original receipt and BTC receipt (if original applicant)



Chatten-Brown, Carstens & Minter LLP

2200 Pacific Coast Highway, Suite 318
Hermosa Beach, CA 90254
www.cbcearthlaw.com

Hermosa Beach Office

Phone: (310) 798-2400

Fax: (310)798-2402

San Diego Office

Phone: (858) 999-0070

Phone: (619) 940-4522

Amy C. Minter

Email Address:

acm@cbcearthlaw.com

Direct Dial:

310-798-2409

STATEMENT OF REASONS FOR APPEAL;

Case No. ZA-1989-17683-PA2-1A

ENV-2020-1328-CE

On behalf of Neighbors for A Safe Environment (NASE), a California nonprofit corporation seeking to protect neighborhoods from the impacts of oil drilling and production, we provide this summary of our reasons for appeal of the improper reliance on a categorical exemption from the California Environmental Quality Act (CEQA) in the Zoning Administrator (ZA) review of the West Pico Controlled Drill Site, Case No ZA-1989-17683-PA2, ENV-2020-1328-CE, and Area Planning Commission (APC) appeal Case No ZA-1989-17683-PA2-1A.

The CEQA violations at issue in the APC Determination are due in large part to its reliance on the flawed ZA Determination. Both rely upon a categorical exemption to CEQA, which was imposed as part of the ZA’s refusal to comply with a 2001 Settlement Agreement between NASE and the City requiring five year reviews of conditions for the West Pico Drill that, following Condition 78 of the 2000 ZA approval (ZA-1989-17683-PAD) and BZA ruling (BZA-2000-1697), must review compliance and also “evaluate neighborhood impacts” and “the efficacy of mitigation measures,” and change them if warranted. Evaluating impacts and mitigation measures cannot be done outside of the CEQA process.

A. Reliance on Categorical Exemption to CEQA is Improper.

The ZA Determination improperly relies on Class 1 and 21 categorical exemptions to avoid environmental review under CEQA. It is the City’s burden to prove that the ZA Determination on the Plan Approval project fits within a class of categorical exemption. (*California Farm Bureau Fed’n v. California Wildlife Conservation Bd.* (2006) 143 Cal.App.4th 173, 185-86; *Save Our Big Trees v. City of Santa Cruz* (2015) 241 Cal.App.4th 694, 697.) The City failed to meet its burden.

1. The APC Determination Would Legitimize Illegal Oil Drilling and Create *De Facto* By-right Oil Drilling.

The Plan Approval relies on a Class 1 categorical exemption, which is a class of exemption for continuing operations with no expansion of existing use. By relying on this class of exemption, the Plan Approval attempts to legitimize years of illegal well drilling, re-drilling and conversion, failing to recognize this is an expansion of use beyond what was approved by the ZA in 2000 in the last new project approval. Despite finding that the West Pico Drill Site was in substantial compliance with conditions, the 2021 ZA Determination acknowledged that “the operator completed numerous projects on the drill site which were not authorized as part of [the 2000 ZA approval] or the municipal code.” Thus, the 2021 Plan Approval contradictorily legitimates numerous illegal projects by claiming the operation of the site is in substantial compliance.

Interpreting the language of a Class 1 categorical exemption to allow a project proponent that commences illegal activities without seeking the necessary approvals to then claim those illegal uses are categorically exempt because they were already in (illegal) operation sets a dangerous precedent antithetical to CEQA’s purposes. (See *Save Tara v. City of West Hollywood* (2008) 45 Cal.4th 116, 129 [environmental review must precede, not follow project approval].) “Exemption categories are not to be expanded or broadened beyond the reasonable scope of their statutory language.” (*Mountain Lion Foundation v. Fish & Game Com.* (1997) 16 Cal.4th 105, 125.) “These rules ensure that in all but the clearest cases of categorical exemptions, a project will be subject to some level of environmental review.” (*Save Our Carmel River v. Monterey Peninsula Water Management Dist.* (2006) 141 Cal.App.4th 677, 697; see also *Friends of Mammoth v. Board of Supervisors* (1972) 8 Cal.3d 247, 259.)

At the West Pico Controlled Drill Site since 2000, there have been a rash of illegal, unapproved, and unreviewed projects, including 24 major oil well projects that include the drilling of 2 new wells, the re-drilling of 12 wells, and the conversion of 10 wells. (Attachment 1, PCEC June 19, 2020 Email to ZA; Attachment 2, NASE August 27, 2021 Letter Requesting Reconsideration by APC.) As such, a categorical exemption is wholly inappropriate to these circumstances.

Moreover, to the extent this Plan Approval reviewed any of the illegal drilling, re-drilling, and converting of wells that has been conducted at the site since 2000, the City is prohibited from relying on a categorical exemption by its own CEQA guidelines in ZA Memo 133.

What is at stake in this case is not just compliance with CEQA and the 2001 Settlement Agreement, but also the most elemental core of the City Code’s main body of

oil regulations that have been in force since February 1945 and clarified with great explicitness by an ordinance passed in 1955.

LAMC 13.01.H and 13.01.I require application to and approval from the ZA to drill a new oil well, redrill (or deepen) an existing well, and/or to convert a well between being a producer or injector well. The required ZA review for such projects is a discretionary action in which the ZA can deny the application or approve with conditions, and may modify any conditions previously assigned to a Controlled Drill Site. Since the advent of CEQA, the discretionary nature of these reviews has triggered the need for CEQA clearance.

The City Code does not allow by-right oil drilling in the parts of the City that are deemed as “urbanized” districts under LAMC 13.01. But in this case, in the use of the categorical exemptions that the APC Determination and the ZA Determination relied upon, the City allowed and enabled *de facto* by-right oil drilling. This poses a special danger to all in the City who live near an active Controlled Drill Site.

Reliance on a Class 1 categorical exemption for a Plan Approval that ignores illegal oil well projects incentivizes all oil companies operating in the City to evade application and review for projects in the future. Exempting these unapproved oil well projects from environmental review based on ongoing illegal activities piles illegality on top of illegality. Moreover, it deprives the public and decision makers of information necessary to assess the Project’s impacts.

2. A Class 21 Categorical Exemption Does Not Apply Because the West Pico Drill Site Remains Noncompliant and the Review Required by the Settlement Agreement and Condition 78 Goes Beyond Mere Enforcement.

A Class 21 exemption exempts enforcement actions from environmental review. The Plan Approval was not an enforcement action, but instead, pursuant to a 2001 Settlement Agreement between the City and NASE and Condition 78, a required review to evaluate “neighborhood impacts,” evaluate “the efficacy of mitigation measures” and to impose new or revised conditions if continuing impacts are determined. The ZA Determination, and the APC Determination through its acceptance of the findings of the ZA Determination, found that “the current conditions...may not be completely adequate to preserve the health, safety and general welfare of the nearby residential neighborhood.” Development of new conditions to address these impacts is not an enforcement action, but instead a determination that requires an evaluation of the specific impacts that are not addressed and an evaluative process to assess how to mitigate those impacts. Such an action is not exempt from CEQA, as discussed below.

Moreover, as set forth above, the APC Determination fails to require any corrective enforcement action for the illegal oil drilling, redrilling and conversion activities that have taken place at the West Pico Drill Site since 2000. Thus, reliance on a categorical exemption for enforcement actions is misplaced.

3. Exceptions to Categorical Exemption Require Environmental Review.

CEQA is clear that “[t]he categorical exemptions are not absolute.” (*Save Our Carmel River v. Monterey Peninsula Water Management Dist.* (2006) 141 Cal.App.4th 677, 689.) “It follows that where there is any reasonable possibility that a project or activity may have a significant effect on the environment, an exemption would be improper.” (*Wildlife Alive v. Chickering* (1976) 18 Cal.3d 190, 205–206.) Thus, categorical exemptions from CEQA are subject to exceptions. Even if a project fits within a specified class of categorical exemption, which the Plan Approval Project does not, an exemption is inapplicable if any of the exceptions to categorical exemptions apply. (CEQA Guidelines § 15300.2.) If an exception to a categorical exemption applies, CEQA review in the form of a mitigated negative declaration (“MND”) or environmental impact report (“EIR”) must be conducted. Several of the exceptions to reliance on categorical exemptions apply here.

a. Unusual Circumstances That May Result in a Significant Impact Prevent Reliance on a Categorical Exemption.

CEQA prohibits use of a categorical exemption when there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.” (CEQA Guidelines § 15300.2, subd. (c).) “[A]n unusual circumstance refers to ‘some feature of the project that distinguishes it’ from others in the exempt class. In other words, ‘whether a circumstance is “unusual” is judged relative to the typical circumstances related to an otherwise typically exempt project.’” (*Voices for Rural Living v. El Dorado Irrigation Dist.* (2012) 209 Cal.App.4th 1096, 1109.) Unusual circumstances negating categorical exemptions include a project’s context. (*Azusa Land Reclamation Co. v. Main San Gabriel Basin Watermaster* (1997) 52 Cal.App.4th 1165, 1207-08; *Lewis v. Seventeenth Dist. Agricultural Assn.* (1985) 165 Cal.App.3d 823, 829; *Meridian Ocean Systems, Inc. v. State Lands Com.* (1990) 222 Cal.App.3d 153, 169.)

The ongoing legal violations on the site discussed above are unusual circumstances and those unusual circumstances have led to and will continue to lead to adverse air quality, odor, noise and other impacts on the surrounding community. This prevents reliance on a categorical exemption. Additionally, the location of an oil drilling site adjacent to a residential community is an unusual circumstance. (See *Lewis v.*

Seventeenth Dist. Agricultural Assn. (1985) 165 Cal.App.3d 823 [location of racetrack near residences is unusual circumstance].) That unusual circumstance has led to the finding in the ZA Determination that current conditions are inadequate “to preserve the health, safety and general welfare of the nearby residential neighborhood.” Thus, due to unusual circumstances, there is a fair argument supported by substantial evidence that approving the Plan Approval without imposing effective mitigation measures may have significant adverse impacts, prohibiting reliance on a categorical exemption.

b. Cumulative Impacts Prevent Reliance on a Categorical Exemption.

A categorical exemption is “inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.” (CEQA Guidelines § 15300.2(b).) The cumulative impact exception ensures that a project’s potential cumulative impacts are not overlooked when a categorical exemption is applied because “environmental damage often occurs incrementally from a variety of small sources.” (*Kings County Farm Bureau v. City of Hanford* (1990) 221 Cal.App.3d 692, 720.)

As with direct environmental impacts, CEQA requires preparation of an environmental impact report (“EIR”) when a project’s impacts may be cumulatively considerable. (Pub. Resources Code § 21083 subd. (b)(2).) Cumulative impacts mean “that the incremental effects of an individual project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.” (*Ibid.*) This exception to categorical exemption applies if the lead agency is presented with “evidence that there was a fair argument that the cumulative impact exception applied.” (*Aptos Residents Assn. v. County of Santa Cruz* (2018) 20 Cal.App.5th 1039, 1052.)

Here, the cumulative impact of allowing illegal drilling activities on this site and, by precedent, on drill sites throughout the City, without enforcement actions or corrective measures, results in potentially significant adverse impacts Citywide. This is a cumulative impact that prevents reliance on a categorical exemption.

4. The City Cannot Rely on a Categorical Exemption When Mitigation Measures Are Required.

Categorical exemptions cannot be relied upon for projects such as this one where mitigation measures and new conditions are required. (*Salmon Protection and Watershed Network v. County of Marin* (2004) 125 Cal.App.4th 1098, 1108.) “An agency should decide whether a project is eligible for a categorical exemption as part of its preliminary

review of the project (CEQA Guidelines, §§ 15060 and 15061), not in the second phase [of review] when mitigation measures are evaluated.” (*Azusa Land Reclamation Co. v. Main San Gabriel Basin Watermaster* (1997) 52 Cal.App.4th 1165, 1199-1201; *City of Pasadena v. State of California* (1993) 14 Cal.App.4th 810, 820, [determination of “applicability of an exemption must be made *before* ... [the] formal environmental evaluation...”].) By definition, a project does not qualify for a categorical exemption unless the agency has determined environmental impacts cannot occur and mitigation measures are unnecessary. An agency may not “evade these standards by evaluating proposed mitigation measures in connection with the significant effect exception to a categorical exemption.” (*Azusa Land, supra*, 52 Cal.App.4th at 1201.) “Reliance upon mitigation measures (whether included in the application or later adopted) involves an evaluative process of assessing those mitigation measures and weighing them against potential environmental impacts, and that process must be conducted under established CEQA standards and procedures for EIRs or negative declarations.” (*Salmon Protection & Watershed Network v. County of Marin* (2004) 125 Cal.App.4th 1098, 1108.)

The APC Determination includes several new conditions intended to mitigate ongoing impacts arising at the West Pico Drill Site. These conditions include installation of fence-line monitoring and updated emergency signage. While NASE has been requesting emissions monitoring, the specifics of a monitoring program must be assessed through the environmental review process to ensure its efficacy. Analysis is required to determine the type of monitor, pollutants to be monitored, placement of the monitors, the reporting of recorded data to the City, and the establishment of a certain deadline for installation. The APC did not conduct the necessary analysis or include any specific terms for the installation of emissions monitoring. CEQA requires mitigation to be accomplished through the evaluative environmental review process and not based upon a categorical exemption. This is because mitigation measures need to be fully enforceable, and “not mere expressions of hope.” (*Lincoln Place Tenants Ass'n v. City of Los Angeles* (2005) 130 Cal.App.4th 1491, 1508.)

The APC Determination also includes a mitigation condition that is not only improper due to reliance on a categorical exemption, but also is improperly deferred mitigation. A condition was included requiring submission of a new Plan Approval application from the West Pico Drill Site operator to start a new case, and they required that the application must request a City inspection program. Post approval review and mitigation is improper under CEQA. (CEQA Guidelines § 15126.4(a)(1)(B); *Endangered Habitats League v County of Orange* (2005) 131 Cal.App.4th 777, 793-94; *Preserve Wild Santee v. City of Santee* (2012) 210 Cal.App.4th 260, 280-82.) Further, this is a new condition that is needed now. Most of the compliance problems at the West Pico Drill Site stem directly or indirectly from the City’s lack of inspection, compliance monitoring, and enforcement. The illegal well projects at West Pico are more numerous than at other

drill sites in the City, but they are not unique. The City's failure to do compliance inspections is a systemic failure documented by the Petroleum Administrator's May 2018 report to Council and the City Controller's June 2018 report on City oil regulation. It is a known problem now in the review of the West Pico Drill Site. But by shunting this and other known issues to a future review, the APC Determination relies on mitigation that is improperly deferred, and thus fails to be fully enforceable.

B. The Violation of Conditions and Mitigation Measures at the West Pico Drill Site is a Continuing CEQA Violation.

CEQA requires that mitigation measures "be fully enforceable through permit conditions, agreements, or other legally-binding instruments." (Guidelines § 15126.4(a)(2); see also *Lincoln Place Tenants Ass'n v. City of Los Angeles* (2005) 130 Cal.App.4th 1491, 1508 ["Mitigating conditions are not mere expressions of hope."]) "The purpose of these requirements is to ensure that feasible mitigation measures will actually be implemented...and not merely adopted and then neglected or disregarded." (*Federation of Hillside and Canyon Association v. City of Los Angeles* (2000) 83 Cal.App.4th 1252, 1261, italics omitted.)

Conditions of approval were adopted for the West Pico Drill Site as part of the 2000 ZA Determination, which were also included in the mitigation, monitoring and reporting plan for the site. These conditions limit the West Pico Drill Site to the wells actually existing at the time of the approval (Condition 72). There are ongoing CEQA violations at the West Pico Drill Site due to the illegal well drilling and conversions that took place in violation of the conditions of approval and the illegal installation of microturbines, which violates the prohibition on generating electricity on site or anywhere in the 70-acre oil drilling district U-131 (Condition 49).

There have also been violations and continuing violations of Conditions 46, 47, 53, 57, 61 and 78 due to the documented odor impacts, improper waste disposal, noncompliance with fire safety requirements, noncompliance with State-required blowout preventer tests before commencing downhole work, South Coast Air Quality Management District's leak and emissions violations, and lack of timely conditions review.

Odor complaints have been persistent since the drill site opened in 1965 and have been pronounced since about 2016. On October 10, 2019, CD5 Council Member Paul Koretz provided recorded testimony about the West Pico Drill Site to the City Council's Committee on Energy, Climate Change, and Environmental Justice. He stated:

I just visited a few days ago a shul that opened up a few years before directly across Pico and Doheny. I'm sure when they moved there they had no idea that was an oil site, in fact they told me so. **You can smell the oil. You can taste the oil.** It's just an accumulation of that pollution. On the other side of that site, there are housing units. I would say probably less than 50 feet away, and probably 75 feet away in front are that synagogue, the one next door and have a school that is about 600 feet away from it. I grew up near there and lived there for 20 years. My mother, I don't know whether there was a connection. My mother died from uterine cancer, pancreatic cancer and brain cancer. Maybe there is a connection, maybe not. If there is, and we can prove it, I would be pretty mad to say the least. There are a lot of people that are impacted. I presume whatever distance we pick, this site will be shutdown because it has so many sensitive uses and has housing and they are all within 100 feet. (emphasis added)

These ongoing and long-running CEQA violations must be rectified, and a categorical exemption is manifestly inappropriate for the task.

C. Due to the ZA's Predetermination to Rely Upon a Categorical Exemption for This Plan Approval, the ZA and APC Have Improperly Segmented Review.

CEQA prohibits evading comprehensive CEQA analysis by splitting projects into separate pieces. (CEQA Guidelines § 15378; *Bozung v. LAFCO*. (1975) 13 Cal.3d 263, 283-84; *Orinda Assn v. Board of Supervisors* (1986) 182 Cal.App.3d 1145, 1171.) The whole of the action includes "all phases of project planning, implementation, and operation;" all must be considered together when assessing environmental review for a project. (CEQA Guidelines §15063, subd. (a)(1).) Here, the APC Determination improperly piecemeals environmental review for the West Pico Drill Site by requiring a separate and new plan approval process, which is presumably to address the impacts and violations identified during this Plan Approval, although the APC Determination does not specify the reason for the separate review.

The piecemealing of environmental review at the West Pico Drill Site stems from the ZA's determination at the beginning of the Plan Approval process that a categorical exemption was the only CEQA approval to be considered. Subsequent to the ZA determining that a categorical exemption would be applied to the Plan Approval, NASE presented incontrovertible evidence of the illegal well drilling, redrilling and conversion activities that had taken place on the West Pico Drill Site. In written exchanges with the ZA's office, the current operator of the site agreed with this assessment. However, instead of addressing the illegal activity at the site during the current Plan Review, the ZA relied on the predetermined use of a categorical exemption to prevent review of those actions

now.

At the August 27, 2020 public hearing, the ZA said he recognized that changed conditions were needed as even the applicant recognized, but the ZA declared that “We can’t do these changes with this particular Categorical Exemption” (August 27, 2020 hearing, official recording, 1:38). The specifics of the action being reviewed should determine the proper level of environmental review. By inverting this requirement, the Plan Approval has improperly segmented review of these illegal actions to a subsequent process.

D. Misrepresentations of Facts Made at APC Hearing Taint the APC Determination.

At the August 18, 2021 APC hearing on NASE’s appeal, significant misinformation was provided to the Commission by the ZA, most of which was presented after the close of the public testimony. In a post-hearing letter to the APC, NASE provided a detailed description of these errors along with clear documentation contained within the case file for the West Pico Drill Site. (Attachment 2.) In summary, the misrepresentations made at the APC hearing were: statements by the ZA that “no new wells” had been drilled on the West Pico Drill Site since the 2000 ZA approval, despite clear documentation that new wells were drilled in 2005-06 and 2010; a claim that the 2001 Settlement Agreement between NASE and the City prevents the alteration of any conditions of approval, including Condition 72, when the Settlement Agreement specifically requires 5 year reviews to evaluate and if needed revise or add new conditions; and statements that well conversions are mere reclassifications on paper and “vested rights” that require only the filing of paperwork, when the terms of LAMC 13.01.H and 13.01.I. require discretionary review and ZA approval of all well conversions.

NASE returned to the APC at its next meeting held September 1, 2021 to request reconsideration on the grounds that the ZA misinformed them so falsely about critical issues central to the case. At this meeting, several of the APC Commissioners acknowledged the issues in the letter, but the President of the Commission said that procedural concerns might lead them not to act. The City Attorney told them that they could act, but the Commissioners did not. However, the President of the Commission did note that if the APC did not act it would be acceptable because my clients would have the opportunity to take the case to City Council and to the Los Angeles County Superior Court. We now urge the City Council to correct the APC’s failure to act on these issues.

Statement of Appeal
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Conclusion.

For all of these reasons, and those to be presented in more detail before the City Council, this appeal seeks to overturn this Plan Approval due to significant and ongoing CEQA violations. NASE also reserves the right to provide supplemental evidence and analysis regarding the basis of this appeal.

Sincerely,

Amy Minter

Enclosures:

Attachment 1, June 19, 2020 PCEC Email to ZA

Attachment 2, August 27, 2021 Request for Reconsideration

ATTACHMENT 1



Dylan Sittig <dylan.sittig@lacity.org>

PCEC West Pico Project

Michael Finch <mfinch@energyprojectllc.com>

Fri, Jun 19, 2020 at 4:34 PM

To: Edber Macedo <edber.macedo@lacity.org>

Cc: "Lisa.Webber@lacity.org" <Lisa.Webber@lacity.org>, "Estineh.Mailian@lacity.org" <Estineh.Mailian@lacity.org>, "Vanessa.Soto@lacity.org" <Vanessa.Soto@lacity.org>, "Jennifer.Tobkin@lacity.org" <Jennifer.Tobkin@lacity.org>, Dylan Sittig <dylan.sittig@lacity.org>, Philip Brown <phillip.brown@pceclp.com>, "Rick Clark (rick.clark@pceclp.com)" <rick.clark@pceclp.com>

Edber, per our conversation here is our thoughts on the items we discussed.

PCEC was recently contacted by a member of the public and several issues and outstanding questions have been brought to our attention, including (1) whether the wells that have been drilled, re-drilled, and/or converted since the 2000 ZA approval required further ZA approval under LAMC 13.01H and 13.01I; (2) whether activities such as drilling, re-drilling, and/or converting wells underwent adequate CEQA review as part of the EIR process for the 2000 ZA approval; and (3) whether Condition #1 of the 1965 ZA 17683 and Condition #B-49 of the 2000 ZAD 17683 need to be modified to reflect that onsite generation of power is occurring on the production site.

With regard to the first issue, after reviewing our well files, and the 2000 ZA determination, it is clear that certain wells have been drilled, re-drilled and converted since that approval – see “Well List” below. In light of LAMC 13.01H and 13.01I, a question has surfaced regarding whether these well activities required further authorization or approval by the ZA. We have not seen any approvals by the ZA and our conclusion is that applications were likely never submitted to the City. We believe this was because of Condition 72 of the 2000 ZAD 17683 determination which states in part *“Without prior written approval from the Zoning Administrator, no more than the existing 69 wells may be drilled, operated or maintained at the site and these wells shall be located at their current surface locations.”* This condition suggests that the 2000 ZA approval covered a total of 69 wells and, provided the facility did not exceed the 69 wells, no further ZA approvals for drilling and re-drilling were required. However, it appears the facility may not have had 69 existing wells at the time of the determination. This may have been a misunderstanding during the determination between well “slots” vs actual wells. In any event, a question now exists regarding whether the wells that have been drilled, re-drilled, and/or converted since the 2000 ZA approval required further ZA review and approval pursuant to LAMC 13.01H and 13.01I.

A follow along question concerns the scope of environmental review done for the 2000 approval and whether the review covered specific well activities. It’s been suggested that as part of the 2000 approval (drill site modernization project) the activity of drilling, re-drilling, and converting wells may not have been covered as part of the EIR process. Rather, the 2000 approval covered only construction of the perimeter walls and a permanent derrick, not drilling or well conversions, because apparently these activities were not part of the project description. If this is accurate, a question now exists regarding the adequacy of the currently proposed Categorical Exemption, and whether additional environmental review should be conducted to cover not only past well activities, but also those that are likely to occur in the future.

The last item is the installation of the microturbine. PCEC identified the installation of the microturbine in its February 2020 application to the City. This installation occurred in 2018 and PCEC obtained a SCAQMD permit, LA building permit, and a LA DWP permit. The 1965 ZA 17683 case Condition #1 included a provision, among others, requiring the project to comply with LAMC 13.01F(b)43.

13.01F(b)43 provides:

That drilling, pumping and other power operations shall at all times be carried on only by electrical power and that such power shall not be generated on the controlled drilling site or in the district.

In addition, 2000 ZAD 17683 Condition B-49 provides:

All Electric Power. All drilling and reworking operations at the site shall at all times be carried on only by electric power and such power shall not be generated on the controlled drilling site or in the district.

The 2000 ZAD 17683 Condition B-49 seems to suggest that power generation cannot happen at the controlled drill site or in the district for drilling and reworking operations, therefore the implication would be that this condition would not be applicable to the production operations.

The facility has two separate power meters. One is dedicated to the drill site and the other the production site. The microturbine is dedicated to the production site only. A question now exists whether Condition #1 of the 1965 ZA 17683 and Condition #B-49 of the 2000 ZAD 17683 need to be modified to reflect that onsite generation of power is occurring on the production site.

PCEC is working with historical documents and realize the City may have more insight. We are asking if the wells drilled, re-drilled, and converted since 2000 required a permit under 13.01H and 1301I? Also, did activities such as drilling, re-drilling, and/or converting wells undergo adequate CEQA review as part of the EIR process for the 2000 ZA approval, or is further review now required? Finally, does Condition #1 of the 1965 ZA 17683 and condition #B-49 of the 2000 ZAD 17683 need to be modified to reflect that onsite generation of power is occurring on the production site. If the answers to any of these questions is yes, then we would like to meet to discuss and decide how to address and reconcile these issues as part of the current process. We look forward to any guidance you can give us.

Thank you

Well List

New Drills

WP 58 - 2005

WP 59 – 2010

Redrills

WP 10 – 2010

WP 11 – 2005

WP 18 – 2003

WP 21 – 2003

WP 34 – 2010

WP 41 – 2004

WP 45 - 2004

RW 2 – 2003

OW 8 – 2003 and 2005

PW 9 – 2004

HW 10 - 2004

Conversions

WP 11 – 2006 converted to producer

WP 22 - 2000 convert injection 2007 convert to production

WP 26 – 2006 convert to injection

WP 29 – 2016 rescinded as injector and now idle producer – not really an conversion.

WP 42 – 2000 convert to injection. 2016 plug back and now idle.

WP 44 – 2003 convert to gas injection, 2005 convert to two string water and gas, 2014 rescinded as injector.

SW 7 – 2017 convert to injection

HW10 – it looks like a request was made for emergency gas injection. We know gas injection did not happen and the request was subsequently cancelled.

Mike Finch

Energy Project Solutions LLC

841 Mohawk Street, Suite 120

Bakersfield CA 93309

www.energyprojectllc.com

Cell 661-809-4956

ATTACHMENT 2



Chatten-Brown, Carstens & Minter LLP

Hermosa Beach Office
Phone: (310) 798-2400
San Diego Office
Phone: (619) 940-4522

2200 Pacific Coast Highway, Suite 318
Hermosa Beach, CA 90254
www.cbcearthlaw.com

Amy C. Minter
Email Address:
acm@cbcearthlaw.com
Direct Dial:
310-798-2400 Ext. 3

August 27, 2021

Via Email (apcwestla@lacity.org)

West Los Angeles Area Planning Commission
City of Los Angeles
200 N. Spring Street
Los Angeles, CA 90012

Re: Request for Reconsideration of Determination on Case Nos. ZA-1989-17683-PA2, ENV-2020-1328-CE, ZA-1989-17683-PA2-1A

Honorable Commissioners:

On behalf of Neighbors for A Safe Environment (NASE), a California nonprofit corporation seeking to protect neighborhoods from the impacts of oil drilling and production, we write in follow-up to the appeal hearing regarding the West Pico Drill Site. The intent of this letter is to:

- Identify significant misstatements of information that were presented to the Commission at the August 18, 2021 West LA Area Planning Commission (APC) hearing on NASE's appeal; and
- Request that at the September 1, 2021 APC meeting, you vote to reconsider the NASE appeal because the significant misinformation was material to the central and largest issues in NASE's appeal and was relied upon by the Commission in your deliberations.

This letter identifies the three most consequential pieces of misinformation that were provided to the Commission by the Zoning Administrator (ZA) during the appeal hearing, most of which was presented after the close of the public testimony. To demonstrate the errors, we will contrast the misrepresentations that were made with clear documentation contained within the case file for the West Pico Drill Site. In summary, the three issues we will focus on are:

- **The ZA stated that “no new wells” had been drilled on the West Pico Drill Site since the ZA approval of 2000 (ZA-1989-17683-PAD) and the Settlement Agreement of 2001.** NASE presents in this letter clear

documentation contained in the case file that new wells were drilled in 2005-06 and 2010.

- **The ZA stated that the Settlement Agreement between NASE and the City prevents the alteration of any conditions of approval, including Condition 72, and that NASE was requesting the City rewrite the Settlement Agreement.** This statement is based on a lack of review of the Settlement Agreement. The Settlement Agreement does not enshrine or mention Condition 72 and does not enshrine under court approval all of the conditions set in the 2000 cases. Instead, the Settlement Agreement references only Conditions 77 and 78, which expressly empower the ZA to revise all conditions and impose additional conditions when addressing “neighborhood impacts” and “the efficacy of mitigation measures” and extends the ability to revise conditions to the 5-year reviews required by the Settlement Agreement.
- **The ZA informed the Commission that well conversions are mere reclassifications on paper and “vested rights” that require only the filing of paperwork.** These statements are wholly untrue. Well conversions are construction projects that entail substantial changes to wells below the surface and above the surface. Well conversions have required full review and approval by the ZA as discretionary actions since at least 1955, by the terms of LAMC 13.01.H and 13.01.I.

1. New Wells Were Drilled In 2005-06 and 2010.

One of the largest, clearest, and most consequential untrue statements made by the ZA was his repeated assertion that “no new wells” had been drilled since the 2000 ZA approval in ZA-1989-17683-PAD and the Settlement Agreement. The ZA said this in response to questions from Commissioner Laing about the dates on which new wells were drilled. On the official recording of the hearing, you will find this exchange starting at the 1:58:45 mark. This statement is categorically incorrect, contrary to documentation in the ZA case file, contrary to documentation in the appeal case file, and contrary to knowledge of Planning staff.

First, and simplest of all, on June 19, 2020, the applicant and site operator, PCEC, straightforwardly informed the ZA, the Chief ZA, and the City Attorney that two new wells had been drilled since 2000 without the ZA approval required by LAMC 13.01.H and 13.01.I. PCEC identified the wells as West Pico 58 drilled in 2005-06 and West Pico 59 drilled in 2010.

Below are key excerpts from PCEC’s June 19, 2020 email. Multiple copies of this email from PCEC are in the ZA case file and NASE also submitted copies of this email to the Commission in support of its appeal.



Dylan Sittig <dylan.sittig@lacity.org>

PCEC West Pico Project

Michael Finch <mfinch@energyprojectllc.com>

Fri, Jun 19, 2020 at 4:34 PM

To: Edber Macedo <edber.macedo@lacity.org>

Cc: "Lisa.Webber@lacity.org" <Lisa.Webber@lacity.org>, "Estineh.Mailian@lacity.org" <Estineh.Mailian@lacity.org>, "Vanessa.Soto@lacity.org" <Vanessa.Soto@lacity.org>, "Jennifer.Tobkin@lacity.org" <Jennifer.Tobkin@lacity.org>, Dylan Sittig <dylan.sittig@lacity.org>, Philip Brown <philip.brown@pcedp.com>, "Rick Clark (rick.clark@pcedp.com)" <rick.clark@pcedp.com>

Edber, per our conversation here is our thoughts on the items we discussed.

With regard to the first issue, after reviewing our well files, and the 2000 ZA determination, it is clear that certain wells have been drilled, re-drilled and converted since that approval – see “Well List” below. In light of LAMC 13.01H and 13.01I, a question has surfaced regarding whether these well activities required further authorization or approval by the ZA. We have not seen any approvals by the ZA and our conclusion is that applications were likely never submitted to the City. We believe this was because of Condition 72 of the 2000 ZAD 17683 determination which states in part *“Without prior written approval from the Zoning Administrator, no more than the existing 69 wells may be drilled, operated or maintained at the site and these wells shall be located at their current surface locations.”* This condition suggests that the 2000 ZA approval covered a total of 69 wells and, provided the facility did not exceed the 69 wells, no further ZA approvals for drilling and re-drilling were required. However, it appears the facility may not have had 69 existing wells at the time of the determination. This may have been a misunderstanding during the determination between well “slots” vs actual wells. In any event, a question now exists regarding whether the wells that have been drilled, re-drilled, and/or converted since the 2000 ZA approval required further ZA review and approval pursuant to LAMC 13.01H and 13.01I.

Thank you

Well List

New Drills

WP 58 - 2005

WP 59 - 2010

In addition to the documentation from the site operator, Professor Michael Salman also submitted copies of the State regulatory agency DOGGR’s (now CalGEM’s) documents proving that these two new wells had been drilled, one in 2005-06 and the other in 2010, sending the materials to the ZA, the Chief ZA, and the Director of Planning. Below are snapshots of key excerpts from the DOGGR permit applications for new wells, DOGGR permits for new wells, and the DOGGR work history forms submitted by the site operator.

These documents (and more in the ZA case file) prove beyond a shadow of a doubt that two new wells were drilled in 2005-06 and 2010. Thus, the APC’s decision on

August 18, 2021 was based on inaccurate information provided by the ZA and should be re-evaluated in light of the facts.

DOGGR Application, Permit, and Well Summary for drilling of new well in 2010.

07/06/2010 23:23 FAX 003/021

OG/SCM

Permit 110-0142

FOR DIVISION USE ONLY	
Forms	
Bond	OGD114 OGD121
<i>BB</i>	<i>7-10-10 7-7-10</i>

NATURAL RESOURCES AGENCY OF CALIFORNIA
 DEPARTMENT OF CONSERVATION
 DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

NOTICE OF INTENTION TO DRILL NEW WELL
 Detailed instructions can be found at: www.conservation.ca.gov/doggr

In compliance with Section 3203, Division 3, Public Resources Code, notice is hereby given that it is our intention to drill
 well West Pico 859, well type Oil, API No. 037-27133
 Sec. 30, T. 12N, R. 14W, S. 8, B. 8M, Beverly Hills Field, Los Angeles

Legal description of mineral-right lease, consisting of 1.1 acres (attach map or plat to scale), is as follows:
 Tract 6380 - Lots 884, 885, 886, and 887; as per attached plat.

Do mineral and surface leases coincide? Yes No . If answer is no, attach legal description of both surface and mineral leases, and map or plat to scale.

Location of well 19.45 feet North along section / property line and 108.97 feet East
 at right angles to said line from the centerline of Oakhurst corner of section / property Sec 30, T12N, R14W, S8B8M and
 Lat./Long. in decimal degrees, to six decimal places, NAD 83 format: Latitude: 34.055468 Longitude: -118.390414

If well is to be directionally drilled, show proposed coordinates (from surface location) and true vertical depth at total depth:
44.54 feet North and 3,541.95 feet East. Estimated true vertical depth 6,527'. Elevation of ground
 above sea level 171 feet. All depth measurements taken from top of RKB that is 16 feet above ground.
(Derrick Floor, Rotary Table, or Kelly Bushing)

Is this a critical well as defined in the California Code of Regulations, Title 14, Section 1720(a) (see next page)? Yes No

Is a California Environmental Quality Act (CEQA) document required by a local agency? Yes No If yes, see next page.

PROPOSED CASING PROGRAM

SIZE OF CASING (Inches API)	WEIGHT	GRADE AND TYPE	TOP	BOTTOM	CEMENTING DEPTHS	FORMATION PRESSURE (Estimated Maximum)	CALCULATED FILL BEHIND CASING (Linear Feet)
10-3/4"	40.5#	J-55	0'	1,000'	1,000'	500 psi	1,000'
7"	26#	N-80	0'	6,700'	6,700'	1,100 psi	3,200'
5"	18#	N-80	6,400'	8,399'	8,399'	1,100 psi	1,999'

(Attach a complete drilling program including wellbore schematics in addition to the above casing program.)

Estimated depth of base of fresh water: 500' Anticipated geological markers: see attached program - Formation Tops
(Name, depth)

intended zone(s) of completion: Repetto ~ 1,100 psi / Hauser ~ 1,100 psi Estimated total depth: 8,399'
(Name, depth and expected pressure)

The Division must be notified immediately of changes to the proposed operations. Failure to provide a true and accurate representation of the well and proposed operations may cause rescission of the permit.

Name of Operator
BreitBurn Energy Company, LP

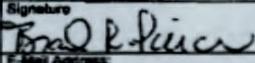
Address
515 South Flower Street, Suite 4800

City/State
Los Angeles, CA

Zip Code
90071

Name of Person Filing Notice
Brad Pierce

Telephone Number:
(213) 225-5900 ext. 258

Signature


Date
6/14/2010

Individual to contact for technical questions:
Jeff Winkler

Telephone Number:
(213) 225-5900 ext. 222

E-Mail Address:
jwinkler@breitburn.com

NATURAL RESOURCES AGENCY OF CALIFORNIA
 DEPARTMENT OF CONSERVATION
 DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

No. P 110-0442

054
(Field Code)

03
(Area Code)

00
(New Post Code)

PERMIT TO CONDUCT WELL OPERATIONS

CRITICAL WELL

Brad Pierce, Agent
 BREITBURN ENERGY CO. L.P.
 515 South Flower St., Suite 4800
 Los Angeles, CA 90071

Cypress, California
 July 08, 2010

Your proposal to drill well "West Pico" 59, A.P.I. No. 037-27133, Section 30, T. 1S, R. 14W, S.B. B. & M., Beverly Hills Field, Los Angeles County, Repetto and Hauser pools, Los Angeles County, dated 7/14/2010, received 7/7/2010 has been examined in conjunction with records filed in this office.

THE PROPOSAL IS APPROVED PROVIDED:

1. Blowout prevention equipment with hydraulic controls, equivalent to this Division's Class IIIB3M requirements, or better, shall be installed and maintained during drilling operations.
2. Drilling fluid of a quality and in sufficient quantity to control all subsurface conditions in order to prevent blowouts shall be used.
3. Sufficient material to control lost circulation of drilling fluid shall be available for immediate use at the well site.
4. A directional survey shall be made and filed with this Division within 15 days of completion of drilling.
5. A Supplementary Notice shall be filed with this Division prior to completion of the well.
6. This Division shall be consulted and a Supplementary Notice may be required before making any changes in the proposed program.
7. THIS DIVISION SHALL BE NOTIFIED TO:
 - a. Witness a test of the installed blowout equipment prior to drilling out cement in the shoe of the 10 3/4" casing.
 - b. Witness a test of the installed blowout equipment prior to drilling out cement in the shoe of the 7" casing.

RESOURCES AGENCY OF CALIFORNIA
 DEPARTMENT OF CONSERVATION
 DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

HISTORY OF OIL OR GAS WELL

Operator BreitBurn Energy Company, LP Field Beverly Hills County Los Angeles
 Well "West Pico" 59 Sec. 30 T. 1S R. 14W S.B. B.&M.
 A.P.I. No. 037-27133 Name Brad Pierce Title Agent
(Person submitting report) (President, Secretary, or Agent)
 Date 3/1/2011
(Month, day, year)
 Signature *Brad Pierce*
 Address 515 S. Flower St., Suite 4800 Los Angeles, CA 90071 Telephone Number (213) 225-5900

History must be complete in all detail. Use this form to report all operations during drilling and testing of the well or during redrilling or altering the casing, plugging, or abandonment, with the dates thereof. Include such items as hole size, formation test details, amounts of cement used, top and bottom of plugs, perforation details, sidetracked junk, bailing tests, and initial production data.

Date	Drill
11/7/2010	Tore out and moved mud pump, discharge pumping. Cut grading over well #59 for pitcher nipple. Skid rig west to access east side of court yard. Clear east side of court yard. Spot trailers, sack mud, and miscellaneous equipment. Off-load skid beams and load out miscellaneous equipment to ship to Sawtelle and continue spotting sack mud. Unload V-door extension. Skid rig west to line up to well #59. Set and pin skid beams. Spot mud pump suction manifold and run accumulator lines. Transfer KCL fluid from pits to west tank. Service rig and equipment. Prepare mud room and mud tanks for cleaning. Organize equipment and materials on east side of court yard.
11/8/2010	Install rails to roll BOPE to south side of rig. Skid rig over WP-59. Using welders, revamp suction lines and installed 20" conductor and flowline. Tighten flowline flanges and installed flow sensor. Pump remaining KCL fluid from mud pits and shipped spud mud from storage to mud pits. Ready rig for drilling. Ship spud mud from storage tank to mud pits. Made up 9-7/8" bit. Back scuttled on one joint heavyweight drill pipe. Ran in hole and check for any possible junk at bottom of 20" conductor at 52'.

DOGGR Application, Permit, Change of Well Name, and Well Summary for well drilled in 2005-06

RESOURCES AGENCY OF CALIFORNIA
 DEPARTMENT OF CONSERVATION
 DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

NOTICE OF INTENTION TO DRILL NEW WELL

#105-0829

C.E.Q.A. INFORMATION				FOR DIVISION USE ONLY			
EXEMPT <input type="checkbox"/>	NEG. DEC. <input type="checkbox"/>	E.I.R. <input type="checkbox"/>	DOCUMENT NOT REQUIRED BY LOCAL JURISDICTION <input checked="" type="checkbox"/>	MAP	MAP BOOK	CARDS	FORMS
CLASS _____	S.C.H. NO. _____	S.C.H. NO. _____					BOND 114 121 BBM 11/05 11/2/05

In compliance with Section 3203, Division 3, Public Resources Code, notice is hereby given that it is my intention to commence drilling well West Pico #46, well type Oil, API No. 037-26615 (Assigned by Division)

Sec. 30, T. 1S, R. 14W, SBB&M, East Beverly Hills Field, Los Angeles County.

Legal description of mineral-right lease, consisting of _____ acres (attach map or plat to scale), is as follows:

Do mineral and surface leases coincide? Yes No . If answer is no, attach legal description of both surface and mineral leases, and map or plat to scale.

Location of well _____ feet _____ along section / property line and _____ feet _____ at right angles to said line from the _____ corner of section / property or _____ (Check one)

From the intersection of the center lines of Pico Blvd. and Oakhurst, 75' 9" north of the center line of Oakhurst, thence 112' 6" east at 90° angle. Section 30-T1S/R14W SBB&M.

Is this a critical well according to the definition on the next page of this form? Yes No

If well is to be directionally drilled, show proposed coordinates (from surface location) and true vertical depth at total drilled depth: 116 feet south and 3568 feet east Estimated true vertical depth 6437. Elevation of ground above sea level 171 feet. All depth measurements taken from top of kelly bushing that is 16 feet above ground. (Derrick Floor, Rotary Table, or Kelly Bushing)

PROPOSED CASING PROGRAM						
SIZE OF CASING INCHES API	WEIGHT	GRADE AND TYPE	TOP	BOTTOM	CEMENTING DEPTHS	CALCULATED FILL BEHIND CASING (Linear Feet)
10-3/4"	40.5#	J-55	Surface	856'	856'	856'
7	26#	N80	Surface	6840'	6840'	~3000'
4-1/2"	10.5	K55	6740	8984	NA	NA

(A complete drilling program is preferred and may be submitted in lieu of the above program.)

Intended zone(s) of completion Hauser = ~1000 psi Estimated total depth 8984'
(Name, depth, and expected pressure) (Feet)

It is understood that if changes to this plan become necessary, we are to notify you immediately.

Name of Operator BreitBurn Energy Company LLC		Type of Organization (Corporation, Partnership, Individual, etc.) Corporation	
Address 515 South Flower Street, Suite 4800		City Los Angeles	Zip Code 90071
Telephone Number 213-255-5900	Name of Person Filing Notice Chris Williamson	Signature <i>Chris Williamson</i>	Date 11/4/05

This notice and an indemnity or cash bond shall be filed, and approval given, before drilling begins. If operations have not commenced within one year of receipt of the notice, this notice will be considered cancelled.

OG105 (5/98)

RESOURCES AGENCY OF CALIFORNIA
DEPARTMENT OF CONSERVATION
DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

No. P 105-0829

PERMIT TO CONDUCT WELL OPERATIONS

Production Well

Chris Williamson
BREITBURN ENERGY COMPANY
515 South Flower St., Suite 4800
LOS ANGELES CA 90071

054
(Field Code)
03
(Area Code)
10
(New Pool Code)
10
(Code)

Cypress, California
November 16, 2005

Your proposal to drill well "West Pico" 46, A.P.I. No. 037-26615, Section 30, T. 1S, R. 14W, S.B. B. & M., Beverly Hills Field, East area, Miocene(Hauser) pool, Los Angeles County, dated 11/4/2005, received 11/8/2005 has been examined in conjunction with records filed in this office.

THE PROPOSAL IS APPROVED PROVIDED:

1. Blowout prevention equipment with hydraulic controls, equivalent to this Division's Class **IIIB3M** requirements, or better, shall be installed and maintained in operating condition.
2. Drilling fluid of a quality and in sufficient quantity to control all subsurface conditions in order to prevent blowouts shall be used while re-drilling.
3. All oil, gas or freshwater sands behind the 7" casing shall be protected by either lifting cement or by multiple stage cementing.
4. A directional survey shall be made and filed with this Division.
5. This Division shall be consulted and a Supplementary Notice may be required before making any changes in the proposed program.

STATE OF CALIFORNIA
DEPARTMENT OF CONSERVATION
DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

REPORT ON PROPOSED CHANGE OF WELL DESIGNATION

Cypress, California
December 21, 2005

Chris Williamson
BREITBURN ENERGY CO. LP
515 South Flower St., Suite 4800
Los Angeles, CA 90071

Your request, dated 12/7/2005, proposing to change the designation of well(s) in Sec. 30, T. 1S, 14W, SB B. & M., Beverly Hills Field, Los Angeles County, District 1, has been received.

The proposed change in designation, in accordance with Section 3203, Public Resources Code, is authorized as follows:

"West Pico" 46 API No. 037-26615 shall be known hereafter as "West Pico" 58.

Hal Bopp
State Oil and Gas Supervisor

RESOURCES AGENCY OF CALIFORNIA
 DEPARTMENT OF CONSERVATION
 DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES
HISTORY OF OIL OR GAS WELL

Operator Breitbart Energy Company LLC Field East Beverly Hills County Los Angeles
 Well WP58 Sec. 30 T. 1S R. 14W S.B. B.&M.
 A.P.I. No. 037-26615 Name Chris Williamson Title Agent
(Person submitting report) (President, Secretary, or Agent)
 Date 3/18/2006 Signature Chris Williamson
(Month, day, year)
 Address 515 S. Flower St., Suite 4800 Los Angeles, CA 90071 Telephone Number (213) 225-5900

History must be complete in all detail. Use this form to report all operations during drilling and testing of the well or during re-drilling or altering the casing, plugging, or abandonment, with the dates thereof. Include such items as hole size, formation test details, amounts of cement used, top and bottom of plugs, perforation details, sidetracked junk, bailing tests, and initial production data.

Casing:	10-3/4", 40.5# , stc 8rd casing cemented surface to 878'.
	7", 26#, N-80 csg from surface to 8600', cemented with 1041cf. Estimated TOC at 3540' (theoretical).
	5", 18#, L-80 Hydril 511 liner landed at 8747', top at 6798'. ECP at 8730'.
Plugs:	None
Perforations:	5" slotted w/2"x0.030", 48R, 6"C slots 6863'-8699'.
Junk:	None
Drill and Complete - WP-58	
Date:	Operations: Wt. / Vis / FL
Drilling Operations	
12/12/2005	Prepped to move rig to WP-58. Installed south cellar beams. Moved rig to WP-58. Tightened quill to 32K, and all clamps on quill. Cleared all tbg and rod equipment from rig floor and derrick. Serviced rig. Changed out guide sheave on hydraulic tugger line. Inspected and tighten bolts in

NOTE : Total used 15 flat guards, 93 SS flat bands, 352 preformed bands.

1/13/2006	W/O welder. RD choke, kill & suction lines. Prep to move rig. Cut flowline & ND BOPE. Tear down rig V-door ext. Release rig @1500 hours.	8.3 / n/a / n/a
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Bit Record

Bit No.	Size	Mfr.	Type	Ser. No.	Jet Sizes	Depth In	Depth Out	Footage	Hrs.	Ft/Hr.
1	9-7/8"	Hughes	MXC-1	5085173	1-10;3-15's	58'	878'	820'	10	82
HO#1	14-3/4"	Smith	9-7/8" x 14-3/4"			58'	878'	820'	5.5	149
RR#1	9-7/8"	Hughes	MXC-1	5085173	1-12;3-16's	878'	5500'	4622'	60	77
2	9-7/8"	Hughes	MXC-1		4-14's	5500'	6888'	1388'	33	42
3	6"	Hughes	MXC-1	5084680	3-16's	6888'	8815'	1929'	46.5	42

Production Data

	Clean oil per day	Gravity Clean Oil	Per Cent Water	Gas (mcf/day)	Tubing Pressure	Casing Pressure
Initial Production	375 bopd	17 deg API	56%	294 mcf/d	140 psi	450 psi
Production after 30 days	180 bopd		49%	213 mcf/d	90 psi	30 psi

2. The Settlement Agreement Does Not Prevent Revisions of Conditions, and it in Fact Requires Revisions When Warranted.

At the August 18 APC hearing, the ZA repeatedly stated the process before the Commission was a Review of Compliance with the conditions of the Settlement Agreement, and that everyone should “close the book on it” (2:11:37), not change his determination so that he could “clean it up” and move on to a new process, one that could allow for the revision of conditions of approval. This is a fundamental misrepresentation of the Settlement Agreement between NASE and the City and the process required by the Settlement Agreement.

Of overarching significance is the fact that the Settlement Agreement does not lock in place all 2000 conditions of approval and instead requires 5-year reviews of those conditions to ensure they are still adequate to protect the surrounding community and ensure compliance by the site operator. If the conditions fail to do so, the 5-year review is intended to be the process wherein new or revised conditions are imposed upon the West Pico Drill Site. The inaccuracy of the ZA’s claims regarding the Settlement Agreement can be best demonstrated by a review of the Agreement itself, along with the condition it references.

Section 4.b of the Settlement Agreement, inserted below, refers expressly to Condition 78 of the 2000 ZA approval:

- b. At the Review of Conditions required by Condition No. 78 imposed by the BZA and adopted by the City Council, to occur two years after construction and the issuance of a Temporary or Permanent Certificate of Occupancy, the Zoning Administrator will consider the findings and conclusions of the Risk Assessment Expert and impose any additional conditions deemed appropriate or within the Zoning Administrator’s continuing jurisdiction under Condition No. 77 or otherwise. If the report of the Risk Assessment Expert indicates that the operations at the BreitBurn facility pose a risk of cancer of greater than one in a hundred thousand (1×10^{-5}), BreitBurn will request a public hearing and a public hearing will be deemed warranted pursuant to Condition No. 78. (This provision does not otherwise limit the Zoning Administrator’s discretion to set the matter for public hearing.) Within ninety (90) days prior to the fifth anniversary of the first review held

pursuant to Condition No. 78, and on each five-year anniversary thereafter, BreitBurn will request an additional review of conditions pursuant to the procedures prescribed in Condition No. 78 and the Zoning Administrator will conduct a review of conditions as prescribed in Condition No. 78 and will issue a report of its review and schedule a further public hearing, if warranted. Such report shall be promptly forwarded to NASE, BreitBurn and the applicable Neighborhood Council.

Condition 78, inserted below, prescribes what is supposed to happen in the 5-year reviews required by the Settlement Agreement:

78. Review Of Conditions. Two years following completion of construction, and the issuance of a Temporary or Permanent Certificate of Occupancy, the applicant shall submit a Plan Approval application (\$523 fee) for the purpose of reviewing the effectiveness of these conditions. The applicant shall submit a 500-foot radius map with accompanying labels for owners and occupants. The applicant shall address each condition with appropriate supporting material, to the Zoning Administrator who shall contact all monitoring agencies, evaluate the neighborhood impacts of project operations and the efficacy of mitigation measures. The Zoning Administrator may impose corrective conditions if warranted. The Zoning Administrator may set the matter for public hearing if warranted.

Thus, pursuant to the Settlement Agreement and Condition 78, the ZA was required in the current review case to evaluate “neighborhood impacts,” evaluate “the efficacy of mitigation measures,” and the ZA was empowered to assign “corrective conditions.” Unfortunately, the ZA failed to follow these requirements and has instead advocated for kicking the can down the road to an uncertain future process. Not only is this an inefficient use of City resources, it delays relief for the community. Moreover, while the 5-year review is legally required, the ZA does not have the authority require a new process at this time.

The ZA made additional misrepresentations regarding the Settlement Agreement that are also material to the Commission’s determination. At the APC hearing, the ZA repeatedly said that Condition 72 was imposed by and enshrined in the Settlement Agreement, along with all other conditions, and therefore he did not have the authority to change it because the agreement was approved by a Court. (Statements made starting at 20:15 and 2:07:35 marks.) As set forth above, the Settlement Agreement specifically contemplates revisions to conditions, thus demonstrating this statement is incorrect. Moreover, as can be seen in a review of the attached Settlement Agreement, the only conditions of approval referenced within the Agreement are Conditions 77 and 78, both

of which provide the ZA the ability to revise the remaining conditions. (Attachment 1.) Condition 72 is not included in the Settlement Agreement, nor was it agreed upon in the Settlement Agreement as claimed by the ZA.

NASE presented in written and oral testimony that Condition 72 does not allow the site operator to drill new wells or convert existing wells without ZA approval or CEQA review, and to the extent it is interpreted as allowing redrilling of wells without ZA approval or CEQA review, the condition must be considered void because it violates the long-standing requirements of Los Angeles Municipal Code section 13.01.H and I. The misrepresentations made by the ZA prevented the Commission from addressing the illegality of Condition 72, as well as the illegal drilling, redrilling and conversion of wells. Thus, reconsideration of this appeal based on the facts at hand is necessary.

Finally, the ZA misled the Commission when stating on slide 9 of the powerpoint presented at the APC that there had been no violation of the Settlement Agreement. There can be no questioning the fact that 5-year reviews were not held in 2010-11 and 2015-16, and that both the City and the operator breached the terms of the Settlement Agreement. This is supported by findings buried within the ZA's June 2, 2021 determination:

The Office of Zoning Administration review of the whole of the record found that the operator was in violation of Condition 36, Condition 39, Condition 49 and Condition 72 of the conditions of approval imposed by the Board of Zoning Appeal in its action taken on BZA No. 2000-1697 (the appeal of Case No. ZA-1989-17683-PAD). Also, the Zoning Administrator found the operator was in violation of clause 4b of the 2001 Settlement Agreement.

2001 Settlement Agreement Condition

Clause 4.b: On June 8, 2001, the City of Los Angeles, the operator and concerned parties entered into an agreement where all parties mutually agreed to thirteen clauses in order to settle the litigation filed challenging the EIR certified in connection with the drill site modernization approval, *Neighbors for A Safe Environmental v. City of Los Angeles*, LASC Case No. BC240760. Pursuant to clause 4.b of the 2001 agreement, the operator is required to file a Plan Approval for compliance review on each five-year anniversary of the latest review. The latest review was completed March 13, 2006, in which case, the operator was required to file a Plan Approval in 2011 and failed to do so. The operator did not file the 2020 Plan Approval application until after the failure was pointed out by this Office.

f. It is the intention of the parties that the Project be allowed to proceed immediately in accordance with the prior conditions of approval as amended only by the terms of this Agreement. In the absence of the complete implementation of the resolution of dispute provisions of this Agreement, including the right of BreitBurn to proceed immediately to complete and operate the project without any further administrative or legal proceedings, it is the intent of BreitBurn and the City to file an appeal from the judgment entered by the Superior Court on May 9, 2001. A Notice of Entry of Judgment was served by Petitioners in this case on May 17, 2001. Pursuant to California Rules of Court section 2(a) provides that a notice of appeal must be filed no later than July 16, 2001. If the City does not take the actions set forth in subsection 6(b) or the Court has not accepted the actions of the City as in compliance with the writ or set aside the writ as provided in subsections 6(b) or (c), on or before July 16, 2001, then, unless otherwise agreed to by all parties, any party thereto may file a notice of appeal on such date and this Agreement shall terminate and be void.

Thus, due to the misinformation the ZA presented to the Commission regarding the Settlement Agreement and the process required by the Settlement Agreement, the APC should reconsider its determination regarding NASE's appeal. Contrary to claims made by the ZA, the documentation presented herein and elsewhere in the record clearly demonstrates that the Settlement Agreement and the 2000 ZA approval both specifically empower the ZA to change conditions of use whenever necessary or warranted. Thus, the issue is not just that the ZA erroneously believed no changes were needed. The overarching issue is that the ZA short-circuited the review process and the CEQA process by claiming that conditions could not be revised.

3. Well Conversions Are Not Mere Paper Reclassifications and There is No Vested Right to Convert Wells.

There is no dispute that 10 well conversions have occurred on the West Pico Drill Site since 2000. PCEC provided documentation of these well conversions in their June 19, 2020 email. NASE also documented these well conversions with documents obtained by Professor Salman from DOGGR/CalGEM. At issue is that fact that the ZA misinformed the Commission regarding the nature of well conversions. At the APC hearing, the ZA stated that well conversions are mere paper reclassifications of wells, and nothing more, which is both a factual and legal misrepresentation. The ZA determination and written response to NASE's appeal also falsely claimed that well conversions were covered by Condition 72.

As an initial matter, NASE believes some background information on the nature of well conversions would be helpful. Well conversion refers to converting a producer well into an injection well, or vice versa. Most of the wells at the West Pico Drill Site are producer wells (Class A in the terms used in LAMC 13.01) that extract crude oil, natural gas, and brine water from well bottoms more than 8,000 feet deep. They extract a fluid and natural gas slurry by means of pumps that are located inside the wells. The pumps pull the slurry up out of the wells and push it into pipes that join together to connect to a pipeline that carries the slurry from the 9101 West Pico half of the drill site to the 9151 West Pico half of the drill site. At the 9151 West Pico half of the drill site, the slurry is separated into its three major components of crude oil, natural gas, and “produced water” (aka brine water). The oil and natural gas are processed before being pumped into pipelines to take them out for sale. The produced water is sent to giant pumps located on the 9151 West Pico half of the drill site, which pump the produced water into a second pipeline crossing back to the 9101 West Pico half, where the water goes into injection wells.

The remainder of the wells at the West Pico Drill Site are injection wells (Class B in LAMC 13.01) that return produced water to the hydrocarbon bearing geological strata. Injection wells serve three major purposes: They are required by law to safely place the heavily contaminated brine water back down in the geological strata from whence it came. Returning the produced water helps to prevent subsidence of soil, which had been a major problem in some oil operations before the invention of injection wells in the 1940s. Last, the injected produced water both repressurizes the oil field and can sweep remaining oil toward the bottoms of producer wells, so the use of injection wells is part of oil production. All of this injection part of oil production is regulated by layers of City law, State law, and Federal law.

Converting wells entails substantial work both underground in the well (“downhole”) and on the surface. A well conversion is a substantial physical project that can have significant impacts during the construction phase and later during ongoing operation.

To convert a producer well to an injector, at minimum the process involves:

- disconnecting the producer well from the surface pipes that collect the fluid and gas slurry from producer wells and send it by pipeline to the 9151 West Pico half of the drill site.
- opening up the well and removing the extraction pump
- remove production tubing and well packing at designated intervals that separate hydrocarbons from the fresh water table
- repairs and reworking of well components is common, and can be substantial
- generally, the production tubing is replaced with injection tubing called an “injection string” and new well packing is installed at designated intervals

- the well is then connected to new piping that connects to the pipeline bringing produced water back to the 9101 West Pico half of the drill site from the giant injection pumps located at the 9151 West Pico half of the drill site.

To convert an injection well to a producer is the same process in reverse, including installing a new downhole extraction pump and production tubing, etc.

With that background on the extensive physical activity and potential for impacts involved when converting wells, it becomes clear that these are not mere paper reclassifications as claimed by the ZA. The attached DOGGR permitting and work history documentation for 2 of the 10 well conversions that have taken place at the West Pico Drill Site since 2000 demonstrate the well conversion work is time consuming, taking one month for one well and 7 months for the other. (Attachment 2.)

In addition to being factually incorrect that well conversions are mere paper reclassification, the ZA was also incorrect as to the legal requirements applicable to well conversions. The City has established clear legal requirements for ZA discretionary review and consideration prior to the approval of well conversions, and also the need for environmental review of well conversions.

Below is Los Angeles Municipal Code section 13.01.I and the relevant section of LAMC 13.01.H addressing review procedure, both of which have been in effect in the City since 1955. For more than 65 years City Code has defined well conversions as a specific kind of project that requires application to and approval from the ZA as per LAMC 13.01.H. The ZA's claims that such review was not required was misleading and inaccurate.

H. Drilling Site Requirements. Any person desiring to drill, deepen or maintain an oil well in an oil drilling district that has been established by ordinance, or to drill or deepen and subsequently maintain an oil well in the M3 Zone within 500 feet of a more restrictive zone shall file an application in the Department of City Planning on a form provided by the Department, requesting a determination of the conditions under which the operations may be conducted.

I. Permits. No person shall drill, deepen or maintain an oil well or convert an oil well from one class to the other and no permits shall be issued for that use, until a determination has been made by the Zoning Administrator or Area Planning Commission pursuant to the procedure prescribed in Subsection H of this section.

Key passages from ZA Memo 133, in effect since September 2016, are also included below. This memorandum requires public hearings on well conversion projects

and forbids reliance on a categorical exemption from CEQA when approving a well conversion.

From page 6 of ZA Memo 133:

An application to drill, re-drill, deepen, or convert a well is not eligible for a categorical exemption and shall require an Initial Study or an EIR as described in section V.A.2. All other projects may be reviewed to determine if they qualify for exempt under any applicable

Page 5 of ZA Memo 133:

- Ensure that the City complies with all legal requirements of CEQA in approving Section 13.01-H projects;
- Provide all parties that may be impacted by a project subject to a Section 13.01-H application an opportunity to participate in a public hearing;
- Meet the intent of CEQA in the review and approval of CEQA findings and determinations, to provide adequate public participation;
- Ensure that staff has time to adequately consider and respond to if

Further, the ZA incorrectly claimed that well conversions are covered by Condition 72 of the 2000 ZA approval for the West Pico Drill Site. See page A10 of the ZA rebuttal to NASE’s appeal:

ZA-1989-17683-PA2

A-10

As for any existing well, the operator is only required to produce copies of the re-drilling filings as such wells are already authorized by the City of Los Angeles and the State of California. So, converting any of the existing 59 wells from production to injection, or injection to production, only requires that the copies of the filings to CalGEM be sent to the Zoning Administrator’s office.

The Zoning Administrator acknowledges the failure of the operator to send copies of the filings pertaining to the drilling activities. The operator was instructed to submit copies to the office of Zoning Administrator within 60 days.

Whether Condition 72 on redrilling is legal or illegal, it says nothing about well conversions, which are a different project from redrilling a well. Here is Condition 72, copied from the 2000 BZA decision which did not alter Condition 72 from the original version in the 2000 ZA approval (ZA-1989-17683-PAD). Note that neither the words “well conversion” nor any synonym appear in Condition 72:

72. **Limitations On Well Redrilling.** Without prior written approval from the Zoning Administrator, no more than the existing 69 wells may be drilled, operated or maintained at the site and these wells shall be located at their current surface locations. All wells will be drilled from existing well cellars using existing strings of pipe or surface conductor pipe. In the event that applicant redrills any of the existing wells, the applicant shall provide the Zoning Administrators office with duplicate copies of all filings pertaining to such well filed with the California Division of Oil, Gas and Geothermal Resources, including such filings showing the bottom-hole location and the total depth of each such well. Furthermore, the applicant, upon request by the Zoning Administrator, shall furnish such additional information concerning the status, exact bottom hole location, productivity, etc., of the various wells drilled from the property, as to enable the Zoning Administrator to properly and intelligently administer the oil drilling regulations in this area; said information to be either verbal or in writing and to be kept confidential by the Zoning Administrator if so desired by the applicant.

During the August 18, 2021 APC hearing, the ZA provided this misinformation about well conversions and new wells to the Commission only after the public testimony phase of the hearing was closed. We therefore could not respond to his fundamental misinformation about the new wells and well conversion projects. Thus, we write now to urge you to reconsider your determination based on an accurate recitation of critical facts and legal requirements.

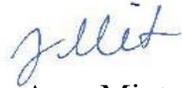
Conclusion

The three examples of misinformation detailed above were far from the only such examples, but do represent the most egregious. The entire 5-review process was tainted by the ZA's decision to improperly narrow the focus of the review, thus failing to fulfil the requirements mandated by the Settlement Agreement and Condition 78, and thus continues the City's violations of those binding obligations.

The only proper solution is to overturn the ZA's decision in its entirety: the determination, findings, and fatally flawed statements of fact. If allowed to stand, the ZA's determination and findings will give *de facto* approval to by-right oil drilling without ZA approval. It will put the City in breach of the Settlement Agreement. It will put the City in continuing violation of CEQA and its own CEQA guidelines. And it will make an utter hash out of any ability to rely on the City's Zoning Administration process when it comes to oil cases at this drill site and at all the others.

We ask the Commission to please vote to reconsider its decision of August 18, 2021, to retain and extend jurisdiction over this case, to set it on the agenda for a meeting in the near future, and, most of all, for the Commissioners to take the time necessary to get down to the facts in a complicated case.

Sincerely,

A handwritten signature in blue ink, appearing to read "Amy Minter".

Amy Minter

Enclosures

cc: Oscar Medellin, Deputy City Attorney (oscar.medellin@lacity.org)
James K. Williams, APC Executive Assistant (james.k.williams@lacity.org)

Attachment 1

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT (the "Agreement") is entered into effective as of the date of last execution shown opposite the signature blocks below (the "Effective Date"), between the CITY OF LOS ANGELES, a municipal corporation and local public agency, the CITY COUNCIL OF THE CITY OF LOS ANGELES, a local public agency, (collectively these two parties are sometimes referred to herein as "City"), NEIGHBORS FOR A SAFE ENVIRONMENT, a California nonprofit corporation ("NASE"), RAE DRAZIN, Ph.D., an individual, MINA SOLOMON, an individual, (NASE, Drazin and Solomon are sometimes collectively referred to as "Petitioners"), and BREITBURN ENERGY COMPANY LLC, a California limited liability company ("BreitBurn"). The purpose of this Agreement is to settle litigation relating to the approvals for the construction and operation of the West Pico Drillsite Modernization Project, Los Angeles County, California.

RECITALS

A. In 1999, BreitBurn applied for a change in its Determination of Conditions and Methods of Operations for an existing drillsite located at 9101 West Pico Boulevard, Los Angeles, California (the "Project"). The Project calls for the modernization of the drillsite and the recovery of additional oil reserves and includes, among other things, the raising of the exterior wall, the enclosure of the drilling and workover rig in a soundproofed and architecturally treated structure, and the building of an enclosed support building. The Project also includes the removal of the existing diesel workover rig. The Project also removes prior limitations on permissible days and hours for redrilling and reworking of wells.

B. The environmental assessment process began in 1998. A Draft EIR was completed and distributed for comments on April 15, 1999. The Final EIR was issued by the City in October of 1999.

C. The Zoning Administrator held a public hearing on December 2, 1999 (ZA Case No. 17683-PAD). The Zoning Administrator issued her decision on April 5, 2000. That decision approved a modification of the existing conditions and methods of operation for the drillsite and imposed 78 conditions on the approval.

EXHIBIT A

1

D. The Petitioners filed an appeal of the Zoning Administrator's decision to the Board of Zoning Appeals ("BZA"). A public hearing was held before the BZA on May 23, 2000 (BZA Case No. 2000-1697). The BZA approved certification of the EIR, the adoption of the Mitigation Monitoring Plan and adopted the environmental findings made by the Zoning Administrator. The BZA then denied the appeal and adopted the plan approval and conditions imposed by the Zoning Administrator, with corrections recommended by the Zoning Administrator ("Plan Approval"). The Plan Approval was not further appealable.

E. The Petitioners appealed the BZA decision on the EIR certification to the City Council. A public hearing was held before the full City Council on October 25, 2000 (Council File No. 2000-1842). The City Council voted in favor of certifying the EIR and adopting the findings of the BZA as the findings of the City Council. The Notice of Determination of the certification was filed with the County Clerk the same day.

F. The Petitioners filed a petition for writ of mandate in the Superior Court of Los Angeles County styled *Neighbors For A Safe Environment, etc., et al. v. City of Los Angeles, et al.*, LASC No. BC 240760 (the "Action") seeking to set aside the certification of the EIR and the underlying permit approvals.

G. On May 9, 2001, the Superior Court, Judge David P. Yaffe, presiding, entered a judgment ordering the clerk to issue a peremptory writ of mandate ordering the City to set aside its certification of the EIR and related approvals. The Statement of Decision of the Court indicates that the Court was concerned about the EIR's response to questions concerning nighttime noise.

H. On May 16, 2001, the City mailed to interested persons an Addendum to the EIR addressing the issue of nighttime noise and informing them of further proceedings before the City Council on May 22, 2001. The Addendum concluded that noise from the facility at night will not alter any resident's ability to sleep. The Addendum and related City Staff report were circulated to approximately 800 owners and occupants of all properties surrounding the Project. The Petitioners filed objections to the report with the City.

I. On June 1, 2001, BreitBurn and the City filed a Notice of Intention to Move for a New Trial.

J. The parties have reached an agreement resolving all of the issues in the Action and wish to fully and finally terminate the Action pursuant to this Agreement. By entering into this Agreement, BreitBurn and the City have agreed to undertake additional measures relating both to nighttime noise, air quality and enforcement at the Project.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. **Obtaining of air quality data**
 - a. On occasions to be prescribed by the Air Quality Consultant (defined in Item 1(d), below), the Air Quality Consultant will sample fugitive and other emissions inside the derrick structure. BreitBurn will, as far in advance as is practicable and at least 24 hours in advance, inform the Air Quality Consultant of the timing of those operations most likely to produce such emissions, including those periods when solvents are utilized. The Air Quality Consultant will take samples at representative times and will determine, in conjunction with BreitBurn, the relative percentages of time the facility undertakes various operations.
 - b. The Air Quality Consultant will order that the samples be tested for such substances as shall be specified by the Risk Assessment Expert (defined in Item 2, below).
 - c. The analysis of the emissions analyzed pursuant to this agreement will be performed by an independent laboratory certified by the State to perform such tests.

- d. NASE will designate a consultant (the "Air Quality Consultant") who shall be a certified industrial hygienist or an individual with a minimum of 5 years experience in air emissions sampling in the Los Angeles Basin.
- e. BreitBurn may request and thereupon will be given split samples obtained by the Air Quality Consultant under this section for the purpose of BreitBurn performing duplicate testing at its expense.
- f. On occasions to be determined by the Air Quality Consultant, and simultaneous with the obtaining of the samples within the BreitBurn facility, the Air Quality Consultant will obtain ambient air quality samples upwind and downwind from the BreitBurn facility. Those samples will be analyzed at the same laboratory for the same substances as were tested for within the BreitBurn facility.
- g. BreitBurn and NASE will deliver to each other, and to the Risk Assessment Expert (described in Item 2, below) a copy of the laboratory results of all testing performed under the provisions of this section, and of the reports of the Air Quality Consultant as to the manner of taking the samples and the rationale for such manner, and the determination concerning the various operations at the facility pursuant to subsection 1(a), in order that the risk assessment, described in the next section, accurately characterizes the emissions from the facility over time.

2. Development of Risk Assessment

- a. NASE will designate a toxicologist who shall be a Ph.D. level Diplomat of the American Board of Toxicology (the "Risk Assessment Expert").
- b. The Risk Assessment Expert will prepare and deliver to NASE, to BreitBurn, and to the Zoning Administrator a report (the "Risk Assessment Report") detailing the professional conclusions of the Risk Assessment Expert concerning the incremental risk to the nearest off-site human receptors of cancer and other indicated diseases posed by operations at the BreitBurn facility. The Risk Assessment Report will specifically address the population in close proximity to the site, e.g., children of school age. The Risk Assessment Report, including all modeling, will be conducted in a manner consistent with relevant and applicable guidance documents published by the United States Environmental Protection Agency and the California Environmental Protection Agency. The Risk Assessment Expert shall exclude from his or her analysis of incremental risk all chemicals and risks associated with ambient air at the site received from any sources other than the BreitBurn facility.

3. Noise

- a. In carrying out Conditions No. 77 and 78, and in addition to the other Conditions imposed, the Zoning Administrator will consider, based on data and reports, if any, submitted by BreitBurn, NASE or any neighbor, the extent to which the nighttime operations of the BreitBurn facility disturb the sleep of surrounding residents.
- b. In developing the noise requirements prescribed by the City, BreitBurn and its consultant shall consider, and the Zoning Administrator will review, the properties of sounds generated by the facility, in addition to decibels, that may contribute to the disturbance of the community at night and the data gathered pursuant to subsection 3(a).

- c. If the Zoning Administrator determines that nighttime noise from facility operations creates an unreasonable impact on nearby residents, the Zoning Administrator shall consider such additional mitigating measures as shall be required to eliminate any such impact. In the event that the Zoning Administrator determines that nighttime operations cannot be sufficiently mitigated by other means to eliminate unreasonable impacts, the Zoning Administrator shall order that workover or other operations not occur during the nighttime hours.
- d. Actions taken by the Zoning Administrator shall be subject to normal City procedures and appeals.

4. Enforcement

- a. If at any time the Risk Assessment Expert determines that the operations at the BreitBurn facility pose a risk of cancer of greater than one in a million (1×10^{-6}), the Risk Assessment Consultant shall report that finding and recommendations to the Department of Building and Safety, the Zoning Administrator, the South Coast Air Quality Management District, and the Division of Oil and Gas.
- b. At the Review of Conditions required by Condition No. 78 imposed by the BZA and adopted by the City Council, to occur two years after construction and the issuance of a Temporary or Permanent Certificate of Occupancy, the Zoning Administrator will consider the findings and conclusions of the Risk Assessment Expert and impose any additional conditions deemed appropriate or within the Zoning Administrator's continuing jurisdiction under Condition No. 77 or otherwise. If the report of the Risk Assessment Expert indicates that the operations at the BreitBurn facility pose a risk of cancer of greater than one in a hundred thousand (1×10^{-5}), BreitBurn will request a public hearing and a public hearing will be deemed warranted pursuant to Condition No. 78. (This provision does not otherwise limit the Zoning Administrator's discretion to set the matter for public hearing.) Within ninety (90) days prior to the fifth anniversary of the first review held

pursuant to Condition No. 78, and on each five-year anniversary thereafter, BreitBurn will request an additional review of conditions pursuant to the procedures prescribed in Condition No. 78 and the Zoning Administrator will conduct a review of conditions as prescribed in Condition No. 78 and will issue a report of its review and schedule a further public hearing, if warranted. Such report shall be promptly forwarded to NASE, BreitBurn and the applicable Neighborhood Council.

- c. For a period of two years following completion of construction, the City will designate one or more individuals at the managerial level of the Department of Building and Safety, who will receive complaints regarding odors or noise at the BreitBurn site on a 24-hour basis. The Department of Building and Safety will forward logs of such complaints to NASE and the Zoning Administrator's office. The Department of Building and Safety will report complaints within two (2) hours to the appropriate agency; e.g., the Police Department for noise; the South Coast AQMD for odors.

5. Financial Provisions

a. BreitBurn will pay:

1. \$65,000 to NASE for attorney's fees and costs in this matter;
2. \$25,000 to NASE to be used by it to engage technical advisors and perform testing not otherwise provided for in the Agreement and/or for other community projects;
3. Invoices from the laboratories utilized by NASE, the Air Quality Consultant, or the Risk Assessment Expert to analyze the air quality samples;
4. Invoices from NASE or the Air Quality Consultant described in Section 1 for the work described therein;

5. Invoices from the Risk Assessment Expert ~~or from~~ any other costs associated with the risk assessment work described in Section 2 for the work described therein;
6. Any fees assessed by the City for the services described in Section 4(c);
7. Any other reasonable and necessary costs of carrying out the provisions of the Agreement.
8. The maximum cumulative total that BreitBurn shall be required to pay for items 3 through 5 above, shall not exceed \$150,000. No expense of BreitBurn for split samples, consultants to BreitBurn or any other voluntary expenditure of BreitBurn shall be included within said \$150,000. BreitBurn shall send statements to NASE periodically showing the sums expended in conjunction with such activities. NASE shall contractually require the Air Quality Consultant and the Risk Assessment Expert to perform their services in a manner prescribed by this Agreement, but BreitBurn shall promptly pay their duly presented invoices irrespective of any disagreement that BreitBurn may have concerning their findings and conclusions or their manner of performance.

b Items 1 and 2 above shall be due and payable immediately upon

6. Resolution of Dispute

- a. Within three days of the approval of the Agreement by all parties thereto, each of the Petitioners, through a letter submitted to the City Clerk by their counsel, will withdraw their objections before the City to the Project and will support the making of any related actions of the City necessary to implement the Plan Approval and this Agreement.
- b. Following approval by the City of this Agreement, each of the Petitioners will stipulate to, and join in any motion or request made by BreitBurn to, set aside the judgment previously entered in this case and dismiss the action with prejudice and request that the Court enter a new judgment denying in its entirety the requested writ of mandate or in the alternative to enter an order unconditionally quashing the writ of mandate previously issued. That stipulation and/or joinder shall recite that the parties have reached a settlement in this case, and that costs and fees shall not be awarded to either party under the judgment to be entered. Should the judgment of the Court thereafter award costs or fees to either party, such party shall not seek to enforce that provision.
- c. If the Superior Court will not set aside the Judgment heretofore entered, and/or will not quash the writ of mandate heretofore entered and served, the Petitioners will join in supporting and will not thereafter object to the return to the Superior Court's writ of mandate to be filed by the City and describing its actions as in accordance with this Agreement as in satisfaction of the requirements of the writ.
- d. Neither party shall make any post-judgment motion nor seek to appeal the judgment entered, following resolution of this matter in accordance with this Agreement.
- e. Nothing in this Agreement shall constitute an admission by any party of any fact, nor shall it constitute a waiver of any right or objection of any petitioner to the facility or any of the operations thereof in the future, outside of the context of the Action.

- f. It is the intention of the parties that the Project be allowed to proceed immediately in accordance with the prior conditions of approval as amended only by the terms of this Agreement. In the absence of the complete implementation of the resolution of dispute provisions of this Agreement, including the right of BreitBurn to proceed immediately to complete and operate the project without any further administrative or legal proceedings, it is the intent of BreitBurn and the City to file an appeal from the judgment entered by the Superior Court on May 9, 2001. A Notice of Entry of Judgment was served by Petitioners in this case on May 17, 2001. Pursuant to California Rules of Court section 2(a) provides that a notice of appeal must be filed no later than July 16, 2001. If the City does not take the actions set forth in subsection 6(b) or the Court has not accepted the actions of the City as in compliance with the writ or set aside the writ as provided in subsections 6(b) or (c), on or before July 16, 2001, then, unless otherwise agreed to by all parties, any party thereto may file a notice of appeal on such date and this Agreement shall terminate and be void.

7. Knowing Agreement

The parties each affirms that he/she/it has carefully read the foregoing and understands that this is a settlement agreement, and further affirms that each has reviewed and discussed the same with its counsel and knows the contents herein and has discussed the legal effect hereof and that the party executing the same does so of its own free act.

8. Entire Agreement

This Agreement embodies the entire understanding of and agreement between the parties as of the Effective Date and the parties each hereby agrees that the terms and provisions of this Agreement can only be changed, altered, or modified in any respect, by an instrument in writing and signed by all of the parties.

9. California Law

This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of California and enforcement of this Agreement may be had in any court of appropriate jurisdiction in California.

10. Binding Effect and Benefit

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

11. Authority of Signatories

All persons executing this Agreement on behalf of any entity hereby represent that they have proper authority to do so and to bind the entity to it.

12. Interpretation of Agreement

The parties have all participated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed against or in favor of any party on the basis that it or another proposed specific language.

13. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement will become effective only when executed by all parties.

///signatures follow on next two pages///

**BREITBURN ENERGY COMPANY
LLC. a California limited liability
company**

Dated: June 8, 2001.

By: 

Randall H. Breitenbach
Co-President

**CITY OF LOS ANGELES AND
CITY COUNCIL FOR THE CITY OF
LOS ANGELES**

Dated: June __, 2001.

By: _____

**NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation**

Dated: June __, 2001.

By: _____
Dr. Rochelle Feldman
President

**NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation**

Dated: June __, 2001.

By: _____
Rae Drazin
Vice-President

**NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation**

Dated: June __, 2001.

By: _____
Mina Solomon
Member of the Board

BREITBURN ENERGY COMPANY
LLC, a California limited liability
company

Dated: June __, 2001.

By: _____
Randall H. Breitenbach
Co-President

CITY OF LOS ANGELES AND
CITY COUNCIL FOR THE CITY OF
LOS ANGELES

Dated: June 12, 2001.

By: Keith Pritsker
Keith Pritsker, Deputy City Attorney
NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation

Dated: June 7, 2001.

By: Dr. Rochelle Feldman
Dr. Rochelle Feldman
President
NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation

Dated: June 8, 2001.

By: Rae Draxin
Rae Draxin, Ph.D.
Vice-President

NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation

Dated: June 10, 2001.

By: Mina Solomon
Mina Solomon
Member of the Board

NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation

**BREITBURN ENERGY COMPANY
LLC. a California limited liability
company**

Dated: June __, 2001.

By: _____
Randall H. Breitenbach
Co-President

**CITY OF LOS ANGELES AND
CITY COUNCIL FOR THE CITY OF
LOS ANGELES**

Dated: June __, 2001.

By: _____

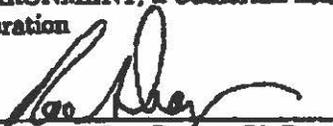
**NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation**

Dated: June 7, 2001.

By: 
Dr. Rochelle Feldman
President

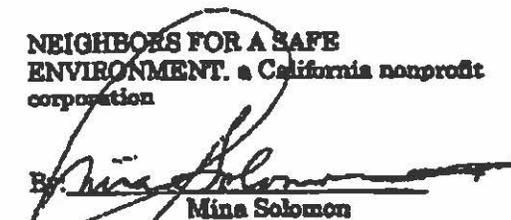
**NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation**

Dated: June 8, 2001.

By: 
Rae Drizin, Ph.D.
Vice-President

**NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation**

Dated: June 10, 2001.

By: 
Mina Solomon
Member of the Board

**NEIGHBORS FOR A SAFE
ENVIRONMENT, a California nonprofit
corporation**

FROM : G S P

PHONE NO. : 310 837 3933

Jun. 18 2001 09:52PM P2

Dated: June 8, 2001.


RAE DRAZIN, Ph.D., an individual

Dated: June 10, 2001.


MINA SOLOMON, an individual

**Additional Signature Page to Settlement Agreement
between the City of Los Angeles, et al., with respect to litigation relating to the
approvals for the construction and operation of the West Pico Drillsite
Modernization Project, Los Angeles County, California**

**BREITBURN ENERGY COMPANY
LLC, a California limited liability
company**

Dated: June 8, 2001.

By: 
Halbert S. Washburn
Co-President

Attachment 2a

DOGGR Application, Permit, and Well Summary of downhole work to convert well West Pico 26, API 037-20926, in 2006

RESOURCE AGENCY OF CALIFORNIA
DEPARTMENT OF CONSERVATION
DIVISION OF OIL AND GAS

**NOTICE OF INTENTION TO
REWORK WELL**

FOR DIVISION USE ONLY

ND	FORMS	EDP WELL
	OGD114	OGD121
3/11/06	3/10/06	FILE

OG/FL

Ole → NF

This notice and an indemnity or cash bond must be filed, and approval given, before rework begins. (See the reverse side for bonding information.) If operations have not commenced within one year of receipt of the notice, this notice will be considered cancelled. In compliance with Section 3203, Division 3, Public Resources Code, notice is hereby given that it is our intention to

REWORK WELL WP26, API No. 037-20926
(WELL DESIGNATION)

Sec. 30, T. 1S, R. 14W, SBB&M., Beverly Hills East Field,
Los Angeles County.

1. The complete casing record of the well (present hole), including plugs and perforations, is as follows:

Casing: 10-3/4" 40.5#, K-55, csg cemented from surface to 1,178' w/560sx in 15" hole.
7" 23&26#, K-55 & N-80, csg cemented from surface to 9,740' w/1,350cf in 9-7/8" hole.
5-1/2", 18#, K-55 liner hung 7,102'-9,740'.

Plugs: 9740'-9657'

Perforations:
7" perfed with 4spf 6908'-6952'.
5-1/2" perfed 7160'-7170', 7180'-7230', 7277'-7312', 7350'-7370', 7452'-7460', 7540'-7552',
7562'-7578', 7583'-7680', 7680'-7688' (sqz'd off), 7698'-7722', 7795'-7875', 7885'-7925',
9450'-9493', 9505'-9520', 9555'-9600'.

Junk: Remains of cement retainer chased to 9657'.

2. The total depth is: 9801' feet. The effective depth is: 9657' feet.

3. Present completion zone (s): DM, Hauser, Ogden. Anticipated completion zone (s): Same

4. Present zone pressure: 1000 psi. Anticipated/existing new zone pressure: 1000 psi.

5. Last production: Mar-99 0 80 9
or (Date) (Oil, B/D) (Water, B/D) (Gas, Mcf/D)
Last injected: (Date) (Water, B/D) (Gas, B/D) (Surface Pressure, psig)

6. Is this a critical well as defined in the California Code of Regulations, Title 14, Section 1720 (a)? Yes No

The proposed work is as follows: (A complete program is preferred and may be attached.)

1. MIRU. Install and test BOPE. Pull tubing and packer.
2. Run RST log to determine exact intervals to perf.
3. Run kill string. RMDO. Order perf guns.
4. MIRU. Install and test BOPE. Pull kill string.
5. Selectively perforate ~8050'-8900'.
6. Run scrapers to clean up casing.
7. Run CIBP and set at ~9300'.
8. Run test packer and CIBP.
9. Run single injection string with two packers set at ~6815' and ~8000'.
10. Pressure test annulus to 500psi for 15 minutes.
11. Place well on injection at 2000bpd with surface injection pressure not to exceed 2350psi (0.8psi/ft gradient).

051
0.8
23000 Inj Prod
28000 Inj
3/19/05
WP
42

Note: If the well is to be redrilled, show the proposed bottom-hole coordinates and estimated true vertical depth.

The Division must be notified if changes to this plan become necessary.

Name of operator BreitBurn Energy Company	Telephone Number (213) 225-5900	
Address 515 South Flower Street, Suite 4800	City Los Angeles, CA	Zip Code 90071
Name of Person Filing Notice Chris Williamson	Signature <i>Chris Williamson</i>	Date 3-8-06

File in Duplicate

OG107

RESOURCES AGENCY OF CALIFORNIA
DEPARTMENT OF CONSERVATION
DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

No. P 103-0193

PERMIT TO CONDUCT WELL OPERATIONS

WATERFLOOD PROJECT

Chris Williamson, Agent
BREITBURN ENERGY CO.
515 South Flower St, Suite 4800
LOS ANGELES CA 90071

Cypress, California
March 13, 2006

054
(Field Code)

03
(Area Code)

05, 10
(New Pool Code)

00
(Old Pool Code)

Your proposal to rework(convert to injection) well "West Pico" 26, A.P.I. No. 037-20926, Section 30, T. 1S, R. 14W, S.B. B. & M., Beverly Hills Field, East area, Pliocene, Miocene pool, Los Angeles County, dated 3/8/2006, received 3/9/2006 has been examined in conjunction with records filed in this office.

THE PROPOSAL IS APPROVED PROVIDED:

1. Blowout prevention equipment with hydraulic controls, equivalent to this Division's Class II2M requirements, or better, shall be installed and maintained in operating condition.
2. Well killing fluid of a quality and in sufficient quantity to control all subsurface conditions in order to prevent blowouts shall be used.
3. A pressure test is conducted to demonstrate the mechanical integrity of the 7" casing.
4. Within three months after injection is started, and every two years thereafter, this Division shall be furnished with sufficient data to confirm the confinement of the injected fluid to the intended zone of injection and to demonstrate the mechanical integrity of the 7" casing, injection tubing and packer.
5. Prior to any sustained injection above a gradient of .8 psi per foot of depth as measured at the sand face, injectivity and profile tests shall be made. The results of these tests and the proposed method of operations as to input rate, pressure and water distribution by subzones shall be submitted to this Division for approval.
6. This Division shall be consulted and a Supplementary Notice may be required before making any changes in the proposed program.
7. **THIS DIVISION SHALL BE NOTIFIED TO:**
 - a. Witness an inspection of the installed blowout prevention equipment prior to commencing downhole operations.
 - b. Witness a pressure test of the 7" casing prior to injection.
 - c. Witness the running of an injection survey.

NOTE:

1. A crew drill may be required at the time of the blowout prevention equipment inspection.
2. This well shall conform to the provisions set forth in our letter dated 3/19/1985, revising the project.
3. The fresh water will be protected by the 7" casing cemented at 9740' with sufficient cement to reach to surface.
4. The water to be injected tests approximately 27,000 mg/l TDS and is water produced from neighboring wells.
5. The water is to be injected into the Dunsmuir, Hauser, Ogden zone and contains a mixture of oil and water. The formation water tests approximately 23,000 mg/l TDS.

FML:fl

cc: Update
EDP

BLANKET BOND

PROJECT CODE: 051

Engineer: Floyd Leeson

Phone: 714/816-6847

Hal Bopp
State Oil and Gas Supervisor

By 
For R. K. Baker, Deputy Supervisor

A copy of this permit and the proposal must be posted at the well site prior to commencing operations. Records for work done under this permit are due within 60 days after the work has been completed or the operations have been suspended.

OG 111

RESOURCES AGENCY OF CALIFORNIA
DEPARTMENT OF CONSERVATION
DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES
HISTORY OF OIL OR GAS WELL

Operator Breitbart Energy Company LLC Field Beverly Hills County Los Angeles
Well West Pico #26 Sec. 30 T. 1S R. 14 W S.B. B.&M.
A.P.I. No. 037-20926 Name Tom Myers Title Agent
(Person submitting report) (President, Secretary, or Agent)
Date 6/18/07 Signature Tom Myers
(Month, day, year)
Address 515 S. Flower St., Suite 4800 Los Angeles, CA 90071 Telephone Number (213) 225-5900

History must be complete in all detail. Use this form to report all operations during drilling and testing of the well or during redrilling or altering the casing, plugging, or abandonment, with the dates thereof. Include such items as hole size, formation test details, amounts of cement used, top and bottom of plugs, perforation details, sidetracked junk, bailing tests, and initial production data.

Date	CTI
11/15/2006	Moved rig to WP 26. Rigged up, nipped up BOPE and secured well. NOTE: Top of fish at 8853' with 17' 2-7/8" NSL tubing at 9380'. Left in hole 45 deg. Collar + 527' 2-7/8" NSL tubing. Added perfs in 5" liner from 8454' - 8750', 8762' - 8820', and 8840' - 8882' on 5/9/2006.
11/16/2006	Bled well. Serviced EDM tower and lubricated rig. Pulled donut. POOH with 214 joints of 2-7/8" NSL tubing. Moved 32 stands of 207/8" IF drill pipe in derrick to driller side. Installed PGSR. Picked up and made up Central Fishing Tools 4" OD x 3-1/8" ID x 20/72" washover shoe. RIH on 2-7/8" P-105 work string to 6704'. Mixed 200 barrels of KCl fluid volume. Total 450 barrels in pits. Cleaned rig floor and picked up tools. Shut in and secured well.
11/17/2006	Bled well. Serviced EDM tower and lubricated rig. Worked with rig mechanic on air compressor. IRH with Central Fishing Tools washover shoe on combination 2-7/8" P-105 work string and 2-7/8" IF drill pipe. Made up 2-7/8" IF drill pipe working stand tagged at 8847'. Conditioned and circulated KCl fluid, took 40 barrels to get circulation. Cleaned out from 8847' to 8853', washed over fish from 8853' to 8870' top of tubing collar. Had 3/4 gallon can of fin sand in returns. Circulated well clean, pumped 2 hole volumes. POOH to 6704'. Shut in and secured well. Up wt. = 66K, down wt. = 35K, ROT. Wt. = 47K. Fluid loss = 122 barrels.
11/18/2006	Bled well. Serviced EDM tower and lubricated rig and grease rack. Lowered 4" OD x 3-1/8" ID Central Fishing Tools washover shoe to 8870' no new fill. POOH and laid down Central Fishing Tools washover shoe. Picked up and made up Central Fishing Tools 4-1/8" over shot dressed with 2-7/8" grapple and 6 3-1/8" drill collars. RIH with Central Fishing Tools fishing tools on 2-7/8" P-105 work string tubing to 6696'. Shut in and secured well. Total fluid loss = 122 barrels.
11/19/2006	Bled well. Serviced EDM tower and lubricated rig. RIH with 4-1/8" over shot dressed with 2-7/8" grapple + B/S and jars + 6 3-1/8" drill collars + intensifier from 6696' to 8852'. Made up working stand. Circulated and worked over latch fish at 8853'. Jarred 88K and pulled free at 130K. POOH. Laid down 6 3-1/8" drill collars and Central Fishing Tools fishing tools and fish (recovered all of fish). RIH with 72 joints of 2-7/8" IF drill pipe, removed cross over and working stand. Repaired brake band on hydraulic tubing tongs. Laid down 72 joints of 2-7/8" IF drill pipe. RIH with 492' of 2-7/8" NSL tubing kill string. Shut in and secured well. Total fluid loss = 137 barrels.
11/20/2006	Bled well. Serviced EDM tower and lubricated rig. Unloaded 82 joints of 2-3/8" 8RD tubing. Held safety meeting with Weatherford Hydro tester and rig crew. Solid tested 2 joints of 2-3/8" 8RD tubing. Made up hydro test tools. Picked up and TIH with 45 deg. Collar + 80 joints of 2-3/8" 8RD tubing testing to 5000 psi. Changed out hydro test tools from 2-3/8" to 2-7/8". TIH with 2-7/8" NSL tubing hydro testing to 5000 psi. Hydro test tool not working, trouble shoot and changed all cups. Continued to TIH with combination 2-3/8" 8RD and 2-7/8" NSL tubing to 6616'. Hydro tested to 5000 psi. Shut in and secured well.
11/21/2006	Bled well. Serviced EDM tower and lubricated rig. Pulled 25 hydro tested stands of 2-7/8" NSL tubing and stood back on off driller side. Continued to TIH with 2-7/8" NSL tubing to 9450', no fill. Hydro tested all 2-3/8" 8RD and 2-7/8" NSL tubing to 5000 psi. Rigged down Weatherford hydro tester. POOH above perfs to 6700'. Re-arranged support bay to lay down 2-7/8" NSL and 2-3/8" 8RD tubing. POOH to 2824'. Laid down 123 joints of 2-7/8" NSL tubing. Shut in and secured well.
11/22/2006	Bled well. Serviced EDM tower and lubricated rig. Laid down 2-7/8" NSL tubing. Loaded out 82 joints of 2-7/8" drill pipe, 15 joints of 2-7/8" NSL tubing, 6 3-1/8" drill collars and wash pipe. RIH with 2-7/8" tubing. Laid down 2-7/8" NSL tubing (265 joints). RIH and laid down 2-3/8" tubing (80 joints). RIH with kill string to 516' and secured well.
11/23/2006	Loaded tubing from support bay onto truck. Serviced rig and grease rack. Cleaned rig floor and support bay. Loaded tubing from support bay onto truck. Continued cleaning. Unladed tubing (243 joints of 2-7/8" N-80 8RD, 81 joints 2-3/8" N-80 8RD). POOH with kill string. Made up 7" scraper with bumper sub. RIH picking up tubing (45 joints). Secured well.
11/24/2006	Serviced rig and EDM tower, mixed KCl. Picked up 2-7/8" tubing and RIH with 7" casing scraper (removed thread protectors). Strapped tubing, rabbited tubing. Rigged up to reverse circulate. Reverse circulated well clean at liner top (7101'). POOH with tubing to 2708', secured well.
11/25/2006	Serviced rig and EDM tower. POOH and laid down 7" scraper. Rigged up 2-3/8" tools. Made up 5" scraper, tally and picked up 2-3/8" tubing and RIH. RIH with 2-7/8" tubing. Scraper stopped at 8868'. Attempted to work through tight spot - would not go. Reverse circulated, full returns, no solids. POOH to 6889' and secured well.
11/26/2006	Serviced rig and EDM tower. POOH with tubing. Held safety meeting with tubing tester. Solid tested 7 joints of tubing. Rigged up tester. Repaired test tools. RIH testing in. Waited on extra tubing delivery. Cleaned rig. Finished testing 2-3/8" tubing. Changed over to run 2-7/8" tubing. Rigged down 2-3/8" test tools, rigged up 2-7/8" test tools. Secured well at 2793'.

11/27/2006 Serviced rig and EDM tower. RIH testing tubing to 5000#. Tagged fill at 9572'. Rigged down tubing tester. Rigged up to reverse circulate. Reverse circulated and cleaned out from 9572' to 9618'. POOH 3 stands – tubing plugged. Kelly up, tried to circulate – no results, tried to reverse – no results. POOH wet tubing to 6876', secured well.

11/28/2006 Serviced rig. POOH with we tubing. Tubing plugged with rubber and metal. RIH with tubing to 7101'. Reverse circulated clean. POOH to 6875', secured well, grease rack.

11/29/2006 Serviced rig. RIH with tubing to 9556'. Held safety meeting and rigged up cementers. RIH with tubing to 6816'. Pumped cement plug from 9618' to 9111', cement in place at 11:42am. POOH to 9120'. Reverse circulate 3 tubing volumes (trace of cement). POOH to 6874'. Reverse circulated 1 tubing volume, secured well. Waited on cement – cleaned rig and location. NOTE: Grace P. Brandt (DOGGR) inspected and witnessed BOPE and waived witness of pumping cement plug.

11/30/2006 Bled well. Serviced EDM tower and lubricated rig. RIH with combination 2-3/8" 8RD N-80 and 2-7/8" 8RD N-80 tubing and tagged cement plug at 9123'. Waited on CDOGGR. Cleaned rig location. CDOGGR Grace Brandt witnessed tag of cement plug at 9123'. POOH and laid down 50 joints of 2-3/8" 8RD N-80 tubing. Worked on accumulator control handles. RIH with 500' kill string. Shut in and secured well. Cleaned rig and location.

12/1/2006 Bled well. Serviced EDM tower and lubricated rig. Waited on Weatherford, no serviceman available. POOH with kill string. Changed oil in top drive. Cleaned rig and location. RIH with 500' kill string. Shut in and secured well. Note: Weatherford serviceman available in morning 12/2/2006.

12/2/2006 Bled well. Serviced EDM tower and lubricated rig. POOH with 500' kill string. Made up 5" and 7" Weatherford Dual Injection packer assembly, RIH to 1180. POOH and made a change on the bottom hole assembly. RIH slowly with Weatherford 5" and 7" dual injection packer assembly to 6607'. Grease rack and sheaves in crown, checked all pins in shackles. Shut in and secured well.

12/3/2006 Bled well. Serviced EDM tower and lubricated rig. RIH with 5" and 7" Weatherford Dual Injection Packer assembly on combination 2-3/8" 8RD N-80 and 2-7/8" 8RD N-80 tubing, stopped at 7550'. POOH with Weatherford Dual Packer assembly and stood back. Made up and RIH with Weatherford 5" casing scraper + B/S to 6663'. Shut in and secured well. NOTE: set down 2k at 7550' took aver 4k over up weight to pull free.

12/4/2006 Bled well. Serviced DEM tower and lubricated rig. Made up working stand. RIH with 5" casing scraper + B/S on combination 2-3/8" 8RD N-80 and 2-7/8" 8RD N-80 tubing. Made several passes at 7550'. Reamed from 7550' to 8000'. POOH to 5785'. Rigged down and shut down. Rig mechanic trouble shoot problem. Found bad incoders on rig motors A and F, replaced. Shut in and secured well.

12/8/2006 Bled well and serviced rig. POOH with tubing and scraper (repaired air hose on slips). Held safety meeting with Weatherford and discussed packer running procedure. Made up packer assembly and RIH to 6920'. Secured above liner top. Greased EDM rack. Cleaned rig and BOPE.

12/9/2006 Serviced rig. RIH with packers and tagged tight spot at 6420'. Attempted to work through tight spot (no success). POOH and inspected packers for damage (none detected). Picked up and made up 7" scraper, RIH with tools to 6420'. Worked though tight spot. POOH with tubing to 1481'. Secured well.

12/10/2006 Serviced rig. POOH with tubing and laid down 7" scraper. Held safety meeting with Tiger wireline and rigged up. Calibrated tools. Ran casing caliper and collar locator logs (lost calibration, POOH). Recalibrated tool and RIH with wireline. Installed centralizers for 7" casing and ran 7" casing log. Rigged down wireline. Made up packer assembly and RIH to 2088', secured well.

12/11/2006 Serviced rig. RIH with 5" packer to 7936' and 7" to 6356'. Pumped setting ball to seat. Set packers and tested annulus to 500# for 10 minutes. Nipple down BOPE and nipped up injection tree. Made and replaced rubber o-rings for tubing hanger. Rigged down and prepared location for rig move. Released rig at 1900 hours.

3/11/2007 Held safety meeting. Tubing on vacuum, fluid level at 7965'. Casing had 65 psi. Loaded out V-door extension into support bay. Rigged up and tore down. Skid rig to WP 26 and rigged up. Attempted to bleed down casing. Casing flowing oil and gas. Production operator tank was full. Waited on production to empty tank. Cleaned rig and location. Rigged up and shipped oil and gas to production from casing. Casing at 25 psi at 1700 hours. Continued to clean location.

3/12/2007 Held safety meeting, serviced rig and EDH tower. Tubing on vacuum casing had 0 psi. Flowed 50 barrels over night. Nipped down injection tree. Nipped up BOPE. Function tested with remote. Released 7" hydraulic packer with 76K pull. Released Arrowset 1x mechanical packer right hand packer pulled 65K. POOH slowly in 5" liner and perfs. Pulled 228 joints of 2-7/8" 8RD N-80 tubing. 7" packer lost all rubber on it. Pulled 28 joints of 2-3/8" 8RD-N-80 tubing. 5" packer had all rubber left on it. RIH with 10 joints of 2-7/8" N-80 tubing. Note: All tubing looks like new.

3/13/2007 Held safety meeting, serviced rig and EDH tower. Tubing on vacuum casing had 0 psi. Flowed 50 barrels over night. Nipped down injection tree. Nipped up BOPE. Function tested with remote. Released 7" hydraulic packer with 76K pull. Released Arrowset 1x mechanical packer right hand packer pulled 65K. POOH slowly in 5" liner and perfs. Pulled 228 joints of 2-7/8" 8RD N-80 tubing. 7" packer lost all rubber on it. Pulled 28 joints of 2-3/8" 8RD-N-80 tubing. 5" packer had all rubber left on it. RIH with 10 joints of 2-7/8" N-80 tubing. Note: All tubing looks like new.

3/14/2007 Held safety meeting. Cleaned and painted rig and location. Serviced rig, checked bolts on top drive.

3/15/2007 Held safety meeting and serviced rig. POOH and picked up cement retainer. Made up tools and RIH to 6861' (RIH slowly from 6400' to 6861'). Set retainer at 6861' (sheared at 58K over string weight). Filled annulus and tested retainer at 500# for 10 minutes. Prepared for cement job, cleaned location and finished panting V-door.

3/16/2007 Held safety meeting and serviced rig. Rigged up cementers. Pumped lease water down tubing (40 barrels) 2.5 barrels per minute at 600#. Held safety meeting with cementers. Pumped cement (350 sacks). Cement in place at 1010 hours. Top of cement estimated at 6734'. POOH to 6548' and reverse circulated 3 tubing volumes (100 barrels). Rigged down cementers. POOH 84 joints. Prepared bay to lay down tubing. Laid down 138 joints of N-80 tubing and HES setting tool with stinger. RIH to 1592', secured well.

3/17/2007 Held safety meeting and serviced rig. RIH with tubing. Laid down 90 joints N-80 tubing. RIH and laid down 28 joints 2-3/8" tubing. Nipped down BOPE. Shut down to X-Ray skid track. Continued to nipple down BOPE and secure well. Picked up V-door extension and lugged down. Prepared location for rig move, moved rig. Rig released at 1830 hours.

3/22/2007 Held safety meeting and serviced EMT tower and equipment. Hung V-door extension for rig move, prepared rig for move to WP 26. Skid rig north. Removed V-door extension and stored in support bay. Removed south cellar beams. Worked with electricians. Changed out belts on safe air fans in crown of rig. Cleaned location over last well. Skid rig and rigged up on WP 26. Nipped down production tree. Nipped up BOPE. Function tested BOPE and remote.

3/24/2007 Held safety meeting and serviced EMT tower and equipment. Test ran pump and top drive. Rigged up to reverse circulate. Worked with electrician to wire up centrifuge and desander. Picked up 6-1/8" bit. Measured and picked up 4 4-3/4" drill collars. RIH with 2-7/8" hydrill tubing. Tagged cement at 6419'. Rigged up pump. Hole standing full. Drilled out 3' cement bridge to 6422'. Continue to RIH. Tagged cement at 6747'. Drilled on cement from 6747' to 6809'. Circulated hole clean.

3/25/2007 Held safety meeting and serviced EMT tower and equipment. Drilled on cement from 6809' to 6861'. Drilled on retainer from 6861' to 6864'.

3/26/2007 Held safety meeting and serviced EMT tower and equipment. Drilled on retainer and cement to 6867'. Circulated hole clean. POOH and secured well.

3/27/2007 Held safety meeting and serviced EMT tower and equipment. Rigged down PGSR. POOH. Picked up new 6-1/8" bit. RIH to 6887'. Drilled on retainer and cement.

3/28/2007 Held safety meeting and serviced EMT tower and equipment. Drilled on retainer and good cement to 7095', 5' from top of liner. Circulated hole clean. Tested casing to 500 psi for 10 minutes (OK). POOH and secured well.

3/29/2007 Held safety meeting and serviced EMT tower and equipment. POOH with tubing and laid down 4 4-3/4" drill collars and 6-1/8" bit. Changed head and liner in #1 pump. Picked up and made up 4-1/8" bit and 6 3-1/8" drill collars. Rigged up to run 2-3/8" tubing. Picked up and RIH with 63 joints of 2-3/8" tubing. Secured well.

3/30/2007 Held safety meeting and serviced EMT tower and equipment. Rigged up to run 2-7/8" tubing. RIH to 7095'. Flushed surface lines. Drilled out cement from 7095' to 7229'. Circulated hole clean and POOH above liner to 7020' and secured well.

3/31/2007 Held safety meeting and serviced EMT tower and equipment. RIH and continued drilling out from 7229' to 7556', circulated hole clean. Pulled out of liner to 7020', secured well.

4/3/2007 Held safety meeting and serviced EMT tower and equipment. Change diliner and head in pump #1. RIH and drilled out cement from 7556' to 7763'. Flushed rocks and debris from pump #1, circulated hole clean. Drilled out cement from 7763' to 7794'. Circulated hole clean and POOH to liner top at 7020', secured well.

4/4/2007 Held safety meeting and serviced EMT tower and equipment. POOH with tubing and 3-1/8" drill collars. Changed 4-1/8" bit. Made up new bit. RIH with drill collars and tubing. Broke circulation and continued drilling out cement from 7794' to 7834'. POOH above liner top to 7020'. Secured well.

4/5/2007 Held safety meeting and serviced EMT tower and equipment. RIH to 7825' and circulated. Drilled on hard cement from 7834' to 8300'. Total for day was 466'. Circulated hole clean. POOH to top of liner at 7101'. Secured well.

4/6/2007 Held safety meeting and serviced EMT tower and equipment and grease rack. Rigged up new 2-7/8" elevators. RIH to 8258' and circulated. Drilled on hard cement from 8300' to 8645'. Total for day was 346'. Circulated hole clean. POOH to top of liner at 7101'. Secured well.

4/7/2007 Held safety meeting and serviced EMT tower and equipment. RIH to 8630' and circulated. Drilled on hard cement from 8645' to 8900'. Drilled on rubber at 8889'. Dropped free at 8900' to 9000'. Circulated hole clean. POOH to 8754'. Secured well. Transferred fluid from pits to west storage tank. Cleaned pits. Filled pit with lease water and mixed 60 sacks of KCl.

4/8/2007 Held safety meeting and serviced EMT tower and equipment. RIH to 9000'. Changed hole over with 320 barrels of 3% KCl water from 9000'. POOH. Laid down 6 3-1/8" drill collars. Cleaned rig floor. Measured and picked up 5" casing scraper and bumper sub. RIH to top of liner at 7068'.

4/9/2007 Held safety meeting and serviced EMT tower and equipment. Continued to RIH with 5" casing scraper to 8000'. POOH an odd break. Laid down 1 bad joint. Stood back 14 joints of 2-3/8" tubing. Laid down 35 joints of 2-3/8" tubing in support bay. Organized tubing and rods in support bay. Picked up 5" Weatherford mechanical packer. RIH with 28 joints of 2-3/8" N-80 8RD EU tubing. 2-3/8"x2-7/8" x-over. Picked up 180 joints of 2-7/8" N-80 8RD EU tubing. EOT at 6420'. Secured well. NOTE: Chris McCullough with DOG approved variation from permit to run cement retainer. to 9175' at 12:20pm.

4/10/2007 Held safety meeting and serviced EMT tower and equipment. Continued to pick up 2-7/8" N-80 8RD Eu tubing. Total 227 joints. Picked up tubing hanger and landing joint and swivel. Set Weatherford Arrowset 1-X mechanical packer at 7895' with 15k compression. Attempted to pressure casing (back side of packer) test no good. Tubing hanger leaked. Nipped down BOPE. Picked up landing joint and pulled up tubing hanger. Replaced O-rings. Landed hanger. Nipped up production tree. Pressure up backside of packer to 500 psi for 15 minutes, tested OK. DOG waived witness of pressure test. Prepared to move rig to west side. Moved skid beams to east side.

4/12/2007 Held safety meeting and serviced EMT tower and equipment. Rigged up Tiger wireline to perforate. Held safety meeting. RIH with 1st gun run through tubing – gun stopped at 7085'. POOH with wireline and rigged down. Change of orders – move to PW 9. Moved and installed extension beams for rig move. Rigged up hose and pump to neutralize storage tank.

4/28/2007 Rigged up Baker chemical truck to pump scale squeeze. Worked on safe air fans on rig. Rigged down rig extension beams. Moved rig to WP 9 and rigged up. Laid down V-door extension. Cleaned location. Nipped down production tree and nipped up BOPE and function tested. Secured well.

4/29/2007 Held safety meeting with crew and serviced rig. Released 5" packer and POOH. Cleaned rig and location, replaced antifall sala blocks safety devices and secured well.

4/30/2007 Held safety meeting with crew and serviced rig. Waited on packer delivery. Made up packer and RIH with 2-3/8" tubing, drifting. Changed out 1 joint. Rigged up 2-7/8" tubing equipment and RIH with 2-7/8" tubing, drifting, changed 3 joints. Attempted to set packer at 7896', pulled to 7865' and attempted to set packer. Rigged up to reverse circulate and reversed 50 barrels of lease water. Attempted to set packer, rigged up to circulate ahead. Circulated down tubing, attempted to set packer – packer set at 7833' in neutral. Secured well.

5/1/2007 Held safety meeting with crew and serviced rig. Nipped down BOPE. Nipped up production tree, rigged up and tested packer for 10 minutes at 500#. Continued to work on safe air fan on top drive. Prepared location and lugged down and moved rig. Released rig at 1200 hours.

5/5/2007 Perforated with 1-9/16" OD RTG guns, 1.spf 0 degree phasing with Jet Research Center Millennium Charges. 0.21" entry hole and 11.34" penetration. Perforated from: 8841' - 8882', 8762' - 8819', 8455' - 8749', 8357' - 8406', 8276' - 8319', 8048' - 8250'.

5/21/2007 Well on injection, 580 bwpd.

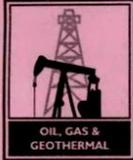
JG103 (6/97/GSR/5M)

SUBMIT IN DUPLICATE

Printed on recycled paper.

Attachment 2b

DOGGR Permit, and Well Summary of downhole work to convert well SW 7, API 037-21181, in 2017. (Application is not in State agency's online file)



NATURAL RESOURCES AGENCY OF CALIFORNIA
 DEPARTMENT OF CONSERVATION
 DIVISION OF OIL, GAS & GEOTHERMAL RESOURCES
 5816 Corporate Ave., Suite 100 Cypress, CA 90630 - 4731

No. P 117-0046

Old	New
054	054
FIELD CODE	
03	03
AREA CODE	
00	10
POOL CODE	

PERMIT TO CONDUCT WELL OPERATIONS

Water Flood
 CRITICAL WELL

Cypress, California
 February 22, 2017

Mr. Thomas McCollum, Agent
 Pacific Coast Energy Company LP (B6127)
 1555 Orcutt Hill Road
 Orcutt, CA 93455

EXPIRED _____
 CANCELLED _____
 MAILED _____
 EMAILED 2-22-17 TC

Your proposal to **rework (convert to injection)** well "SW" 7, A.P.I. No. **037-21181**, Section **30**, T. **01S**, R. **14W**, **SB** B. & M., (Lat: **34.055475** Long: **-118.390221** Datum: **NAD83**), **Beverly Hills** field, **East** area, **Miocene** pool, **Los Angeles** County, dated **1/12/2017**, received **2/10/2017** has been examined in conjunction with records filed in this office.

THE PROPOSAL IS APPROVED PROVIDED:

- Blowout Prevention Equipment (BOPE), as defined by this Division's publication No. M07, shall be installed and maintained in operating condition and meet the following minimum requirements:
 - Class **II3M**, with hydraulic controls, on the **8 5/8"** casing. All casing annuli control valves must meet, or exceed, the same minimum pressure rating as the blowout prevention equipment. The pipe safety valve must be suitable for all pipe in use, including casing
 - A **3M lubricator** for **wireline** operations.
- The well is designated a **CRITICAL WELL** and as such, the Notice to Operators, dated May 21, 2001, specifying additional BOPE requirements for critical wells, shall be in effect (attached).
- Hole fluid of a quality and in sufficient quantity to control all subsurface conditions in order to prevent blowouts shall be used.
- This well shall conform to the provisions set forth in our letter dated **December 7, 2016**, approving the project.
- Injection is through tubing with packer set in cemented casing immediately above the approved zone of injection.
- Prior to commencing injection, and every **5** years thereafter, a Standard Annular Pressure Test (SAPT) is conducted to demonstrate the mechanical integrity of the **8 5/8"** casing. The minimum test pressure shall be **the Maximum Allowable Surface Pressure (MASP)**.
- Within **90** days of commencing injection, and every **2** years thereafter, this Division shall be furnished with an injection survey that demonstrates the confinement of the injected fluid to the approved zone of injection, and the mechanical integrity of the injection tubing and packer.

(Continued on Page 2)

Blanket Bond
 054-03-002
 cc: Los Angeles City Fire Department
 Los Angeles City of Petroleum and Natural Gas Administration

Kenneth A. Harris Jr.
 State Oil and Gas Supervisor

Engineer Barry Irick
 Office (714) 816-6847

By [Signature]
 For: FOR Daniel J. Dudak, District Deputy

BI/bi

A copy of this permit and the proposal must be posted at the well site prior to commencing operations. Records for work done under this permit are due within 60 days after the work has been completed or the operations have been suspended. Issuance of this permit does not affect the Operator's responsibility to comply with other applicable state, federal, and local laws, regulations, and ordinances.

Page 2
Well #: "SW" 7
API #: 037-21181
Permit : P 117-0046
Date: February 22, 2017

8. The injection gradient will be **0.6 psi/ft.** This injection gradient shall not be exceeded. A higher injection gradient may be approved by this Division subject to a step rate test conducted for this well.
9. If the results of the SRT is significantly higher than the project injection gradient of **0.6 psi/ft.**, a new SAPT may be required.
10. No program changes are made without prior Division approval.
11. **THIS DIVISION SHALL BE NOTIFIED TO:**
 - a. Inspect the installed BOPE prior to commencing **downhole** operations.
 - b. Witness an SAPT of the **8 5/8"** casing prior to commencing injection, and every **5** years thereafter.
 - c. Witness the running of an injection survey within **90** days of commencing injection, and every **2** years thereafter.

NOTE:

1. All depths are based on well KB, which is 13.5' above ground level. Ground level is at elevation 171'
2. The base of the freshwater zone is at **550'±.**
3. The base of the USDW zone is at **845'±.**
4. The top of the Repetto zone (TIZ) is at **5500'±.**
5. The top of the Hauser zone is at **6480'±.**
6. No operation shall be undertaken or continued that will contaminate or otherwise damage the environment.
7. Upon completion of the proposed work, a History of Oil or Gas Well (form OG103) shall be submitted to this office, noting the effective date of reactivation.

NATURAL RESOURCES AGENCY OF CALIFORNIA
DEPARTMENT OF CONSERVATION
DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES
HISTORY OF OIL OR GAS WELL

Operator Pacific Coast Energy Company LP Field Beverly Hills County Los Angeles
Well SW-07 Sec. 30 T. 1S R. 14W S.B. B.&M.
A.P.I. No. 037-21181 Name Tom McCollum Title Agent
(Person submitting report) (President, Secretary, or Agent)
Date 10/12/2017
(Month, day, year)
Signature  for T. McCollum
Address 1555 Orcutt Hill Rd., Orcutt Ca., 93455 Telephone Number (805) 937-2576

History must be complete in all detail. Use this form to report all operations during drilling and testing of the well or during redrilling or altering the casing, plugging, or abandonment, with the dates thereof. Include such items as hole size, formation test details, amounts of cement used, top and bottom of plugs, perforation details, sidetracked junk, bailing tests, and initial production data.

Pre-Work Condition:

20"		Conductor	C. 53.5' MD
13-3/8"	48#	H40	C. 1200' MD
8-5/8"	36#	K55 / N80	C. 6800' MD
6-5/8"	23.6#	Liner	6777 - 7919' MD
		1, 1/2" JHPF	6574'-6618', 6649'- 6690', 6706'-6750', 6802'- 6872', 6881'-6899', 6911'- 6956', 6990'-7106', 7142'- 7190', 7233'-7358', 7441'- 7456', 7473'-7507', 7544'- 7580', 7587'-7595' MD

Post-Work Condition:

20"		Conductor	C. 53.5' MD
13-3/8"	48#	H40	C. 1200' MD
8-5/8"	36#	K55 / N80	C. 6800' MD
6-5/8"	23.6#	Liner	6777 - 7919' MD
		1, 1/2" JHPF	6574'-6618', 6649'- 6690', 6706'-6750', 6802'- 6872', 6881'-6899', 6911'- 6956', 6990'-7106', 7142'- 7190', 7233'-7358', 7441'- 7456', 7473'-7507', 7544'- 7580', 7587'-7595' MD
		4, 1/2" JHPF	6574'-6618', 6649'- 6690', 6706'-6750', 6802'- 6872', 6881'-6899', 6911'- 6956', 6990'-7106', 7142'- 7190', 7233'-7358', 7441'- 7456', 7473'-7507', 7544'- 7580' MD

Date HISTORY: CTI

- 8/02/2017 Power up rig. Move v-door into place. Move accumulator into place. Clean up location. Traveled back to yard. EOT.
NOTE: Pat Vigeant lease Forman contacted DOGGR @ 1:48 PM and spoke to Renee and scheduled a BOPE inspection for 2:00 PM on 8/3/17.
- 8/03/2017 Bled down well. N/u xo spool, riser and BOPE. Hooked up kill line. **Eric Weigand from cypress DOGGR office arrived @ 2:00 PM for BOPE inspection.** BOPE inspection was passed and paper work is signed and in place. Continued to unscrew donut studs. Unland donut. POOH with tbg detail. Closed BOPE. Secured well and rig till AM. Started to prepare and lay out new 2 7/8 tbg detail in support bay.
- 8/04/2017 Laid out new 2 7/8 tbg in support bay to measure. Unload scrapers and bumper sub. Took picture and measured 8 5/8 all weight scraper and bumper sub. M/u scraper and bumper sub. Started picking up 2 7/8 tbg detail. RIH with 8 5/8 scraper. Tagged a few spots of scale build up @ 1297' & 1638'. Worked scraper up and down through the rough spots. Pick up and ran in 134 jnts of 2 7/8 tbg. Closed BOPE and tbg valve. Secured well and rig till AM. Hooked backside up to VR.
- 8/07/2017 Bled well down. Continued to P/u and RIH with tbg detail. Tagged spot @ 5934'. Worked 8 5/8 scraper through. Continued to RIH with work string to tag 6 5/8 liner top @ 6777'. POOH with tbg detail. P/u and M/u 8 5/8 tension packer. R/u Hydro tester. Started to RIH testing tbg to 5000 psi. Closed BOPE and tbg valve. Secured well and rig till AM. Hooked backside up to VR.
- 8/08/2017 Bled well down and opened up BOPE. Continued to RIH with 8 5/8 packer and hydro testing tbg. RIH to 1505' to test packer. Set packer in tension. (40,000 over string weight) Unable to fill casing. Released packer and POOH to 733'. Set packer in tension. Unable to fill casing. Released packer and POOH to check packer. Packer looks good. RIH to 66' and set packer. Unable to fill casing. POOH and removed the unloader valve. RIH and set packer @ 58'. Unable to fill casing. Noticed slight blow up tbg. Released packer. POOH to 8' and set packer. Filled casing. Scheduled Tiger wire line for casing caliper log. Released packer. POOH and laid down packer. Closed BOPE. Secured well and rig till AM.
- 8/09/2017 Bled down well and opened up BOPE. Swapped out accumulator's. R/d hydro tester's tools. Spotted Tiger wire line truck. R/u pole and wire line sheaves. RIH with caliper tool. Logged casing from top of liner @ 6765' to surface. Consulted with engineer and lease Forman. Turned logs into lease Forman. Closed BOPE. Secured well and rig till AM.

- 8/11/2017 Bled down well. Opened up BOPE. M/u 8 5/8 retrievable lock set EP. RIH with tbg detail. Set retrievable BP @ 345'. POOH and MU 8 5/8 tension packer. RIH with tbg detail and set packer @ 98' to test the integrity of the plugs. (packer@98'-BP@345') M/u injection line to tbg. Pumped 18 bbls to fill. Pressured up to 500 ps and held solid for 5 min. Bled off pressure. Released packer. POOH with tension packer and laid it down. M/u retrieving head. RIH with tbg detail and retrieved lock set BP. RIH with tbg detail and BP to 5838'. Closed BOPE. Secured well and rig till Monday.
- 8/14/2017 Bled down well and opened up BOPE. P/u and continued to RIH with 8 5/8 BP and tbg detail. Set BP @ 6500'. POOH with tbg detail and retrieving tool. P/u and M/u 8 5/8 FB tension packer. RIH with tbg detail to 130'. Set FB packer. Hooked up injection line to tbg. Started pumping lease water @ 4:00 PM @ 1.5 BPM. Pumped 135 bbls. Shut down injection. Closed pipe rams on BOPE. Secured well and rig till AM.
- 8/15/2017 Bled down well. Opened up BOPE. Continued to fill well with injection line. (220 bbls) Set FB tension packer @ 130'. Retrievable BP set @ 6500'. R/u Ace hydro tester. Tested between plugs to 1000 psi. Held and charted for 15 minutes. Good test. Bled off pressure. Filled casing from 130' to surface. Closed pipe rams. Tested casing from 130' to surface to 1000 psi. Held and charted for 15 minutes. Good test. Bled off pressure. Released and moved FB tension packer. Tested casing from surface to 6500'. Held and charted for 15 minutes. Good test. Bled off pressure. POOH and laid down FB packer. M/u retrieving tool. RIH with tbg detail. Left 5 stands out. Closed BOPE. Secured well and rig till AM.
- 8/16/2017 Opened up well and BCPE. Casing is standing full of fluid. Continued to RIH with retrieving tool and tbg detail. Latched onto 8 5/8 BP. Opened relief valve and let fluid equalize. Slight blow up tbg. Released BP. POOH with BP and tbg detail. Laid down BP and retrieving tool. Loaded out BP and FB packer. M/u 6 5/8 scraper and bumper sub. Started to RIH with tbg detail. Closed pipe rams on BOPE. Secured well and rig till AM.
- 8/18/2017 Opened up well. 0 pressure. Opened up BOPE. Spotted wire line truck and equipment. R/u Tiger wire line for GR/CCL log. Logged casing from tag down @ 7755' to 4000'. Sent logs to engineer for correlation with open hole logs. Closed Blind rams on BOPE. R/d GR/CCL log tool. R/u xo spool for lubricator. Shut down till Monday. Secured well and rig.
- 8/21/2017 Bled well down. Opened up BOPE. R/u lubricator to wench line. Held safety meeting w/wire line. Started crane lifting perf guns to the V-door. Shut down for 3 hours. Wire line truck would not start. Started RIH with perf guns @ 10:00 AM. Used 4" slickwall wire line carrier guns. Shot 4, 1/2, 25-gram JHPF. The intervals shot are as follows. 7580'-7544', 7507'-7473', 7456'-7441', 7358'-7233', 7190'-7142'. (total 258') POOH and closed BOPE. Hooked backside up to VR. Secured well and rig till AM. Loaded 4 more guns into V-door for tomorrow morning.
- 8/22/2017 Opened backside. Well on a vacuum. Opened up BOPE. R/u wire line. Started RIH with 4" slick wall carrier guns. Shot 4, 1/2, 25-gram JHPF. The intervals shot are as follows. 7106'-6990', 6956'-6911', 6899'-6881', 6872'-6802', 6750'-6706', 6690'-6649'. There are 2 intervals left to shoot. 6618'-6574' & 6530'-6480'. R/d wire line. Closed BOPE. Hooked backside up to VR. Secured well and rig till AM. Loaded guns in V-door.
- 8/23/2017 Opened backside. Well on a vacuum. Opened up BCPE. R/u wire line. RIH with 4" slick wall carrier guns. Shot 4, 1/2, 25-gram JHPF from 6618-6574. (last interval) Listed all perf intervals in the well summary for a total of 636'. R/d wire line. Loaded out guns. Unload packer and scraper. M/u 8 5/8 scraper and bumper sub. RIH with tbg detail tagged liner top @ 6777'. POOH to 6000'. Closed BOPE. Hooked backside up to VR. Secured well and rig till AM.
- 8/24/2017 Casing on a vacuum. Opened up BOPE. Continued to POOH with 8 5/8 scraper and tbg detail. Laid down 8 5/8 scraper. M/u 6 5/8 scraper. RIH with tbg detail. Tagged down @ 7720'. All perfs are open. Saw no restrictions. POOH with 6 5/8 scraper to top of perfs @ 6574'. Closed BOPE. Secured well and rig till AM.
- 8/25/2017 Casing on a vacuum. Opened up BOPE. Continued to POOH with 6 5/8 scraper and tbg detail. Laid down 6 5/8 scraper. M/u 8 5/8 36# lock set packer. M/u hydro tester's bar tools. Started RIH testing tbg to 5000 psi. Hydro test truck broke down. Shut down till Monday. Closed BOPE. Secured well and rig till AM. Cleaned up location. Traveled back to yard. EOT
- 8/28/2017 Opened well and BOPE. R/u Ace Hydro Tester. Continued to RIH with 8 5/8 Loc set packer. Tested all tbg to 5000 psi. Had no failures. R/d hydro tester. Closed BOPE. Secured well and rig till AM. Cleaned up location. Traveled back to yard. EOT
- 8/29/2017 Opened well and BOPE. M/u donut. RIH and landed tbg on donut. N/d BOPE. Set 8 5/8 36# loc-set injection packer@ 6475'. (COE) Landed tbg in neutral position. Filled backside with lease water and packer fluid. (200 bbls to fill.) R/u Ace hydro tester. Tested and charted casing to 1000 psi. Held for 15 minutes. Good test. Lead operator (Miguel Campos) called DOGGR @ 1:30 PM Dale Peterson from DCGGR office arrived @ 3:45 PM to witness the test. Pressured up casing from packer to surface. Tested and charted to 1000 psi. Test passed. Paper work was signed and turned in to Lead operator. Secured well and rig till AM.
- 8/30/2017 Bled down well. Laid down landing jnt. N/u production tree with new valves. Helped plum in injections lines for injection. Turned well over to injection. Powered down rig.



Chatten-Brown, Carstens & Minter LLP

2200 Pacific Coast Highway, Suite 318
Hermosa Beach, CA 90254
www.cbcearthlaw.com

Hermosa Beach Office

Phone: (310) 798-2400

Fax: (310)798-2402

San Diego Office

Phone: (858) 999-0070

Phone: (619) 940-4522

Amy C. Minter

Email Address:

acm@cbcearthlaw.com

Direct Dial:

310-798-2409

STATEMENT OF REASONS FOR APPEAL;

Case No. ZA-1989-17683-PA2-1A

ENV-2020-1328-CE

On behalf of Neighbors for A Safe Environment (NASE), a California nonprofit corporation seeking to protect neighborhoods from the impacts of oil drilling and production, we provide this summary of our reasons for appeal of the improper reliance on a categorical exemption from the California Environmental Quality Act (CEQA) in the Zoning Administrator (ZA) review of the West Pico Controlled Drill Site, Case No ZA-1989-17683-PA2, ENV-2020-1328-CE, and Area Planning Commission (APC) appeal Case No ZA-1989-17683-PA2-1A.

The CEQA violations at issue in the APC Determination are due in large part to its reliance on the flawed ZA Determination. Both rely upon a categorical exemption to CEQA, which was imposed as part of the ZA's refusal to comply with a 2001 Settlement Agreement between NASE and the City requiring five year reviews of conditions for the West Pico Drill that, following Condition 78 of the 2000 ZA approval (ZA-1989-17683-PAD) and BZA ruling (BZA-2000-1697), must review compliance and also "evaluate neighborhood impacts" and "the efficacy of mitigation measures," and change them if warranted. Evaluating impacts and mitigation measures cannot be done outside of the CEQA process.

A. Reliance on Categorical Exemption to CEQA is Improper.

The ZA Determination improperly relies on Class 1 and 21 categorical exemptions to avoid environmental review under CEQA. It is the City's burden to prove that the ZA Determination on the Plan Approval project fits within a class of categorical exemption. (*California Farm Bureau Fed'n v. California Wildlife Conservation Bd.* (2006) 143 Cal.App.4th 173, 185-86; *Save Our Big Trees v. City of Santa Cruz* (2015) 241 Cal.App.4th 694, 697.) The City failed to meet its burden.

1. The APC Determination Would Legitimize Illegal Oil Drilling and Create *De Facto* By-right Oil Drilling.

The Plan Approval relies on a Class 1 categorical exemption, which is a class of exemption for continuing operations with no expansion of existing use. By relying on this class of exemption, the Plan Approval attempts to legitimize years of illegal well drilling, re-drilling and conversion, failing to recognize this is an expansion of use beyond what was approved by the ZA in 2000 in the last new project approval. Despite finding that the West Pico Drill Site was in substantial compliance with conditions, the 2021 ZA Determination acknowledged that “the operator completed numerous projects on the drill site which were not authorized as part of [the 2000 ZA approval] or the municipal code.” Thus, the 2021 Plan Approval contradictorily legitimates numerous illegal projects by claiming the operation of the site is in substantial compliance.

Interpreting the language of a Class 1 categorical exemption to allow a project proponent that commences illegal activities without seeking the necessary approvals to then claim those illegal uses are categorically exempt because they were already in (illegal) operation sets a dangerous precedent antithetical to CEQA’s purposes. (See *Save Tara v. City of West Hollywood* (2008) 45 Cal.4th 116, 129 [environmental review must precede, not follow project approval].) “Exemption categories are not to be expanded or broadened beyond the reasonable scope of their statutory language.” (*Mountain Lion Foundation v. Fish & Game Com.* (1997) 16 Cal.4th 105, 125.) “These rules ensure that in all but the clearest cases of categorical exemptions, a project will be subject to some level of environmental review.” (*Save Our Carmel River v. Monterey Peninsula Water Management Dist.* (2006) 141 Cal.App.4th 677, 697; see also *Friends of Mammoth v. Board of Supervisors* (1972) 8 Cal.3d 247, 259.)

At the West Pico Controlled Drill Site since 2000, there have been a rash of illegal, unapproved, and unreviewed projects, including 24 major oil well projects that include the drilling of 2 new wells, the re-drilling of 12 wells, and the conversion of 10 wells. (Attachment 1, PCEC June 19, 2020 Email to ZA; Attachment 2, NASE August 27, 2021 Letter Requesting Reconsideration by APC.) As such, a categorical exemption is wholly inappropriate to these circumstances.

Moreover, to the extent this Plan Approval reviewed any of the illegal drilling, re-drilling, and converting of wells that has been conducted at the site since 2000, the City is prohibited from relying on a categorical exemption by its own CEQA guidelines in ZA Memo 133.

What is at stake in this case is not just compliance with CEQA and the 2001 Settlement Agreement, but also the most elemental core of the City Code’s main body of

oil regulations that have been in force since February 1945 and clarified with great explicitness by an ordinance passed in 1955.

LAMC 13.01.H and 13.01.I require application to and approval from the ZA to drill a new oil well, redrill (or deepen) an existing well, and/or to convert a well between being a producer or injector well. The required ZA review for such projects is a discretionary action in which the ZA can deny the application or approve with conditions, and may modify any conditions previously assigned to a Controlled Drill Site. Since the advent of CEQA, the discretionary nature of these reviews has triggered the need for CEQA clearance.

The City Code does not allow by-right oil drilling in the parts of the City that are deemed as “urbanized” districts under LAMC 13.01. But in this case, in the use of the categorical exemptions that the APC Determination and the ZA Determination relied upon, the City allowed and enabled *de facto* by-right oil drilling. This poses a special danger to all in the City who live near an active Controlled Drill Site.

Reliance on a Class 1 categorical exemption for a Plan Approval that ignores illegal oil well projects incentivizes all oil companies operating in the City to evade application and review for projects in the future. Exempting these unapproved oil well projects from environmental review based on ongoing illegal activities piles illegality on top of illegality. Moreover, it deprives the public and decision makers of information necessary to assess the Project’s impacts.

2. A Class 21 Categorical Exemption Does Not Apply Because the West Pico Drill Site Remains Noncompliant and the Review Required by the Settlement Agreement and Condition 78 Goes Beyond Mere Enforcement.

A Class 21 exemption exempts enforcement actions from environmental review. The Plan Approval was not an enforcement action, but instead, pursuant to a 2001 Settlement Agreement between the City and NASE and Condition 78, a required review to evaluate “neighborhood impacts,” evaluate “the efficacy of mitigation measures” and to impose new or revised conditions if continuing impacts are determined. The ZA Determination, and the APC Determination through its acceptance of the findings of the ZA Determination, found that “the current conditions...may not be completely adequate to preserve the health, safety and general welfare of the nearby residential neighborhood.” Development of new conditions to address these impacts is not an enforcement action, but instead a determination that requires an evaluation of the specific impacts that are not addressed and an evaluative process to assess how to mitigate those impacts. Such an action is not exempt from CEQA, as discussed below.

Moreover, as set forth above, the APC Determination fails to require any corrective enforcement action for the illegal oil drilling, redrilling and conversion activities that have taken place at the West Pico Drill Site since 2000. Thus, reliance on a categorical exemption for enforcement actions is misplaced.

3. Exceptions to Categorical Exemption Require Environmental Review.

CEQA is clear that “[t]he categorical exemptions are not absolute.” (*Save Our Carmel River v. Monterey Peninsula Water Management Dist.* (2006) 141 Cal.App.4th 677, 689.) “It follows that where there is any reasonable possibility that a project or activity may have a significant effect on the environment, an exemption would be improper.” (*Wildlife Alive v. Chickering* (1976) 18 Cal.3d 190, 205–206.) Thus, categorical exemptions from CEQA are subject to exceptions. Even if a project fits within a specified class of categorical exemption, which the Plan Approval Project does not, an exemption is inapplicable if any of the exceptions to categorical exemptions apply. (CEQA Guidelines § 15300.2.) If an exception to a categorical exemption applies, CEQA review in the form of a mitigated negative declaration (“MND”) or environmental impact report (“EIR”) must be conducted. Several of the exceptions to reliance on categorical exemptions apply here.

a. Unusual Circumstances That May Result in a Significant Impact Prevent Reliance on a Categorical Exemption.

CEQA prohibits use of a categorical exemption when there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.” (CEQA Guidelines § 15300.2, subd. (c).) “[A]n unusual circumstance refers to ‘some feature of the project that distinguishes it’ from others in the exempt class. In other words, ‘whether a circumstance is “unusual” is judged relative to the typical circumstances related to an otherwise typically exempt project.’” (*Voices for Rural Living v. El Dorado Irrigation Dist.* (2012) 209 Cal.App.4th 1096, 1109.) Unusual circumstances negating categorical exemptions include a project’s context. (*Azusa Land Reclamation Co. v. Main San Gabriel Basin Watermaster* (1997) 52 Cal.App.4th 1165, 1207-08; *Lewis v. Seventeenth Dist. Agricultural Assn.* (1985) 165 Cal.App.3d 823, 829; *Meridian Ocean Systems, Inc. v. State Lands Com.* (1990) 222 Cal.App.3d 153, 169.)

The ongoing legal violations on the site discussed above are unusual circumstances and those unusual circumstances have led to and will continue to lead to adverse air quality, odor, noise and other impacts on the surrounding community. This prevents reliance on a categorical exemption. Additionally, the location of an oil drilling site adjacent to a residential community is an unusual circumstance. (See *Lewis v.*

Seventeenth Dist. Agricultural Assn. (1985) 165 Cal.App.3d 823 [location of racetrack near residences is unusual circumstance].) That unusual circumstance has led to the finding in the ZA Determination that current conditions are inadequate “to preserve the health, safety and general welfare of the nearby residential neighborhood.” Thus, due to unusual circumstances, there is a fair argument supported by substantial evidence that approving the Plan Approval without imposing effective mitigation measures may have significant adverse impacts, prohibiting reliance on a categorical exemption.

b. Cumulative Impacts Prevent Reliance on a Categorical Exemption.

A categorical exemption is “inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.” (CEQA Guidelines § 15300.2(b).) The cumulative impact exception ensures that a project’s potential cumulative impacts are not overlooked when a categorical exemption is applied because “environmental damage often occurs incrementally from a variety of small sources.” (*Kings County Farm Bureau v. City of Hanford* (1990) 221 Cal.App.3d 692, 720.)

As with direct environmental impacts, CEQA requires preparation of an environmental impact report (“EIR”) when a project’s impacts may be cumulatively considerable. (Pub. Resources Code § 21083 subd. (b)(2).) Cumulative impacts mean “that the incremental effects of an individual project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.” (*Ibid.*) This exception to categorical exemption applies if the lead agency is presented with “evidence that there was a fair argument that the cumulative impact exception applied.” (*Aptos Residents Assn. v. County of Santa Cruz* (2018) 20 Cal.App.5th 1039, 1052.)

Here, the cumulative impact of allowing illegal drilling activities on this site and, by precedent, on drill sites throughout the City, without enforcement actions or corrective measures, results in potentially significant adverse impacts Citywide. This is a cumulative impact that prevents reliance on a categorical exemption.

4. The City Cannot Rely on a Categorical Exemption When Mitigation Measures Are Required.

Categorical exemptions cannot be relied upon for projects such as this one where mitigation measures and new conditions are required. (*Salmon Protection and Watershed Network v. County of Marin* (2004) 125 Cal.App.4th 1098, 1108.) “An agency should decide whether a project is eligible for a categorical exemption as part of its preliminary

review of the project (CEQA Guidelines, §§ 15060 and 15061), not in the second phase [of review] when mitigation measures are evaluated.” (*Azusa Land Reclamation Co. v. Main San Gabriel Basin Watermaster* (1997) 52 Cal.App.4th 1165, 1199-1201; *City of Pasadena v. State of California* (1993) 14 Cal.App.4th 810, 820, [determination of “applicability of an exemption must be made *before* ... [the] formal environmental evaluation...”].) By definition, a project does not qualify for a categorical exemption unless the agency has determined environmental impacts cannot occur and mitigation measures are unnecessary. An agency may not “evade these standards by evaluating proposed mitigation measures in connection with the significant effect exception to a categorical exemption.” (*Azusa Land, supra*, 52 Cal.App.4th at 1201.) “Reliance upon mitigation measures (whether included in the application or later adopted) involves an evaluative process of assessing those mitigation measures and weighing them against potential environmental impacts, and that process must be conducted under established CEQA standards and procedures for EIRs or negative declarations.” (*Salmon Protection & Watershed Network v. County of Marin* (2004) 125 Cal.App.4th 1098, 1108.)

The APC Determination includes several new conditions intended to mitigate ongoing impacts arising at the West Pico Drill Site. These conditions include installation of fence-line monitoring and updated emergency signage. While NASE has been requesting emissions monitoring, the specifics of a monitoring program must be assessed through the environmental review process to ensure its efficacy. Analysis is required to determine the type of monitor, pollutants to be monitored, placement of the monitors, the reporting of recorded data to the City, and the establishment of a certain deadline for installation. The APC did not conduct the necessary analysis or include any specific terms for the installation of emissions monitoring. CEQA requires mitigation to be accomplished through the evaluative environmental review process and not based upon a categorical exemption. This is because mitigation measures need to be fully enforceable, and “not mere expressions of hope.” (*Lincoln Place Tenants Ass'n v. City of Los Angeles* (2005) 130 Cal.App.4th 1491, 1508.)

The APC Determination also includes a mitigation condition that is not only improper due to reliance on a categorical exemption, but also is improperly deferred mitigation. A condition was included requiring submission of a new Plan Approval application from the West Pico Drill Site operator to start a new case, and they required that the application must request a City inspection program. Post approval review and mitigation is improper under CEQA. (CEQA Guidelines § 15126.4(a)(1)(B); *Endangered Habitats League v County of Orange* (2005) 131 Cal.App.4th 777, 793-94; *Preserve Wild Santee v. City of Santee* (2012) 210 Cal.App.4th 260, 280-82.) Further, this is a new condition that is needed now. Most of the compliance problems at the West Pico Drill Site stem directly or indirectly from the City’s lack of inspection, compliance monitoring, and enforcement. The illegal well projects at West Pico are more numerous than at other

drill sites in the City, but they are not unique. The City's failure to do compliance inspections is a systemic failure documented by the Petroleum Administrator's May 2018 report to Council and the City Controller's June 2018 report on City oil regulation. It is a known problem now in the review of the West Pico Drill Site. But by shunting this and other known issues to a future review, the APC Determination relies on mitigation that is improperly deferred, and thus fails to be fully enforceable.

B. The Violation of Conditions and Mitigation Measures at the West Pico Drill Site is a Continuing CEQA Violation.

CEQA requires that mitigation measures "be fully enforceable through permit conditions, agreements, or other legally-binding instruments." (Guidelines § 15126.4(a)(2); see also *Lincoln Place Tenants Ass'n v. City of Los Angeles* (2005) 130 Cal.App.4th 1491, 1508 ["Mitigating conditions are not mere expressions of hope."]) "The purpose of these requirements is to ensure that feasible mitigation measures will actually be implemented...and not merely adopted and then neglected or disregarded." (*Federation of Hillside and Canyon Association v. City of Los Angeles* (2000) 83 Cal.App.4th 1252, 1261, italics omitted.)

Conditions of approval were adopted for the West Pico Drill Site as part of the 2000 ZA Determination, which were also included in the mitigation, monitoring and reporting plan for the site. These conditions limit the West Pico Drill Site to the wells actually existing at the time of the approval (Condition 72). There are ongoing CEQA violations at the West Pico Drill Site due to the illegal well drilling and conversions that took place in violation of the conditions of approval and the illegal installation of microturbines, which violates the prohibition on generating electricity on site or anywhere in the 70-acre oil drilling district U-131 (Condition 49).

There have also been violations and continuing violations of Conditions 46, 47, 53, 57, 61 and 78 due to the documented odor impacts, improper waste disposal, noncompliance with fire safety requirements, noncompliance with State-required blowout preventer tests before commencing downhole work, South Coast Air Quality Management District's leak and emissions violations, and lack of timely conditions review.

Odor complaints have been persistent since the drill site opened in 1965 and have been pronounced since about 2016. On October 10, 2019, CD5 Council Member Paul Koretz provided recorded testimony about the West Pico Drill Site to the City Council's Committee on Energy, Climate Change, and Environmental Justice. He stated:

I just visited a few days ago a shul that opened up a few years before directly across Pico and Doheny. I'm sure when they moved there they had no idea that was an oil site, in fact they told me so. **You can smell the oil. You can taste the oil.** It's just an accumulation of that pollution. On the other side of that site, there are housing units. I would say probably less than 50 feet away, and probably 75 feet away in front are that synagogue, the one next door and have a school that is about 600 feet away from it. I grew up near there and lived there for 20 years. My mother, I don't know whether there was a connection. My mother died from uterine cancer, pancreatic cancer and brain cancer. Maybe there is a connection, maybe not. If there is, and we can prove it, I would be pretty mad to say the least. There are a lot of people that are impacted. I presume whatever distance we pick, this site will be shutdown because it has so many sensitive uses and has housing and they are all within 100 feet. (emphasis added)

These ongoing and long-running CEQA violations must be rectified, and a categorical exemption is manifestly inappropriate for the task.

C. Due to the ZA's Predetermination to Rely Upon a Categorical Exemption for This Plan Approval, the ZA and APC Have Improperly Segmented Review.

CEQA prohibits evading comprehensive CEQA analysis by splitting projects into separate pieces. (CEQA Guidelines § 15378; *Bozung v. LAFCO*. (1975) 13 Cal.3d 263, 283-84; *Orinda Assn v. Board of Supervisors* (1986) 182 Cal.App.3d 1145, 1171.) The whole of the action includes "all phases of project planning, implementation, and operation;" all must be considered together when assessing environmental review for a project. (CEQA Guidelines §15063, subd. (a)(1).) Here, the APC Determination improperly piecemeals environmental review for the West Pico Drill Site by requiring a separate and new plan approval process, which is presumably to address the impacts and violations identified during this Plan Approval, although the APC Determination does not specify the reason for the separate review.

The piecemealing of environmental review at the West Pico Drill Site stems from the ZA's determination at the beginning of the Plan Approval process that a categorical exemption was the only CEQA approval to be considered. Subsequent to the ZA determining that a categorical exemption would be applied to the Plan Approval, NASE presented incontrovertible evidence of the illegal well drilling, re-drilling and conversion activities that had taken place on the West Pico Drill Site. In written exchanges with the ZA's office, the current operator of the site agreed with this assessment. However, instead of addressing the illegal activity at the site during the current Plan Review, the ZA relied on the predetermined use of a categorical exemption to prevent review of those actions

now.

At the August 27, 2020 public hearing, the ZA said he recognized that changed conditions were needed as even the applicant recognized, but the ZA declared that “We can’t do these changes with this particular Categorical Exemption” (August 27, 2020 hearing, official recording, 1:38). The specifics of the action being reviewed should determine the proper level of environmental review. By inverting this requirement, the Plan Approval has improperly segmented review of these illegal actions to a subsequent process.

D. Misrepresentations of Facts Made at APC Hearing Taint the APC Determination.

At the August 18, 2021 APC hearing on NASE’s appeal, significant misinformation was provided to the Commission by the ZA, most of which was presented after the close of the public testimony. In a post-hearing letter to the APC, NASE provided a detailed description of these errors along with clear documentation contained within the case file for the West Pico Drill Site. (Attachment 2.) In summary, the misrepresentations made at the APC hearing were: statements by the ZA that “no new wells” had been drilled on the West Pico Drill Site since the 2000 ZA approval, despite clear documentation that new wells were drilled in 2005-06 and 2010; a claim that the 2001 Settlement Agreement between NASE and the City prevents the alteration of any conditions of approval, including Condition 72, when the Settlement Agreement specifically requires 5 year reviews to evaluate and if needed revise or add new conditions; and statements that well conversions are mere reclassifications on paper and “vested rights” that require only the filing of paperwork, when the terms of LAMC 13.01.H and 13.01.I. require discretionary review and ZA approval of all well conversions.

NASE returned to the APC at its next meeting held September 1, 2021 to request reconsideration on the grounds that the ZA misinformed them so falsely about critical issues central to the case. At this meeting, several of the APC Commissioners acknowledged the issues in the letter, but the President of the Commission said that procedural concerns might lead them not to act. The City Attorney told them that they could act, but the Commissioners did not. However, the President of the Commission did note that if the APC did not act it would be acceptable because my clients would have the opportunity to take the case to City Council and to the Los Angeles County Superior Court. We now urge the City Council to correct the APC’s failure to act on these issues.

Statement of Appeal
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September 8, 2021
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Conclusion.

For all of these reasons, and those to be presented in more detail before the City Council, this appeal seeks to overturn this Plan Approval due to significant and ongoing CEQA violations. NASE also reserves the right to provide supplemental evidence and analysis regarding the basis of this appeal.

Sincerely,

Amy Minter

Enclosures:

Attachment 1, June 19, 2020 PCEC Email to ZA

Attachment 2, August 27, 2021 Request for Reconsideration



WEST LOS ANGELES AREA PLANNING COMMISSION

200 North Spring Street, Room 272, Los Angeles, California, 90012-4801, (213) 978-1300

www.planning.lacity.org

LETTER OF DETERMINATION

Mailing Date: AUG 26 2021

CASE NO. ZA-1989-17683-PA2-1A
CEQA: ENV-2020-1328-CE
Plan Area: West Los Angeles

Council District: 5 - Koretz

Project Site: 9101 West Pico Boulevard
Applicant: Phil Brown, Pacific Coast Energy Company
Appellant 1: Amy C. Minter, Chatten-Brown, Carstens & Minter LLP on behalf of Neighbors for a Safe Environment
Appellant 2: Paul Koretz, Councilmember, Council District 5 Representative: Daniel Skolnick, Senior Planning Deputy, Council District 5

At its meeting of **August 18, 2021**, the West Los Angeles Area Planning Commission took the actions below:

A Plan Approval to review the effectiveness and applicant's compliance with conditions imposed in Case Nos. BZA-2000-1697 and ZA-17683(PAD) for the existing 0.706 acre West Pico Oil Drill Site. There is no request for modification of any existing condition of approval and no proposed expansion of the use. This review is required by Paragraph 4.b of the June 2001 Settlement Agreement in the case of Neighbors For A Safe Environment v. City of Los Angeles, Los Angeles Superior Court Case No. BC240760, and will be conducted pursuant to Section 12.24 M of the Los Angeles Municipal Code and Condition No. 78 in Case Nos. BZA-2000-1697 and ZA-17683(PAD).

1. **Determined**, pursuant to California Environmental Quality Act (CEQA), that the project is exempt from CEQA pursuant to CEQA Guidelines Section 15301, (Class 1), and Section 15321 (Class 21) and, there is no substantial evidence demonstrating that any exceptions contained Section 15300.2 of the State CEQA Guidelines regarding location, cumulative impacts, significant effects or unusual circumstances, scenic highways or hazardous waste site, or historical resources applies;
2. **Granted** the appeals in part and **denied** the appeals in part, and sustained the Zoning Administrator's determination dated June 2, 2021;
3. **Determined**, pursuant to Los Angeles Municipal Code Section 12.24 M, as required by Clause 4.b of the 2001 Settlement Agreement in the case of *Neighbors For A Safe Environment v. City of Los Angeles*, Los Angeles Superior Court Case No. BC240760] ("Settlement Agreement"), that with the exception of two outstanding Conditions, the

Conditions of Approval of Determination BZA No. 2000-1697 have been and are being substantially complied with, but necessary corrective measures as indicated in the attached Conditions of Approval are required to ensure complete compliance;

4. **Adopted** the attached additional Conditions of Approval; and
5. **Adopted** the attached Findings of the Zoning Administrator.

This action was taken by the following vote:

Moved: Margulies
Second: Yellin
Ayes: Laing
Recused: Waltz Morocco
Absent: Newhouse

Vote: 3 – 0



James K. Williams, Commission Executive Assistant II

Fiscal Impact Statement: There is no General Fund impact as administrative costs are recovered through fees.

Effective Date/Appeals: The action by the West Los Angeles Area Planning Commission on this matter is final and effective upon the mailing date of this determination and is the final appeal procedure within the appeal structure in the City of Los Angeles.

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

Attachments: Conditions of Approval, Zoning Administrator's Determination dated June 2, 2021

- c: Theodore Irving, Associate Zoning Administrator
Dylan Sittig, City Planning Associate

2At its meeting of August 18, 2021, the West Los Angeles Area Planning Commission modified the Zoning Administrator's determination to add the following conditions.

Conditions of Approval

1. The operator shall correct the outstanding conditions as noted in the June 2, 2021, Zoning Administrator's determination, within 60 days of the issuance of the APC determination letter.
2. The operator shall file a Plan Approval application for the entire site within 60 days of the issuance of the APC determination letter. The Plan Approval application shall include plans for an annual monitoring or inspection of site operations.
3. The operator shall install a 24-7 fenceline emissions monitoring system.
4. Subject to any applicable sign regulations, the operator shall install a sign with a 24-7 emergency contact phone number, posted clearly and visibly on the facility.

OFFICE OF ZONING ADMINISTRATION
200 N. SPRING STREET, ROOM 783
LOS ANGELES, CA 90012-4801
(213) 978-1318

ESTINEH MAILIAN
CHIEF ZONING ADMINISTRATOR

ASSOCIATE ZONING ADMINISTRATORS

JACK CHIANG
HENRY CHU
JONATHAN A. HERSHEY, AICP
THEODORE L. IRVING, AICP
CHARLES J. RAUSCH JR.
CHRISTINA TOY LEE

**CITY OF LOS ANGELES
CALIFORNIA**



ERIC GARCETTI
MAYOR

**LOS ANGELES DEPARTMENT
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DEPUTY DIRECTOR
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June 2, 2021

Phil Brown (A/O)
Senior Vice President
Pacific Coast Energy Company
1555 Orcutt Hill Road
Orcutt, CA 93455

CASE NO. ZA-1989-17683-PA2
PLAN APPROVAL
9101 West Pico Boulevard
West Los Angeles Planning Area
Zone: C4-1VL-O
D.M.: 132B169
C.D.: 5 - Koretz
CEQA: ENV-2020-1328-CE
Legal Description: Lots 883-888, Block
None, Tract TR 6380

Pursuant to California Environmental Quality Act (CEQA), I hereby DETERMINE:

That the project is exempt from CEQA pursuant to CEQA Guidelines Section 15301, (Class 1), and Section 15321 (Class 21) and, there is no substantial evidence demonstrating that any exceptions contained Section 15300.2 of the State CEQA Guidelines regarding location, cumulative impacts, significant effects or unusual circumstances, scenic highways or hazardous waste site, or historical resources applies.

Pursuant to Los Angeles Municipal Code Section 12.24 M, and as required by Condition No. 78 under Case No. ZA-17683(PAD), BZA No. 2000-1697 and clause 4.b of the 2001 Settlement Agreement, between the City of Angeles, Neighbors For A Safe Environment, (NASE), Rae Drazin, Ph.D., Mina Solomon, and Breitburn Energy Company LLC, to settle litigation relating to approvals for the construction and operation the West Pico Drill Site Modernization Project, Neighbors For A Safe Environment v City of Los Angeles, Los Angeles Superior Court Case No. BC240760] ("Settlement Agreement").

I hereby DETERMINE, based on the whole of the administrative record,

That the Conditions of Approval of Determination BZA No. 2000-1697 have been and are being substantially complied with, though necessary inspections of the facility by government agencies will continue to ensure continued compliance.

This Plan Approval determination results from the research and findings of this office, as well as the testimony raised by residents and stakeholders from the community surrounding the West Pico Oil Drill Site operation. This determination is in response to the application filed by the operator as mandated by clause 4.b of the Settlement Agreement.

Research of reports from the Department of City Planning, the Department of Building and Safety, the Los Angeles Fire Department, the Southern California Air Quality Management District, and the California Department of Conservation Geologic Energy Management Division (CalGEM) was conducted before issuing this determination. Also, a review of current oil drilling and oil production best practices used to safeguard communities was conducted as a part of the evaluation of the West Pico Oil Drill Site operation. This office also conducted a visit to the site on June 22, 2020.

This Plan Approval process began with a November 19, 2019 letter from the Chief Zoning Administrator notifying the operator of the West Pico Oil Drill Site that it was required to file a Plan Approval for a review of compliance with the conditions imposed under Case No. ZA-17683(PAD), as required by the Settlement Agreement.

On February 28, 2020, the operator submitted an application to the Department of City Planning for a Plan Approval (Case No. ZA-1989-17683-PA2) to review compliance with the conditions of approval imposed under Case No. ZA-17683(PAD). The applicant did not request any modification of any existing condition of approval.

A Public Hearing was conducted on July 9, 2020 to take formal testimony from the residents, stakeholders, community groups, and the operator. At the conclusion of the Public Hearing, the matter was taken under advisement to look into the public hearing notification process as it was reported that the call-in phone number was incorrect, and that the Zoning Administrator required additional time to research statements made during public testimony.

A second Public Hearing was conducted on August 27, 2020 after it was confirmed that an error occurred in the noticing of the July public hearing (the call-in phone number was incorrect on the notice). Testimony was again taken from the residents, stakeholders, community groups, and the operator. At the conclusion of the Public Hearing, the matter was taken under advisement.

The Office of Zoning Administration review of the whole of the record found that the operator was in violation of Condition 36, Condition 39, Condition 49 and Condition 72 of the conditions of approval imposed by the Board of Zoning Appeal in its action taken on BZA No. 2000-1697 (the appeal of Case No. ZA-1989-17683-PAD). Also, the Zoning Administrator found the operator was in violation of clause 4b of the 2001 Settlement Agreement.

Further, the Zoning Administrator's Office learned the operator's production facility is in violation of Municipal Code Section 13.01-F.26, which requires that all power operations be carried on by electrical power and that said power be generated off-site.

The details of these violations, as well as the Zoning Administrator's responses, are provided in the "Staff Review of Compliance with Conditions" section of the report.

AUTHORIZATION

Pursuant to LAMC Section 12.24 M, the Zoning Administrator may determine that existing uses may be extended on an approved site provided that plans are submitted to and approved by the Zoning Administrator.

Pursuant to LAMC 13.01-E.2(i) – A Zoning Administrator may impose additional conditions or require corrective measures to be taken if he or she finds, after actual observations or experience with drilling one or more of the wells in the district, that additional conditions are necessary to afford greater protection to surrounding property.

Pursuant to ZA-1989-17683(PA1) Condition No. 77 (Continued Oversight) - A Zoning Administrator may impose additional conditions of required corrective measures to be taken if he or she finds, after actual observation or experience with drilling one or more of the wells in the district, that additional conditions are necessary to afford greater protection to surrounding property, and Condition No. 78 (Review of Conditions) two years following the completion of construction, and the issuance of a Temporary or Permanent Certificate of Occupancy, the applicant shall submit a Plan Approval application (\$523 fee) for the purpose of reviewing the effectiveness of these conditions. The applicant shall submit a 500-foot radius map with accompanying labels for owners and occupants. The applicant shall address each condition with appropriate supporting material, to the Zoning Administrator who shall contact all monitoring agencies, evaluate the neighborhood impacts of project operations and the efficacy of mitigation measures. The Zoning Administrator may impose corrective conditions of warranted. The Zoning Administrator may set the matter for public hearing if warranted.

Pursuant to clause 4.b of the 2001 Settlement Agreement, the operator is required to file a Plan Approval for compliance review on each five-year anniversary of the last review.

NOTICE

The applicant is further advised that subsequent contact regarding this Determination must be with the Development Services Center. This would include clarification, verification of condition compliance and plans or building permit applications, etc., and shall be accomplished **BY APPOINTMENT ONLY**, in order to assure that you receive service with a minimum amount of waiting. You should advise any consultant representing you of this requirement as well.

FINDINGS OF FACT

After thorough consideration of the statements contained in the application, the plans submitted therewith, and the statements made at the public hearings on July 9, 2020 and August 27, 2020, all of which are by reference made a part hereof, the whole of the administrative record as well as knowledge of the property and surrounding district, I find as follows:

BACKGROUND

The subject property is the oil and gas extraction portion of a controlled drill site, known as the West Pico Oil Drill Site, which was first permitted in 1965. The oil and gas extraction (drill) site is a level, rectangular-shaped, parcel of land consisting of approximately 0.706 acres, having a frontage of approximately 192 feet on the north side of Pico Boulevard and a uniform depth of 185 feet, divided by a through alley between Doheny Drive and Oakhurst Drive. The drill site is in the C4-1VL-O Zone and within Urbanized Oil Drilling District No. U-131 established by Ordinance No. 130,340.

Adjoining properties to the north of the subject property are zoned R3-1VL-O and are developed with two-story apartment buildings. Properties to the south across Pico Boulevard are zoned C4-1VL-O and are developed with low-rise commercial buildings occupied by a variety of commercial and religious uses. Adjoining properties to the east across Doheny Drive are zoned C4-1VL-O are a gas station and other commercial uses.

The property to the west of the drill site across Oakhurst Drive is zoned C4-1VL-O and improved with the production facility portion of the West Pico Drill Site operated by the applicant. This production site was authorized July 28, 1967 pursuant to Case No. ZA-18893, for Lots 1037,1038 and 1039, of Tract No. 6380 generally located at the northeasterly corner of Pico boulevard and Cardiff Avenue.

Pico Boulevard, adjoining the property to the south, is an Avenue I with a designated width of 100 feet and is fully improved with a paved roadway, concrete curb, gutter, and sidewalk.

Doheny Drive, adjoining the property to the east, is a Collector Street with a designated width of 66 feet and is fully improved with a paved roadway, concrete curb, gutter, and sidewalk.

Oakhurst Drive, adjoining the property to the east, is a Local Street with a designated width of 60 feet and is fully improved with a paved roadway, concrete curb, gutter, and sidewalk.

The alley, bisecting the property to the north is a through alley and is improved with asphalt pavement and concrete gutter within a 15-20-foot dedication. To the north of the alley is a parking area and an apartment building owned by the project applicant.

Following the adoption of an Environmental Impact Report on April 5, 2000, the Zoning Administrator approved a modification of existing conditions and methods of operation for the existing oil/gas extraction site, with existing approved maximum of 69 wells, and an approval of plans permitting a 129-foot in height electrically-powered derrick. In conjunction with permitting the new derrick, other modification of conditions included an increase in fencing around the entire drilling site to a height of approximately 25 feet from the existing 12-foot wall; the installation of a 24-hour noise and video monitoring system; and the installation of an early alert detection system to alert the Los Angeles City Fire Department (LAFD) of hydrogen sulfide and methane (Case No. ZA 17683(PAD)).

The subject property is presently developed with an oil drilling operation with 58 wells (previously there were 59 and the operator advised there is no plan to drill the additional 10 permitted wells.) The drill site is enclosed on all sides with 25-foot-high walls, except for the two parking lot areas. Trees and plantings line the exterior of the walls. The drill site consists of a support building, a moveable catwalk building surrounding and attached to the derrick (drilling tower), a drilling mud processing building, two well cellars that contain the wellheads, and incidental equipment and ancillary structures. The drilling tower is mobile and can be slowly moved along rails in order to access all wellheads. The permanent, mobile, electrically powered derrick is approximately 128 feet tall and enclosed within an architectural structure. The ground surface of the drill site is covered in concrete or asphalt at or near grade. Most permanent equipment is below grade in well cellars or located inside enclosed structures.

The operator also maintains the production facility site located to the west of the drill site, along Pico Boulevard between Oakhurst Drive and Cardiff Avenue. The production facility site, as authorized under Case No. ZA 18893, was not part of the modernization project analyzed in the 2000 EIR; thus, the production facility site was not addressed as part of the first Plan Approval (Case No. 17683(PAD)), its appeal (BZA 2000-1697) and the subsequent litigation or the 2001 Settlement Agreement. Further, the production facility site was not part of the 2006 Plan Approval (Case No. ZA 17683(PAD)(PA1)).

This Plan Approval, which applies to the drill site (oil and gas extraction), began with a November 19, 2019 letter from the Chief Zoning Administrator notifying the operator of the West Pico Oil Drill Site that it is required to file a Plan Approval for a review of compliance with the conditions imposed under Case No. ZA-17683(PAD). The letter from the Chief Zoning Administrator was in response to concerns raised by members of the public relative to the operation of the drill site and the enforcement of the 2001 Settlement Agreement. The Settlement Agreement requires the operator to submit an application for a plan approval every five years in order to conduct a compliance review to verify that the operator is complying with the conditions of approval outlined in the April 2000 determination.

On February 28, 2020, the operator submitted an application to the Department of City Planning for a Plan Approval (Case No. ZA-1989-17683-PA2) to review compliance with the conditions of approval imposed under Case Nos. BZA-2000-1697 and ZA-17683(PAD). The operator did not request any modification of any existing condition of approval. While the operator also maintains a production facility site along Pico Boulevard between Oakhurst Drive and Cardiff Avenue; the production facility site is not the subject of the Plan Approval application for the reason explained above.

On June 22, 2020, City officials conducted a site visit of the West Pico Drill Site as was the case in the 2006 Plan Approval review of conditions because oil drilling facilities are unique operations compared to most land uses in the City and given the heightened attention of the governing documents. The City was represented by the Zoning Administrator's Office, Office of Petroleum Administration, and the Fire Department.

Previous zoning related actions on the site/in the area include:

Subject Property:

Case No. ZA-17683-PAD-PA1 – On March 13, 2006, the Zoning Administrator determined that the conditions of approval have been and are being complied with, that the operation of the facility poses no ongoing health risk, that necessary inspections of the facility by government agencies will continue, and that further hearings of formal review by the Zoning Administrator are not indicated.

Case No. BZA 2000-1697 August 23, 2000 – The Board of Zoning Appeals denied the appeal and sustained the decision of the Zoning Administrator, while approving a modification of the existing conditions and methods of operation for the existing oil/gas extraction site (with an already approved maximum of 69 wells), and approval of plans, therefore permitting a 129-foot in height electrically-powered derrick, on Lots Nos. 883-888.

Case No. ZA-17683-PAD – On April 5, 2000, the Zoning Administrator approved a modification of existing conditions and methods of operation for the existing oil/gas extraction site (with an already approved maximum of 69 wells), and approval of plans, therefore permitting a 129-foot in height electrically-powered derrick, on Lots Nos. 883-888.

Case No. BZA 4121 – On March 7, 1990, OXY, USA, Inc.'s appeal was granted limiting portable derrick hours of operation to 8 a.m. to 5:30 p.m. Monday through Friday, not to exceed 10 working days a month, in lieu of OXY's request not to construct a structure to obscure oil dwelling and related equipment.

Case No. ZA-17683 – On April 17, 1965, the Zoning Administrator approved a drill site with an enclosed drilling structure, known as a derrick. Under Case Nos. CPC 18356, 18357 and 19667, respectively, Oil Drilling Districts U-131, U-132 and U-150 were created by the City Council.

Surrounding Properties:

Case No. ZA-18893 - On July 28, 1967, the Zoning Administrator authorized an extension of the controlled drill site for the installation and operation of additional production [Production Facilities Site] in connection with the existing or future oil wells as authorized.

Other Public Agency Actions:Los Angeles Department of Building and Safety (LADBS)

Permit # 00010-10001-02105 - Permit issued January 6, 2003 for the [New One Story Building "Mud Bldg H2 Occ, 2,410 sq. ft Type V-N & Support Bldg S2 Occ 6,500 sq ft Type II-N" 1-sty PHASE I ONLY] TO CORRECT PARKING: 12 Existing "NO CHANGE" and legal description, location 9101 Pico Boulevard.

Permit # 00010-10000-0215 - Certificate of Occupancy issued July 30, 2003 for the Mud /Storage Building and Support structure, location 9101 Pico Boulevard.

Permit # 11045-90000-00107 – Permit issued May 19, 2011 for the changing out of an air compressor in the support bay, location 9101 Pico Boulevard.

Permit # 11045-90000-00111 – Permit issued May 24, 2011 for replacing an air compressor, location 9101 Pico Boulevard.

Permit # 17041-10000-43682 – Permit issued December 7, 2017 for the installation of an IPGSM system, located at 9101 Pico Boulevard.

Los Angeles Fire Department (LAFD)

February 7, 2013 - The Los Angeles Fire Department issued a Fire/Life Safety Violation notice ordering the operator to "Comply With the Requirement as Noted" following a Fire and Life Safety Inspection which revealed that the property was required to test and repair its protection equipment as prescribed by LAMC Section 57.01.35 and 57.20.15. *(The operator corrected the violation.)*

June 16, 2015 - The Los Angeles Fire Department issued a Fire/Life Safety Violation notice ordering the operator to "Comply With the Requirement as Noted" following a Fire and Life Safety Inspection which revealed that the property was required to provide on every oil well or mount on wall a sign or plate showing the LAFD number that is assigned to each oil well. *(The operator corrected the violation.)*

September 21, 2017 - The Los Angeles Fire Department issued a Fire/Life Safety Violation notice ordering the operator to "Comply With the Requirement as Noted" following a Fire and Life Safety Inspection which revealed that the property was violation of several section of the fire code. The operator was ordered to correct violations related to LAMC Section 57.5706.3.2.2. (Discharge and Combustible Material On Ground). *(The operator corrected the violation.)*

November 24, 2018 - The Los Angeles Fire Department issued a Fire/Life Safety Violation notice ordering the operator to "Comply With the Requirement as Noted" following a Fire and Life Safety Inspection which revealed that the property was violation of several section of the fire code. The operator was ordered to correct violations related to LAMC Section 57.5706.3.2.2. (Discharge and Combustible Material On Ground) and LAMC Section 57.5706.3.16.1 (Nonoperating Oil Wells) *(The operator corrected the violation.)*

February 25, 2020 - The Los Angeles Fire Department issued a Fire/Life Safety Violation notice ordering the operator to "Comply With Requirement As Noted" following an Annual Fire and Life Safety Inspection which revealed that the property was in violation of the municipal code and ordered to correct such violation. LAMC Section 57.5706.3.16.1 (Non-operating Oil Wells) states "Abandoned or reactivated oil well, in which for a continuous period of one year has not been in operation or has ceased to produce petroleum or natural gas shall be abandoned or reactivated in 30 days after notice has been given by the Chief." The operator has not filed in any application to abandon the wells nor has

there been an attempt to re-activate the wells. (As of April 29, 2021, the operator has yet to correct the violation according to Inspector I. Rodriquez of the Fire Department Harbor Fire Prevention Unit. The Zoning Administrator understands that the operator is cooperating with the Fire Department to correct the violation.)

South Coast Air Quality Management District (SCAQMD)

March 28, 2018 – SCAQMD issued a series of Permits to Construct relative to the installation of a microturbine on the operator's production facility site. The permits were granted with the requirement to comply with ten conditions. SCAQMD subsequently issued a series of Permits to Operate which were related to the Permits to Construct.

February 28, 2020 - SCAQMD issued a Notice of Violation for a leak over 50,000 ppm detected from Well #41 during [the] District inspection. The leak violated Rule 1173 which regulates Fugitive Emissions of VOC. The matter has since been corrected and the operation is in compliance; however, the violation has not been closed by the legal team of the SCAQMD.

Department of Conservation, Division of Oil Gas and Geothermal Resources (DOGGR), ((now California Geologic Energy Management Division (CalGEM))

April 17, 2019 - DOGGR issued a Safety Systems and Environmental Lease Inspection report for the West Pico Drill Site concluding that "[tested safety systems responded as designed. No violations were observed during the lease inspection."

PUBLIC HEARING

The initial public hearing on this Plan Approval application was conducted July 9, 2020, remotely in accordance with the Governor's Executive Order N-29-20 dated March 17, 2020 and due to the concerns over COVID-19. However, it was discovered upon the close of the hearing that the hearing notice was issued in error. A second remote public hearing was conducted on August 27, 2020.

Testimony from both hearings is incorporated into this report.

July 9, 2020 Testimony

Mike Finch – Applicant's Representative

- There are some items, we'd like to bring up as part of the compliance review, some communications we had with stakeholders, and some considerations for the Zoning Administrator,
- My opening remarks relate to the notice and the July 8th letter, which says something along the line that there is no request for modifications of any existing conditions of approval,
- The Pacific Coast Energy Company owns and operates the drill site located at 9101 West Pico Boulevard,
- We own the parking lots and the attached production site on the other side of Oakhurst Drive,

- We have 58 wells; previously there were 59 wells; West Pico Well 23 was abandoned; there are 7 injectors; there are 11 conductors remaining on the site,
- The drill site has the wells, the piping and rigs and associated drilling equipment and workover equipment,
- The fluids go through underground piping over to the production site, where the oil, gas and water is separated, and the water is returned back to the drill site where it is injected into the injector wells,
- The project was originally owned by Oxy until 1993, and then it was purchased by Breitburn Energy, that was from 1993 to 2016,
- Pacific Coast Energy Company (PCEC) became the owner from 2016 to 2019,
- PCEC is now under new ownership, through a company called New Bridge,
- I want to touch upon compliance review,
- Condition No. A-14 [Exterior Lighting] (from Case 17683-PAD [Exterior Lighting], talks about not having streetlights above the walls; the lights were installed at the request of PCEC; the lights are owned and operated by the City of LA,
- The idea is to light the area up to reduce some of the activity in the area,
- Condition No. B-36 [Spill Prevention Plan], A SPCC (spill prevention and control countermeasure) plan was provided as part of the submittal for the process; we are seeking clarification; the condition is lacking in direction.
- Typically, Spill Prevention Plans have to be reviewed every 5 years,
- Condition No. B-39 [Noise Monitoring] talks about quarterly noise report that have to be submitted.
- We have reviewed several of the noise exceedances and the majority are related to traffic, sirens, garbage trucks, gardeners,
- Going forward, it seems somewhat impossible to have a written report done and submit it quarterly,
- We would like to work with the ZA and the community to better manage the reporting,
- The noise monitoring system was down for about two months; it was repaired in February 2020,
- Condition B-49 [All Electric Power] is a condition that is interesting because it relates to drilling and re-working operations at the site, shall at all times be carried on by electrical power, and such power shall not be generated at the control drill site or in the district.
- We know now that that is not happening; however, we have another site which is the production site, and a micro turbine was installed in 2018,
- It is important as it relates to our request later in the presentation,
- Condition No. B-61 [Leak Detection and Odor Control] – we did not provide all the odor monitoring reports, but we provided a sampling,
- The reason is that we would have to scan 365 reports for several years,
- But we do in fact have those reports,
- Condition No. C-72 [Limitation of Well Redrilling] is a little bit confusing,
- There is some confusion on the operator's side as to what is required versus what is not required as it relates to drilling wells on the site,
- When you look at [LAMC Section] 13.01 H and I; there seems to be a conflict there,
- We want to seek additional guidance or clarification on such a condition,
- We have been working with one primary stakeholder who represents a couple folks,
- Through the discussions, we have come up a few things we would like to offer up today, which we believe would be beneficial for everybody,
- It is categorized in our July 8th letter and also in an email dated June 19th,

- The three items discussed we are committed to doing, if the Zoning Administrator believes this would be helpful,
- The first item relates to several wells, two wells that had been drilled and there were some re-drills and some conversions that happened post 2000,
- Looking back on the case numbers on both the sites, we are interested if those are going to need some sort of Zoning Administrator approval retroactively,
- It was our understanding that there may be a condition in this Plan Approval that says come back at a later date through a subsequent process and go through and have those things approved,
- Another other item is related to the micro turbine on the production site,
- The other two items we'd like to offer up and are committed to doing, is to have condition that calls for an annual inspection of the site performed by the Petroleum Administrator or third party
- Last, we are willing to evaluate a fencing line area emissions monitoring system to see the economic and technical feasibility of such a system and potentially install a system,
- Really, what we are asking is to continue our operations with the conditions, with the exception of the items just discussed,
- We would like to see some changes that clarify existing conditions and also add some conditions that would provide a safer operation going forward,

Richard Weiner – Officer of N A S E

- We are a party in the lawsuit,
- The Settlement Agreement mandates a 5-year review of the drill site,
- I'm concern about the reported odor problems, and reported compliance problems,
- We believe there must be annual compliance inspections and 24-7 emissions monitoring,
- The City's failure to properly request an environmental review as required by CEQA, is disturbing,
- NASE and I are represented by Professor Michael Salman, who submitted an email to you,
- We endorsed his written submissions and statements given at the hearing,
- We want clarity and transparency to continue and be an essential part of the hearing and reporting,

Aria Zarifpour - South Crest Drive Resident

- The phone number on the flyer is incorrect; I had to do research to find this number,
- Lots of residents are not aware of this number,
- I would like to see a new hearing,
- I would like to see the same level of care and sensitivity provided to prevent the combustion on operating this drilling investment, extended to this community,
- There should be a review every 5 year as mandated 14 years ago,
- We have been left in the dark for 14 years,
- I propose four initiatives:
 1. The installation of an on-site 24-7 air quality monitoring system to ensure air quality violations are caught on the spot,
 2. An independent 3rd party oversight commission with no ties or input from the operator,
 3. Long term studies conducted to identify the correlation between higher health risk associated with living within 1,500-foot radius of the site,
 4. Annual on-site testing,

- I hope the safety and health of the community is more important than the status quo of non-compliance.

Michael Salman – Representative

- Emeritus Professor of History at UCLA, where I have studied the history and the present-day regulations of the oil industry,
- I represent Mr. Richard Wiener and Ray Drazin, they are officers of NASE,
- Parties to the 2001 Settlement Agreement with the City of LA that required this review to be held on a 5-year recurring basis,
- We prompted the Chief Zoning Administrator to order the holding of the review by notifying the City in November 2019 that it was out of compliance with the settlement agreement,
- We call for the City to conduct a complete compliance review,
- We did a review of the conditions, and we found 25 non-compliance issues,
- The LAMC has been clear such activities require zoning approval,
- LA refuses to do a complete compliance review,
- The Petroleum Administrator did a desk top inspection,
- The Petroleum Administrator missed everything,
- They did not consult with the state records,
- CalGEM records the show work done with approvals; that's wrong,
- There are no CE documents in the case file,
- We request 1) annual inspections, 2) [fence line] monitoring of emissions, 3) compliance with the 2001 Settlement Agreement, 4) 5-year performance monitoring.

Sofia Lewis - Resident

- I'm a resident with asthma,
- I'd like to know what's being done to prevent leaks,
- I was not aware of the oil drilling facility.

Sherry Lewis – Resident

- Senior Citizen with medical concerns,
- I noticed a foul smell in the air,
- The smell contributed to my stress,
- Health concerns limits my ability to shop only in the neighborhood,
- I support a plan for annual inspection,
- I support a plan for continue 24/7 monitoring.
- I support a plan for compliance with the settlement agreement,
- The company agrees to complying with the regulations.

Christina Pisano - Resident

- I'm concern with health affects; there is a lack of transparency,
- If I smell gas, who do I report it to,
- Who informs us about an emergency,
- I request a plan for annual inspection,
- I request a plan for 24/7 emission monitoring,
- I request a plan for compliance inspections,
- I'm disappointed that they're putting profits over people.

Amy Zelzer - Beverly Boulevard Resident

- I'm an attorney who represented Porter Ranch,
- There should be clear signage of an oil drilling operation,

- People need to know; people exposed to constant exposure are at risk,
- There should be an annual inspection report; there should be 24/7 monitoring,
- There should be ½ mile buffer to protect the community.

Charlie Carnow - Alcott Street Resident

- I'm perplexed about the hearing notice, the categorical exemption review,
- This is surprising; I'm for 24/7 emission monitoring,
- There should be signage for complaints in the front of the facility.

Dr. Rae Drazin, PhD

- N A S E member,
- The Settle Agreement is not being enforced,
- There are still concerns.

Rabbi Yonah Bookstein – Pico Robertson Health Coalition

- I represent the Pico Robertson Health Coalition,
- Some callers are members of the coalition,
- It's unacceptable that the hearing notice had the incorrect number,
- I question that the hearing is completely transparent,
- I want to focus on two issues:
 1. Chemical smells came from the operation and we had to have people vacate the building,
 2. The plan approval has shown to be unacceptable; so how can the hearing be conducted without a proper environmental report?
- I'm puzzled by the lack attendance,

Daniel Scholnik – CD 4 Representative

- The wrong phone number is inexcusable,
- The Council District Office wants the drill site shut down.

August 27, 2020 Testimony

Mike Finch – Representative, Pacific Coast Energy Company, LP

- I want to cover the following topics: I got a couple of opening remarks, I'll talk the site location and the general description of the operation, the ownership history, PCEC compliance review of conditions, working with some stakeholder and some considerations for the Zoning Administrator,
- My opening remarks go back to our letter dated July 8, 2020, as it relates to the hearing notice,
- There is no request for modifications of existing conditions of approval; I want to bring it to your attention because it will be relevant,
- The site location and general description of the operation,
- My opening remarks relate to the notice and the July 8th letter, which says something along the line that there is no request for modifications of any existing conditions of approval,
- The Pacific Coast Energy Company owns and operates the drill site located at 9101 West Pico Boulevard,
- We own the parking lots and the attached production site on the other side of Oakhurst Drive,
- We have 58 wells; previously there were 59 wells; West Pico 23 was abandoned; there are 7 injectors,
- Now there are 11 conductors remaining on the site,

- The drill site includes the wells, the piping and rigs and associated drilling equipment and workover equipment,
- The fluids go through underground piping over to the production site, where the oil, gas and water is separated, and the water is returned back to the drill site where it is injected into the injector wells,
- The project was originally owned by Oxy until 1993, and then it was sold to Breitburn Energy, that was from 1993 to 2016,
- Pacific Coast Energy Company then became the owner from 2016 to 2019,
- PCEC is now under new ownership, through a company called New Bridge,
- I want to talk about compliance review on Case No. 17683 from the 2000 approval,
- Condition No. A14, basically says there are not supposed to be any streetlights installed above the wall of the facility,
- There were some lights installed at our request by the LADWP and operated by LADWP, but paid for by PCEC,
- That's a condition we would like to have looked at,
- Condition No. B-36 [Spill Prevention Plan] A SPCC (spill prevention and control countermeasure) plan was provided as part of the submittal for the process; not sure if this was submitted on an ongoing process,
- The condition is vague, and we would like to get some clarity as to how often we are supposed to submit the SPCC plan,
- Typically, the plan is reviewed every 5 years or sooner, if substantial changes occur,
- [Condition No.] B-39 A-6, [Noise Monitoring] ask for a quarterly noise report to be submitted,
- We have reviewed several of the noise exceedances and the majority are related to traffic, sirens, garbage trucks, gardeners,
- Going forward, it seems somewhat impossible to have a written report done and submit it quarterly,
- We would like to work with the ZA and the community to manage the reporting better,
- [Condition] B-39 [Noise Monitoring], we had our noise monitoring system down for about two months,
- It was repaired in February 2020,
- [Condition] B-4 [All Electric Power] is a condition that is interesting because it relates to drilling and re-working operations at the site which shall at all times be carried on by electrical power, and such power shall not be generated at the control drill site or in the district.
- We know now that that is not happening; however, we have another site which is the production site, and a micro turbine was installed in 2018,
- It is important as it relates to our request later in the presentation,
- Condition No. B-61 [Leak Detection and Odor Control] – we did not provide all the odor monitoring reports, but we provided a sampling,
- The reason for that is that we would have to scan 365 [reports] for several years,
- But we do in fact have those reports.
- Condition No. C-72 [Limitations on Well Redrilling] C72 is a little bit confusing.
- There is some confusion on the operator's side as to what is required versus what is not required as it relates to drilling wells on the site,
- When you look at [LAMC Section] 13.01 H and I; there seems to be a conflict there,
- We want to seek additional guidance or clarification on such a condition,
- We have been working with one primary stakeholder who represents a couple folks,

- Through the discussions, we have come up with a few things we would like to offer up today, which we believe would be beneficial for everybody.
- It is categorized in our July 8th letter and also in an email dated June 19th,
- There are three items discussed we are committed to doing, if the Zoning Administrator believes this would be helpful,
- The first item relates to several wells, two wells that had been drilled and there were some re-drills and some conversion that happened post 2000,
- Looking back on the case numbers on both the sites, we are interested if those are going to need some sort of Zoning Administrator approval retroactively,
- It was our understanding that there may be a condition in this Plan Approval that says come back at a later date through a subsequent process and go through and have those things approved,
- Another item is related to the micro turbine on the production site,
- The other two items we'd like to offer up and are committed to doing is to have condition that calls for an annual inspection of the site performed by the Petroleum Administrator or third party
- Last, we are willing to evaluate a fencing line area emissions monitoring system to see the economic and technical feasibility of such a system and potentially install a system,
- Really, what we are asking is to continue our operations with the conditions, with the exception of the items just discussed,
- We would like to see some changes that clarify existing conditions and also add some conditions that would provide a safer operation going forward,

Linda Theung – Board Member South Robertson Neighborhood Council

- The governing board discussed this review and compliance problems at the site and the need for the ZA to assign new conditions,
- We are deeply concern about the record of compliance problems, including odor problems, the Fire Department, South Coast Air Quality Management District citations and the failure to hold 5-year reviews,
- There have been 25 unapproved projects that have been executed since 2000,
- We are deeply troubled by the City's failure enforce conditions and to perform a comprehensive compliance inspection before bringing case to hearing, and the City's refusal to perform an environmental review as required by state law, and city guidelines,
- Our board voted on June 18 to send a letter on this case; we heard at the meeting the operating company was willing to acknowledge in writing that there have been 25 unapproved projects executed at the site since 2000,
- Two new, twelve redrilling, and the conversion of 10 wells from producer to injector,
- All required discretionary review and approval by the Zoning Administrator per the code,
- PCEC sent a letter to the Zoning Administrator acknowledging the 25 projects did need a review,
- Our letter dated June 18th did not reference the full scope of the project,
- All of these unapproved projects require CEQA review and are ineligible for a categorical exemption,
- Splitting the projects from the current review will be illegal piecemealing, in order to obscure the fullness of the environmental impact,

Charlie Carnow – Alcott Street Resident

- I want to echo the Neighborhood Council's comment,

- Not sure why we are here; it appears PCEC agrees that the conditions need changes,
- We need annual emissions monitoring, annual inspection and 24-7 emissions monitoring,
- The environmental review has exceptions to the exceptions provided by categorical exemptions,
- There admittedly are tons of unpermitted drilling sites on the property,
- Not sure why its controversial that we would need a more thorough environmental review, given a lot of the assumptions of the approval were violated or were wrong,
- I hope the conditions are changed to reflect what the community has demanded and to get the appropriate environmental review.

Scott Silver – Real Estate Attorney and Investor

- I live two blocks south of the Rancho Park Drill Site,
- It is connected to this drill site; for me, it is like ground hog day,
- Following the November 17 Mercaptan spill, I became more educated about oil drilling,
- The City has a lack of monitoring and enforcement of existing conditions of zoning,
- And the Zoning Administrator is unwilling to add conditions to zoning, even when the public is calling for conditions to be placed on the site,
- Mr. Irving, you were the ZA in the [Rancho Park] case, and I was upset to hear that unless there is a public nuisance at the drill site then the conditions of annual inspect and emission monitoring are not required.
- Why should you wait until there is a nuisance to have these public safety laws enacted and enforced?
- The City should be doing annual inspections and emissions monitoring to prevent a nuisance and not in response to a nuisance,
- The drill site owners have been more responsive and transparent, and voluntarily want to bring their sites up to code,
- They invite our inspections; they invite City inspections,
- The City Council and our Council Districts say they are going to do these inspections, but it has been three years since the City Council instructed the City Attorney draft an ordinance for inspections,
- This is another opportunity to finally walk the walk, not just talk the talk,
- The oil company is conceding to the request of the community and agreeing to the conditions of emissions monitoring and annual compliance inspections,
- Let's not wait for a nuisance, spill or emergency and let's start doing the annual inspection,

Cherie Lewis- Attorney / Senior Citizen

- Because of the polluted air and smells, I limit my time in the area,
- Sad, I cannot fully shop in my own neighborhood because of health concerns,
- I'm sad for the children attending schools in the area,
- I support the plan to correct the violations of the Settlement Agreement, California State law and Los Angeles city law,
- I support the plan to monitor the drill site on a 24-7 basis, and to conduct annual inspections of the drill site,
- I thank the drill company for its willingness to improve its conduct in the neighborhood,
- I heard the office of Paul Koretz is opposed to this plan and, I'm very disappointed,
- I call upon Mr. Koretz to review his stance on this matter and work with his constituents,

- I request the Zoning Administrator accept this plan so that the long overdue process to remedy this unhealthy situation can begin as soon as possible,

Michael Salman – Representative

- At the beginning of the hearing, you indicated this is a controversial hearing,
- On November 19, 2019, the Chief Zoning Administrator ordered the holding of this review,
- The officers of NASE complained to her that the 2001 Settlement Agreement called for recurring 5-year review and that they were never held,
- She said the review is mandated by Clause B of the Settlement Agreement, approved by City Council,
- Clause B invoked Condition 78 of the 2001 ZA approval, an approval reached with a full environmental approval,
- Condition 78 says the Zoning Administrator shall evaluate the neighborhood impacts and the efficacy of the mitigation measures; the Zoning Administrator may impose corrective conditions if warranted,
- The title of Condition 78 is "Review of Conditions" not review of compliance,
- The efficacy of conditions set in conjunction with a full environmental impact report, under CEQA, is what is supposed to be going on,
- This should not be a review of compliance but a review of efficacy of conditions,
- Conditions whose efficacy has failed,
- The review is violating the Settlement Agreement and Condition 78 of the 2000 approval,
- Evaluating the efficacy of the conditions cannot be done outside of the CEQA process; giving this review a categorical exemption puts it outside the CEQA process,
- The Department of City Planning's application instructions (master application) Item No 4 says - The applicant must provide information regarding any intent to develop a larger project.
- On June 19, 2020, PCEC sent the Chief Zoning Administrator an email in which PCEC enumerated 25 projects that had been conducted at the site and executed since 2000 without review by the ZA,
- Including 24 major oil well operations, drilling new wells, re-drilling existing wells, and converting wells,
- 24 operations in which the LAMC says the Zoning Administrator must do a discretionary review and grant an approval before such operation can be conducted,
- Given the Department of City Planning's own application instructions, the application for this case needs to be amended to include the 25 projects,
- The reason is under CEQA, if you have a larger project and you split it up, you segment or you piece meal it into smaller parts, that skews the full environmental impact,
- The State Supreme Court has called this piecemealing; since the 1970s, it has repeatedly ruled it is illegal,
- PCEC is not doing the piece meal; the Zoning Administrator is doing it to prevent the possibility of a proper environmental review that could see the scope of the entire project,
- The California Environmental Quality Act, dates back to 1970,
- It is the State of California landmark environmental protection legislation,
- CEQA has both procedure and substantive requirements, part of which the environmental review is supposed to inform decision makers and supposed to inform the public,

- So, the public has access to environmental information so that the public can be informed participants in public decision making,
- A CEQA clearance can't be done after the fact; an environmental review under CEQA has to be done early in the process so that it can inform the process,
- Final point concerns the Zoning Administrator's proposal, not the applicant, to use a categorical exemption,
- I would like to know why Mr. Irving keeps changing the class of the categorical exemption,
- There are no documents in the file about the categorical exemption,
- The only documents that have any notation about the environmental clearance is the hearing notice; it says Class 9 and Class 21 categorical exemption,
- At the July 9 hearing, Mr. Irving first said it was a Class 1 Categorical Exemption, then at the end of the hearing, he said it was a Class 21 Categorical Exemption,
- Mr. Irving reiterated it's a Class 21 Categorical Exemption.
- Class 21 is for enforcement, enforcement would mean referral for prosecution or revocation,
- This is not a revocation proceeding, which would be governed LAMC Section 12.27.1.
- Mr. Irving says it's a review of compliance; that's not covered by Class 21,
- Any categorical exemption is inappropriate because we are dealing with a review.
- Condition 78 of the 2000 approval says it is about the efficacy of mitigation measures that have transparently failed,
- These are mitigation measures that were set with an EIR back in the 2000 approval,
- And we are also dealing with 25 unapproved projects including 24 major well operations,
- Bringing this case forward with a categorical exemption is a travesty that violates state law.
- All of this has been brought to the attention of the Zoning Administrator, the City Attorney's Office and the Council Office by Amy Mateer, who is a lawyer retained by NASE (Neighbors for A Safe Environment),
- NASE is a locally based community environmental organization that won the settlement agreement in 2000,
- Ms. Mateer walks through this issue step by step; there is more going on that is illegal,
- We are looking at a smoldering pile of illegality on the part of the City,
- As Scott Silver said, an oil company has sat up straight and looked the situation square in the face, and has been honest about it and has come forward to do what the public has requested, but the City has refused to do it,
- Very last point, in 2001 Mike Feuer was Council Member of CD 5, and was the member who introduced the motion to approve the 2001 settlement agreement,
- In the 1995 review, when Mike Feuer was Councilmember elect, he wrote to the Zoning Administrator,
- Mr. Feuer said there needs to be independent monitoring of noise, odors and air quality; that's basically calling for inspections,
- In 1995, Mike Feuer knew inspections were needed because there were none,
- 1995 was 25 years ago; Mr. Feuer has been the City Attorney since 2013,
- Mr. Koretz has been the Council member since 2009; he was Councilmember when the 2010 review didn't happen; he was the Councilmember when the 2015 review didn't happen,
- These are not problems that are unknown to the city, nor unknown to Mr. Feuer or Mr. Koretz,

- The need for inspection of oil sites is well known and widely known,
- And it's not happening because the Zoning Administrator, the City Attorney and Council are refusing to do it,
- All of that is going on in this case in a smoldering radioactive pit of illegality by the City refusing to observe the CEQA, refusing to observe the City's own guidelines for implementing CEQA, refusing to observe the City's own municipal code.
- People should be shocked and outraged; remember everything that happens,

Rabi Yonah Bookstein – Pico Robertson Health and Safety Coalition Member

- I've lived and worked in Pico Robertson since 2009,
- I represent the Pico Robertson Health and Safety Coalition, a group of 85 concerned citizens,
- When the City approved the drilling of oil in the 1960s, it was generations ago,
- Los Angeles and science have progressed substantially in the last 70 years,
- Our group of 85 formed almost two years ago; we started because of our ongoing concerns including complaints by residents of odors,
- In addition, it was formed because people discovered that they were living next to an active oil well site,
- One of the affects building a 20-foot-high wall around the oil operations and around the processing site on the block west, was that many residents didn't know what they were living next to,
- We are very disturbed that our City Councilman, the City Council and the Zoning Administrator seem intent on blocking environmental protections,
- Recently, I listened to a state hearing on the future of oil drilling in the state,
- The oil industry lined up dozens of employees to speak on behalf of their positions,
- In this case, there was nobody to call in support of the continued operation of the site as things are going now; there is no support for things to continue,
- Everything we've heard today and at the previous hearing from the citizen groups, SORO Neighborhood Council, NASE, our organization, including the operator, thinks something has to change,
- Yet, that is not the position of the Zoning Administration Office because we are going on with the hearing,
- Studies have shown the potential negative affect of ongoing exposure to volatile organic compounds; these compounds have no smell and impossible to detect by your nose,
- We know the operation has been cited by the Los Angeles Fire Department for safety violations,
- We agree with the testimony from Mr. Silver, from the Rancho Park Citizenry and our dear Professor Michael Salman,
- It's shocking the City doesn't listen to these groups,
- The operators have major violations; we've known that; it's documented,
- Perhaps these occurred under previous ownership, but that does not mean they should be looked over,
- This review should be following the requirements of the 2001 Settlement Agreement and Condition 78 of the 2000 approval,
- We are supposed to be discussing the efficacy of mitigation measures and a comprehensive compliance inspection by the City Petroleum Administrator,
- We are familiar with the infamous desk inspection; but we actually need a real inspection before the review goes to hearing,
- This hearing shouldn't be happening; we should be having this hearing at another time,

- There needs to be an environmental review under CEQA; the categorical exemption that we are operating under for this hearing is incorrect and violating state law,
- Our group since the beginning has been advocating for immediate inspections,
- Followed by annual compliance inspections; we need 24-7 fence line monitoring with evidence that is recorded and available to the public,
- We need the 5-year review which was mandated by the settlement agreement,
- Mike Feuer was the Councilman for our district; the City Council, City Attorney and the Councilman should be on top of their game,
- If they are not going to look out for the citizenry, why are they in their office,
- It was pointed out that there are micro-turbines onsite; he did mention they are forbidden; while they may have been put at the production facility; it is still one site, it's not like it is a different site,
- The whole site operates under one permit that the City agreed to in the 1960s,
- You can't have a micro turbine on a site, anywhere on the location; it doesn't matter if it's near the oil well or the production facility,
- They were forbidden by the settlement agreement,
- If they are to be allowed, they have to be done in a way which ensures the safety of all involved,
- The annual monitoring of odors is necessary,
- The harmful chemical that are released when there are errors in the process,
- The operator pointed out that there were no phone calls of odor complaints,
- This is not evidence that there might not be problems,
- For example, my office is across the street from the oil well; I have been working from home during COVID and many other people; most of the businesses are closed down so there are not many people on the street to smell the odor,
- So that fact that there are no phone calls is really not evidence,
- When people do smell things, we instruct them to call South Coast Air Quality Management District,
- You really have to be a detective to find the phone number on the building; there are these small poorly lit signs on one of the doors,
- For all those reasons, I find it really insufficient to take in consideration that this site is not causing trouble,
- We are approaching the Jewish Holiday, Rosh Hashanah, the Jewish New Year,
- It's a day of introspection, coming to terms with the things we did wrong in the previous year; it's about repairing wrongs,
- What are we going to do going forward?
- We have to be true not only to City code, state law or to the will of the neighborhood, but we also have to be good before God,
- What are we doing going forward; we can fix the past mistakes, but we have to first acknowledge the past mistakes and we have to come to terms with those mistakes, and then come up with solutions to fix those mistakes,
- I find the operator is more interested in fixing and amending past wrongs than our City Councilman,

Jennifer Susich – Glenville Resident

- Thanks to everyone who has spoken this morning,
- Everyone that spoke early has illuminated the issues quite well,
- As someone who moved to the area in 2016 and has had numerous health issues, I'm very interested in what's going on at the site, and possible violations,
- I want to echo their calls for there to be environmental reviews, and for there to be more regulations and ongoing checks to make sure everything is done appropriately,

- I'm very concern as someone who lives in close proximity and that there are multiple schools in the area,
- It's very concerning and disturbing to know that there are so many violations.

Richard Wiener - NASE Member

- I'm one of the founders and member of the board of directors of NASE,
- NASE is party to the 2001 Settlement Agreement, which calls of the review of conditions under which the Pico drill site is operating, every 5 years,
- Review of compliance, and violations over the 5 years shows the necessity of review of conditions is appropriate and necessary,
- There was no hearing or approval of conditions in 2010 or 2015, and it is only because NASE demanded that this hearing is being held,
- It is totally inappropriate that the City and Zoning Administrator insist on a categorical exemption for an environmental review given the numerous violations of the law, but especially because PCEC has joined in the request with NASE for a review of these conditions,
- While the representative of the Councilman Koretz office join in the ZA 's intention to grant a categorical exemption, reiterate the Councilman Koretz intention to have a 2,500-foot setback for operation of the Pico site, knowing full well that baring a catastrophe occurrence, that is not remotely possible to have a 2,500 setback,
- NASE, through its attorney, notified the City of its intent to seek legal remedies if the City continues to refuse to address the numerous violations of CEQA, and the 2001 Settlement Agreement that it made with NASE,
- A categorical exemption in light of the numerous violations of the existing conditions, we maintain is a violation of CEQA and the Zoning Administrator should order a mitigated negative declaration,
- The new conditions should require 1) an annual compliance inspection for compliance with ZA conditions and City Code, 2) permanent 24-7 emissions monitoring with recorded data that is reported publicly to the city on a quarterly basis, 3) the recurring 5-year review of conditions as mandated by the 2001 Settlement Agreement,

Dr. Matthew Lafferman – Nearby Resident

- I'm a physician who lives within the vicinity of the oil well,
- The technical components of the situation are beyond me but as a physician, the potential health hazards are within my knowledge base,
- My experience and research have shown me that there are significant health hazards to being within the vicinity of oil wells on a prolong basis,
- Some of those negative effects include gastrointestinal side effects, headaches, nose bleeds, and cancer,
- Cancer has hit my own family; my wife was diagnosed with breast cancer at a young age; it was not hereditary breast cancer; there was no history of breast cancer in her family,
- She has been treated and she is alive now, eight or so years later,
- So, the question is what kind of data has been collected as far as the health effects of living close to oil wells,
- LA County Department of Health has done a report of the health effects and confirm some of these potentials and have certain recommendations as far as distance for living from oil wells,
- I wonder why the City hasn't followed up on these recommendations,
- LA County has one of the shortest setback regulations in the nation; in Dallas, the recommendation they follow is no residence within 1,500 feet,

- In Maryland, it's 1,000 feet from homes and schools,
- I just want to lend my voice as a physician,

Daniel Skolnick Council Deputy, Council District Koretz

- Oil and gas extractions are incompatible land use around homes, schools and houses of worship,
- This is an oil drilling site with an egregious record, and Council Koretz wants this public nuisance shutdown as quickly as possible, not regulated, not condition – shutdown,
- First, we must document and so we have this process, which is a Plan Approval to review the effectiveness of the applicant's compliance with conditions,
- There is no request for modification of any of the existing conditions and no proposed expansion of use,
- So, a reasonable person will tell you that in a review of conditions and inspections, there is no environmental impact,
- Let's not get into this delay tactic about having additional environmental review,
- Let's not allow for oil company advocates to mis-inform our community,
- The fact of the matter is we have this process; things need to be done completely, they need to be done correctly; they need to be done accurately without delay,
- My fellow community members, please understand that you are hearing a lot of bad information,
- There is a terrible bad actor in your community that is harming your health,
- We need to complete this process without delay about EIRs; what is the environmental impact of an inspection?
- We will find out what is happening at this site and that is not an environmental impact; that is knowing the truth.

CORRESPONDENCE

- April 17, 2019 The Department of Conservation, Division of Oil, Gas and Geothermal Resources (DOGGR) reported that on November 28 and 29, its engineers witnessed tests of the safety systems and conducted an environmental lease inspection of wells and facilities at the Pacific Coast Energy Company. The tested safety systems responded as designed; no violation was observed during the lease inspections.
- February 21, 2020 In two letters, the South Robertson Neighborhood Council made an "urgent" request that the City Council pass an ordinance to require annual general compliance inspections and 24/7 emissions monitoring at oil drill sites without further delay.
- The Neighborhood Council also requested the West Pico Drill Site to undergo a comprehensive compliance inspection by the Petroleum Administrator with the inspection report to be released before the Zoning Administrator holds a public hearing in the upcoming ZA Review Compliance.
- May 25, 2020 In the letter, the writer expresses "grave" concern about the process through which the upcoming Review of Compliance and Conditions at the West Pico Drill Site seems to be heading toward

Public Hearing without first having the Petroleum Administrator conduct or lead a comprehensive compliance inspection of the drill site.

- June 5, 2020 Michael Salman expressed "grave and urgent" concern that the Review of Compliance of the West Pico Drill site was being unduly rushed in a way that will poorly serve everyone – the public, the operating oil company, the City and the Planning Department. The writer argues the Petroleum Administrator should first perform a comprehensive compliance inspection of the drill site before conducting a public hearing.
- June 19, 2020 Michael Finch, PCEC representative, shared that the company was recently contacted by a member from the public and several issues and outstanding questions were brought their attention, including (1) whether the wells that have been drilled, re-drilled, and/or converted since the 2000 ZA approval required further approval under LAMC Section 13.01-H and 13.01-I; (2) whether activities such as drilling, re-drilling and/or converting wells underwent adequate CEQA review as part of the EIR process for the 2000 approval; and (3) whether Condition #1 of the 1965 ZA 17683 and Condition #B 49 of the 2000 ZAD 17683 need to be modified to reflect that onsite generation of power is occurring on the production site.
- June 24, 2020 Michael Salman shared that the applicant and he have identified exactly the same list of projects that require retroactive review. We have also had substantial conversation about solutions to other outstanding issues and problems. He expressed confidence that a consensus or near consensus solution is readily within reach and that getting to those solutions requires a full and proper review of the 25 unapproved projects.
- July 5, 2020 Dr. Rae Drazin, a party to the 2001 Settlement Agreement and has been living within 5 blocks of the oil drilling site since 1974, wrote "[i]t's quite amazing that the non-compliance issues are still with us, even as the owners of the Site have changed. I am concerned with ongoing odors and the lack of 24/7 monitoring and overall compliance and sincerely hope that finally in 2020 the neighborhood, especially the children, will be protected from potential environmental hazards caused by this facility."
- July 5, 2020 Richard S. Weiner, a founder and current officer of NASE, a party to the 2001 Settlement Agreement. Almost 20 years later the neighborhood has yet to realize the minimal environmental protections we assumed the Settlement Agreement provided. We believe it is necessary to have annual inspections and 24/7 monitoring of the Pico site."

- July 7, 2020 Charlie Carnow expressed concerns about the compliance issues and odors from the drill site which is located next to multiple schools, houses of worship and our homes. He expressed concerns about the lack of environmental review under CEQA. He urged the requirement of an annual compliance inspection and 24/7 emissions monitoring of the site to protect the public health and safety as had been done for other projects.
- July 8, 2020 Pacific Coast Energy Company (PCEC) shared its continuous work with the stakeholders and the City regarding efforts to address issues of community concern and to implement measures that will improve the overall safety and compliance of the West Pico facility. PCEC expressed a commitment to work with the City on appropriate conditions of approval to address the following:
1. The three items outlined in the June 19, 2020 email.
 2. Annual inspections of the site operations by the Petroleum Administrator and/or a qualified third party approved by the Petroleum Administrator,
 3. Evaluation of the feasibility of installing a fenceline emissions monitoring system using commercially available equipment that provides continuous monitoring and data recording.
- July 8, 2020 Michael Salman pointed out that there are two big categories of compliance problems: Non-compliance by the operator and Non-Compliance, including and encompassing violations of procedure and failures to perform administrative duties, including but not limited to duties under CEQA, by the City.
- August 24, 2020 Chatten-Brown, Carstens & Minter, LLP, attorneys for Neighbors for a Safe Environment (NASE), sought to address the ongoing and emerging legal violations at the West Pico Drill Site that have led to a failure to provide protections to the community surrounding the subject drill site.
- September 1, 2020 Maia Lefferman (via ActionNetwork) provided a petition signed by 142 people expressing strong concern regarding the health and safety risk posed by oil and gas drilling and production in our neighborhood. The petition calls on the Zoning Administrator and local City Council Representative to require: 1) Full and proper environmental review as required by CEQA, 2) Annual Compliance Inspections, 3) Permanent 24/7 Emissions Monitoring with recorded data that is reported publicly, and 4) that the City obey its own laws and obey state laws in order to protect the health, safety and the environment,
- September 11, 2020 Council Member Paul Koretz sent a letter to the constituents of Council District 5 expressing his support for the advocacy of the stakeholders in the community, and his desire to achieve the same

goals as the stakeholders. The letter expressed his continued involvement with the oil drilling site.

September 28, 2020 In an email to Planning Staff, Michael Finch requested a meeting with the Planning Staff, the City Attorney, and the Chief Zoning Administrator to consider a new application vs amending the existing application, elimination of existing conditions, addition of new conditions, conditions related to the entire drill site, and other project changes needed to address community concerns.

March 24, 2021 Chatten-Brown, Carstens & Minter LLP submitted a PRA Request R006330-120320 for West Pico Drill site; retention of Oil Permitting Records; and Permit Inspection Fees. The PRA Request was addressed to the City of Los Angeles Office of Finance, and the Los Angeles Fire Chief and Fire Marshal.

April 22, 2021 Michael Salman submitted an email that included multiple sets of LAFD Annual Oil Well Operating Permits for the individual oil wells at the West Pico Drill site, dating back to 2000, along with a spreadsheet listing over 900 individual permits. It was claimed that 22 of the permits were illegal, invalid, or void for years. It was also stated that there is a circle of negligence because the Zoning Administrator and the Fire Department do not check prior records, prior approvals or permits when considering their actions.

STAFF REVIEW OF COMPLIANCE WITH CONDITIONS

After listening to public testimony and after a thorough review of the material submitted to the public record, it was concluded that the operator failed to comply with a condition of the 2001 Settlement Agreement, and two conditions of the Zoning Administrator's grant. It was also concluded that the operator completed numerous projects on the drill site which were not authorized as part of the modernization of the drill site or the municipal code. Finally, it was learned that the operator performed projects on the adjacent production site without authorization, including the installation of the micro-turbines.

2001 Settlement Agreement Condition

Clause 4.b: On June 8, 2001, the City of Los Angeles, the operator and concerned parties entered into an agreement where all parties mutually agreed to thirteen clauses in order to settle the litigation filed challenging the EIR certified in connection with the drill site modernization approval, *Neighbors for A Safe Environmental v. City of Los Angeles*, LASC Case No. BC240760. Pursuant to clause 4.b of the 2001 agreement, the operator is required to file a Plan Approval for compliance review on each five-year anniversary of the latest review. The latest review was completed March 13, 2006, in which case, the operator was required to file a Plan Approval in 2011 and failed to do so. The operator did not file the 2020 Plan Approval application until after the failure was pointed out by this Office.

The ZA hereby determines that the operator is now fully in compliance with this condition as result of the 2020 filing. The operator is instructed to that it must

comply with the Settlement Agreement moving forward, and submit a Plan Approval application every five years, starting from 5 years after this determination becomes final.

ZA-1989-17683 Conditions

On March 13, 2006, the Zoning Administrator as required by Condition No. 78 under Case Nos. BZA 2000-1697 and ZA -17683(PAD) determined "that the conditions of approval have been and are being complied with, that the operation of the facility poses no ongoing health risk, that necessary inspections of the facility by government agencies will continue and that further hearings of formal review by the Zoning Administrator are not indicated." The operator continues to comply with a substantial number of the conditions of approval; however, the operator failed to show compliance with Condition Nos. 36, 39, 49 and 72 at the time the application was submitted. The operator has since provided evidence of compliance with two of the four conditions.

- 36. Spill Prevention Plan. The applicant shall at all times maintain an oil spill prevention control and countermeasure plan in conformance with applicable law. A copy of the Spill Prevention Plan shall be given to the Zoning Administrator for placement in the file.**

Condition No. 36. The operator submitted a 2016 copy of the Spill Prevention Plan to demonstrate compliance with Condition No 36, which indicates the operator has had such a plan.

The ZA hereby determines that the operator is now fully in compliance with this condition.

- 39. Noise Monitoring. The applicant shall install a 24-hour noise and video monitoring system substantially as follows.**

a) The noise monitoring system shall utilize the following:

- 1) The installation of an outdoor, calibrated microphone on the north portion of the drill site (on side of nearest residences).**
- 2) The installation of a decibel meter and connected personal computer in the new support building.**
- 3) The personal computer will be programmed to record sound decibel measurements on a 24-hour basis.**
- 4) If feasible, the system will include an automatic paging system attached to the computer which will automatically page the applicant's on-duty supervisor if the noise monitor records reading over a preset warning level.**
- 5) The applicant's on-duty supervisor will immediately investigate any noise problems and take appropriate action. The supervisor shall prepare a written report on each such incident.**
- 6) During the first 24 month of operation of the modernized drill site, the applicant will print out and send to the Zoning Administrator a monthly report of all recorded noises above the preset level together with all investigation reports for the period; afterward, the applicant shall provide such reports to the Zoning Administrator on a quarterly basis.**

- 7) **The system will be designed and installed, and the preset warning levels will be determined, by a qualified, independent noise consulting firm agreed upon by the Zoning Administrator and the applicant. The preset warning values will be determined during the first several weeks of operation based upon actual site conditions.**
- b) **The video monitoring system shall utilize the following components or features:**
- 1) **The installation of multiple video cameras on the walls of the drill site providing video coverage at various locations within the drill site and just outside of the drill site walls, including, but not limited to the alley along the north of the site, the derrick structure, and the support building. To avoid privacy concerns, the videotape system shall not record sound nor videotape any locations which are not owned by the applicant or are public.**
 - 2) **The installation of a video recorder in the support building, which will videotape the camera images and the time of the recording.**
 - 3) **The videotape will be used to help determine the origin and cause of any noise issues, in conjunction with the noise monitoring system. The videotapes will be available to the noise consultant and the Zoning Administrator, upon request. Videotapes shall be maintained by the applicant for at least 60 days.**

Condition No. 39: The operator admitted it was not in full compliance with Condition No. 39. The noise monitoring system has been installed, functioning properly and sending alerts to PCEC personnel. These noise alerts have been monitored and reviewed to determine if the noise exceedances were attributed to the facility. However, the operator failed to provide quarterly noise reports to this Office. The operator requests "clarification" as what noise exceedances require reporting since much of the activity is unrelated to the facility.

The Zoning Administrator hereby determines the operation is not in compliance with the condition and instructs the operator to submit to the record those monitoring reports that include activities which exceed the ambient noises within 60 days of the date this determination becomes final. The monitoring report is to cover the 36-month period prior to the submittal of this Plan Approval application.

The Zoning Administrator expects that the operator will comply with this condition going forward. If the operator wishes to formally request a change to the condition so that it specifically requires the reporting of noise attributed to the oil drilling operation only, the operator must submit an application for a Plan Approval with the appropriate fee to formally request this change.

49. **All Electric Power. All drilling and reworking operations at the site shall at all times be carried on only by electrical power and such power shall not be generated on the controlled drilling site or in the district.**

Condition No. 49: The operator indicated the drill (oil and extraction) site is electronically powered by the Department of Water and Power (DWP) through a

3,500-KVA transformer in the Support Building on the drill site; the production site's electrical power source (micro-turbines) is not used by the drill site.

The ZA hereby determines that the operator is now fully in compliance with this condition as it relates to the drill site.

With regard to the production facility site which is not part of this review, the ZA instructs the operator to file a separate Plan Approval application within 90 days to obtain the authorization for the installation of the micro-turbines on the production facility site, which were installed without the approval of the Zoning Administrator.

- 72. Limitations On Well Redrilling. Without prior written approval from the Zoning Administrator, no more than the existing 69 wells may be drilled, operated or maintained at the site and these wells shall be located at their current surface locations. All wells will be drilled from existing well cellars using existing strings of pipe or surface conductor pipe. In the event that applicant redrills any of the existing wells, the applicant shall provide the Zoning Administrators office with duplicate copies of all filings pertaining to such well filed with the California Division of Oil, Gas and Geothermal Resources, including such filings showing the bottom-hole location and the total depth of each such well. Furthermore, the applicant, upon request by the Zoning Administrator, shall furnish such additional information concerning the status, exact bottom hole location, productivity, etc., of the various wells drilled from the property, as to enable the Zoning Administrator to properly and intelligently administer the oil drilling regulations in this area; said information to be either verbal or in writing and to be kept confidential by the Zoning Administrator if so desired by the applicant.**

Condition No. 72: The operator has stated that "since the beginning of the modernization project a total of 59 wells have been drilled. One has been abandoned leaving a total of 58 wells at the site." Testimony was also provided that two wells have been had been drilled, there have been some re-drills and some conversions of wells since 2000.

As stated "the applicant shall provide the Zoning Administrators office with duplicate copies of all filings pertaining to such well[s] filed with the California Division of Oil, Gas and Geothermal Resources, including such filings showing the bottom-hole location and the total depth of each such well." The Zoning Administrator's office is not in receipt such of filings and hereby determines the operation is not in compliance with the condition. The operator is instructed to submit copies of all past permits allowing drilling and redrilling of wells within 60 days of the date this determination is final.

Municipal Code Provisions

LAMC Section 13.01-H states "[any] person desiring to drill, deepen or maintain an oil well in an oil drilling district that has been established by ordinance, or to drill or deepen and subsequently maintain an oil well in the M3 Zone within 500 feet of a more restrictive zone shall file an application in the Planning Department, requesting a determination of the conditions under which the operation may be conducted."

LAMC Section 13.01-I states “[no] person shall drill, deepen or maintain an oil well or convert an oil well from one class to the other and no permits shall be issued for that use, until a determination has been made by the Zoning Administrator or Area Planning Commission pursuant to the procedure prescribed in Subsection H of this section.”

Testimony and evidence were provided that the operator completed a number of projects involving the drilling and re-drilling of wells on the drill site without approvals from the Zoning Administrator. While DOGGR records were provided relative to the drill/redrill work completed for two wells (West Pico 58 and West Pico 59), the operator acknowledged that a number of drilling and re-drilling projects were completed without specific written Zoning Administrator approval because it was believed that Condition No. 72 allowed for such projects. Also, the Planning Department’s case tracking system has no record of any planning application filed seeking permission for drilling or redrilling work.

While Condition No. 72 may have allowed additional drilling or re-drilling, it also required the applicant “provide the Zoning Administrator’s office with duplicate copies of all filings pertaining to such well filed with the California Department of Oil, Gas and Geothermal Resources, including such filings showing the bottom-hole location and the total depth of each such well.” Copies of such documents were not submitted to the Office of Zoning Administration. The Zoning Administrator instructs the operator to submit copies of the filings, made to the California Department of Oil, Gas and Geothermal Resources, to the Office of Zoning administration within 60 days of the date this determination become final.

DISCUSSION

The review of the whole of the case file indicates that the operator of the drill site has failed to maintain full compliance with all of the Zoning Administrator's conditions of approval of ZA-1989-17683(PAD)(PA1), the Los Angeles Municipal Code provisions applicable to oil drilling sites and permits; and the 2001 Settlement agreement.

Additional testimony was provided that the operator completed projects on the adjoining production site. The installation of micro-turbines on the production portion of the controlled drilling site was performed without any authorization from the Zoning Administrator. LAMC Section 13.01 F.26 requires “[that] all power operations other than drilling in said district shall at all times be carried on only by means of electrical power, which power shall not be generated on the drilling site.” The operator installed the micro-turbines on the production portion of the controlled drilling site in violation of the municipal code.

An awareness of the effects that urban oil drilling and production operations have on communities has grown since the facility was first granted an approval to be established as a controlled drill site, and particularly over the last several years since the West Pico Oil Drill site was given authorization to modernize. The technology used for oil and gas extraction and production has advanced significantly over the years, and the measures to protect communities have advanced as well. A review and evaluation of the applicant’s Plan Approval request has led to research of the industry’s best practices and technological advancements, for example using micro-turbines to generate electricity on site, rather than burden local public resources, or the use of real time reporting of drilling

activities, are generally good practices.

Based on the review of the public records, a site visit and the testimony from the public about noise, odor, truck traffic, and other evidence submitted to the record, it is hereby determined that the current conditions of approval imposed on the whole of the drill site may not be completely adequate to preserve the health, safety and general welfare of the nearby residential neighborhood. The Zoning Administrator notes that the production facility was approved over 50 years ago and there has never been a review of the conditions of approval to determine their effectiveness. The drill site, on the other hand, has had two reviews since the modernization project was completed.

Based upon the foregoing, the Zoning Administrator believes that additional conditions, or required corrective measures may need to be taken, as he has found, after actual observations or experience with drilling one or more of the wells in the district that additional conditions are necessary to afford greater protection to surrounding property, considering the whole of the drill site, including the drilling portion and the production portion, pursuant to LAMC 13.01-E.2(i).

Testimony was provided regarding the production site, focusing on projects and activities occurring on said site without authorization. As part of this review, the Zoning Administrator learned that the production site operates, in part pursuant to all conditions of approval for the drill site as outlined in Case No. ZA-17683. As the Plan Approval herein is limited to determining the effectiveness of the conditions of approval related to the modernization of the drill site only, the Zoning Administrator will review the effectiveness of the conditions of approval for the production facility site operation outlined in Case No. ZA-18893 with the operator's application for Plan Approval, pursuant to LAMC Section 12.24 M, to obtain authorization for the installation of the micro-turbines on its production facility site.

ADDITIONAL DISCUSSIONS:

As an unmodified, continued operation of an existing drill site and related compliance review, the Proposed Project qualifies for exemption from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines, Article 19, Sections 15301 (Class 1) and 15321 (Class 21).

Section 15301; Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The key consideration is whether the project involves negligible or no expansion of use.

The proposed project is a required Plan Approval, pursuant to a 2001 Settlement Agreement that mandates periodic compliance review of conditions imposed on the continued operation of an existing drill site that was modernized. The proposed project qualifies for the Class 1 exemption because (1) the review of conditions applies to the continued operation of the existing West Pico Oil Drill Site and (2) no expansion of the existing drill site's use, pursuant to LAMC Section 13.01 has been requested. The

proposed project will not result in a change the number of wells as the capacity of the oil and gas extraction facility will remain the same.

Section 15321; Class 21 Category 2: Consists of Actions by regulatory agencies to enforce or revoke a lease, permit, license, certificate, or other entitlement for use issued, adopted, or prescribed by the regulatory agency or enforcement of law, general rule, standard, or objective, administered or adopted by the regulatory agency. This includes the adoption of an administrative decision or order enforcing or revoking the lease, permit, license, certificate, or entitlement for use or enforcing the general rule, standard, or objective.

The proposed project qualifies for the Class 21 exemption because it involves a Plan Approval to review the applicant's compliance with and effectiveness of the conditions imposed under Case Nos. BZA-2000-1697 and ZA-17683(PAD). The proposed project would permit the continued operation of the drill site subject to the existing conditions and corrective conditions if warranted. The regulatory action would not result in any impacts on the environment.

CEQA Section 15300.2: Exceptions to the Use of Categorical Exemptions.

The City has considered whether the Proposed Project is subject any of the six (6) exceptions that would prohibit the use of a categorical exemption as set forth in State CEQA Guidelines Section 15300.2. The six (6) exceptions to this Exemption are: (a) Location; (b) Cumulative Impacts; (c) Significant Effect; (d) Scenic Highways; (e) Hazardous Waste Sites; and (f) Historical Resources.

1. Location. *Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located – a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply in all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.*

The proposed project is not relying on Exemption Classes 3, 4, 5, 6, or 11 and is thusly not subject to this exception.

2. Cumulative Impacts. *All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.*

According to the California Department of Conservation (CalGEM) Well Finder database, the closest oil drilling facility is located near the intersection of Pico Boulevard and Avenue of the Stars, in Rancho Park, approximately 0.9 miles away from the project site. As such, there are no known successive projects of the same type and in the same place as the proposed project. The Plan Approval review of conditions of approval compliance and the subsequent reporting involves no changes of the existing baseline conditions as the resulting review will not change the number of wells or the production activities. Therefore, this exception does not apply.

3. Significant Effect. *A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.*

The proposed project is a required Plan Approval, pursuant to a 2001 Settlement Agreement that mandates periodic compliance review of conditions imposed on the continued operation of an existing drill site that was authorized for modernization. A Plan Approval, that reviews the effectiveness of the conditions of approval of an operating oil well site, is not an activity that typically involves unusual circumstances that will lead to a significant effect on the environment. The proposed Plan Approval review is no different as the request seeks to review compliance or non-compliance the conditions of approval that were imposed in connection with Case Nos. BZA 2000-1997 and ZA-17683(PAD). No request has been made to modify any condition which will result in a significant impact on the immediate environment.

The project site will remain enclosed on all sides with 25-foot-high walls, except for the two parking lot areas. Trees and plants will continue to line the exterior of the walls. Adjoining properties to the north of the project site will remain zoned R3-1VL-O and developed with two-story apartment buildings. Properties to the south across Pico Boulevard will remain zoned C4-1VL-O and developed with low-rise commercial buildings occupied by a variety of commercial and religious uses. Adjoining properties to the east across Doheny Drive will remain zoned C4-1VL-O and include a gas station and other commercial uses. Properties to the west of the subject site across Oakhurst Drive will remain zoned C4-1VL-O and developed with an oil processing site operated by the applicant. The existing drill site's operation remains bound by all prior conditions of approval and regulatory requirements from the Southern California Air Quality Management District (SCAQMD). Therefore, the baseline conditions will remain unchanged and there are no foreseeable impacts from the project. Thus, there are no unusual circumstances and no reasonable possibility that the project and on site activities will lead to a significant effect on the environment, and this exception does not apply.

4. Scenic Highways. *A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway.*

The only State Scenic Highway within the City of Los Angeles is the Topanga Canyon State Scenic Highway, State Route 27, which travels through a portion of Topanga State Park. The project site is approximately 10 miles east of State Route 27. Therefore, the proposed project will not result in any damage to any scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway, and this exception does not apply.

5. Hazardous Waste. *A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.*

According to Envirostor, the State of California's database of Hazardous Waste Sites, neither the project site, nor any site in the vicinity, is identified as a hazardous waste site, and this exception does not apply.

6. Historic Resources. *A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.*

The project site has been identified as a potential historic resource in Survey LA the citywide survey of Los Angeles, but not designated as such; and the proposed project is a required Plan Approval, pursuant to a 2001 Settlement Agreement that mandates periodic compliance review of conditions imposed on the continued operation of an existing drill site that was authorized for modernization. The proposed project proposes no changes to the physical or operational components of the oil drill facility, and based on this, the proposed project will not result in any substantial adverse change to the significance of a historic resource and this exception does not apply.

INDEMNIFICATION AND REIMBURSEMENT OF LITIGATION COSTS.

Applicant shall do all of the following:

- i. Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside, void or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions or to claim personal property damage, including from inverse condemnation or any other constitutional claim.
- ii. Reimburse the City for any and all costs incurred in defense of an action related to or arising out of the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages and/or settlement costs.
- iii. Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$50,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- iv. Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement (ii).

- v. If the City determines it necessary to protect the City's interests, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action or proceeding in a reasonable time, or if the City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not relieve the applicant of any obligation imposed by this condition. In the event the Applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

"City" shall be defined to include the City, its agents, officers, boards, commission, committees, employees and volunteers.

"Action" shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims or lawsuits. Actions includes actions, as defined herein, alleging failure to comply with any federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the Applicant otherwise created by this condition.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this determination is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. The Zoning Administrator's determination in this matter will become effective after **June 17, 2021**, unless an appeal therefrom is filed with the City Planning Department. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of the Zoning Administrator's action, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. **Forms are available on-line at <http://planning.lacity.org>.** Public offices are located at:

Figueroa Plaza
201 North Figueroa Street
4th Floor
Los Angeles, CA 90012
(213) 482-7077

**Marvin Braude San Fernando
Valley Constituent Service Center**
6262 Van Nuys Blvd., Room 251
Van Nuys, CA 91401
(818) 374-5050

**West Los Angeles
Development Services Center**
1828 Sawtelle Blvd., 2nd Floor
West Los Angeles, CA 90025
(310) 231-2912

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

Inquiries regarding this matter shall be directed to Dylan Sittig, City Planning Associate for the Department of City Planning at (213) 978-1197.



THEODORE L. IRVING, AICP
Associate Zoning Administrator

cc: Councilmember Paul Koretz
Fifth District
Adjoining Property Owners
Vincent P. Bertoni, Director, Los Angeles Department of City Planning
Erica Blythe, Acting Petroleum Administrator
Office of Petroleum and Natural Gas Administration and Safety
Amy Minter, Esq., Counsel for NASE

Applicant Copy
 Office: Downtown
 Application Invoice No: 75016

City of Los Angeles
 Department of City Planning



Scan this QR Code® with a barcode reading app on your Smartphone. Bookmark page for future reference.



6800175016



City Planning Request

NOTICE: The staff of the Planning Department will analyze your request and accord the same full and impartial consideration to your application, regardless of whether or not you obtain the services of anyone to represent you.

This filing fee is required by Chapter 1, Article 9, L.A.M.C.

If you have questions about this invoice, please contact the planner assigned to this case. To identify the assigned planner, please visit <https://planning.lacity.org/pdiscaseinfo/> and enter the Case Number.

Receipt Number:090921EC0-72EE7B89-DB6F-43E5-861A-AB0144AC7862, Amount:\$109.47, Paid Date:09/09/2021

Applicant: CHATTEN-BROWN, CARSTENS & MINTEER LLP - C. MINTEER, AMY (310-7982409)
Representative:
Project Address: 9101 PICO BLVD W

NOTES:

ENV-2020-1328-CE-1A			
Item	Fee	%	Charged Fee
Appeal by Aggrieved Parties Other than the Original Applicant *	\$89.00	100%	\$89.00
Case Total			\$89.00

Item	Charged Fee
*Fees Subject to Surcharges	\$89.00
Fees Not Subject to Surcharges	\$0.00
Plan & Land Use Fees Total	\$89.00
Expediting Fee	\$0.00
Development Services Center Surcharge (3%)	\$2.67
City Planning Systems Development Surcharge (6%)	\$5.34
Operating Surcharge (7%)	\$6.23
General Plan Maintenance Surcharge (7%)	\$6.23
Grand Total	\$109.47
Total Invoice	\$109.47
Total Overpayment Amount	\$0.00
Total Paid (this amount must equal the sum of all checks)	\$109.47

Council District: 5
 Plan Area: West Los Angeles
 Processed by CHAN, JASON on 09/09/2021

Signature: _____

Building & Safety Copy
 Office: Downtown
 Application Invoice No: 75016

City of Los Angeles
 Department of City Planning



Scan this QR Code® with a barcode reading app on your Smartphone. Bookmark page for future reference.



6800175016



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