

## Communication from Public

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**Comments for Public Posting:** Please see the Supplemental Statement of Appeal submitted in this matter by appellant NASE.



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### **SUPPLEMENT TO 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 supplement to our initial submission appealing 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.

Since our initial appeal filing on September 9, 2021, an oil spill occurred at the West Pico Controlled Drill Site, further demonstrating the importance of NASE's repeated requests for environmental review, as well comprehensive inspections and compliance monitoring. This oil spill occurred just a few days after a response to our appeal was submitted to the City Council by the ZA. That response includes a number of misrepresentations regarding the required process of review for this project and it could undermine the City Council's commitment to phase out oil wells located near residents.

#### **I. Oil Spill at the West Pico Drill Site**

There was an oil spill that surfaced on December 11, 2021 and appeared outside the West Pico Drill Site in the City alleyway that runs next to the north wall of the eastern half of the drill site located at 9101 West Pico Blvd. The spill originated from an underground pipeline linking the two halves of the drill site together. While the amount that reached the surface was modest, the amount leaked underground was larger and the underground leak was active for an unknown longer period of time. The environmental and community impacts of this spill are ongoing.

- The spill and its basic causes are documented in reports and Notices of Violation from CalGEM and other agencies. The following satellite photo is from the CalGEM inspector's report, showing the locations involved in the spill (we have added blue circles for clarity):



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**Figure 1.** Map of Drill site and facility compounds. Drill site is the right most building centered in map, facility compound is leftmost building centered in map.

- The CalGEM inspector's report identified that the leaking pipeline was no longer in service and had been isolated from still active pipeline by the improper and illegal installation of a slip blind, a device meant for temporary use during pipeline maintenance. This slip blind was one of the causes of the spill as it had corroded from 20 years of exposure to brine and other corrosive agents it was not designed to withstand.
- CalGEM has already ordered a subsurface cleanup and proper abandonment of the pipeline, which will require excavation of a City alley next to residences, possibly a portion of Oakhurst Dr, and possibly a partial excavation of the Eastern half of the drill site at 9101 W Pico.
- This oil spill is not an isolated incident. CalGEM is continuing to investigate a 20-year pattern of violations of Federal and State spill prevention and pipeline safety requirements at the West Pico Drill Site.

## **II. The City's Lack of Oversight and Failure to Consider the Entire West Pico Drill Site Led to the Oil Spill**

The City failure to treat the entire West Pico Drill Site, both the extraction portion at 9101 West Pico and the processing portion at 9151 West Pico, as a single integrated unit when reviewing impacts and imposing conditions has led to illegal work at 9151 West Pico that has adverse consequences for the entire community, including the latest oil spill. The City's lack of oversight, inspections, and enforcement of conditions and Municipal Code prohibitions and requirements at the West Pico Drill has allowed the site operator to rack up numerous violations over the last 20 years.

- The inactivation of the pipeline was a result of the construction projects approved for the eastern half of the drill site (9101 West Pico) in 2000. When this pipeline was made inactive, the operators conducted improper and illegal work on the western half (9151 West Pico) by installing the slip blind to isolate the now inactive pipeline.
- The current pipeline leak, caused in part by the corrosion of the illegally installed slip blind at 9151 West Pico and resulting in a leak at 9101 West Pico, clearly demonstrates the integrated nature of the entire West Pico Controlled Drill Site and the need to evaluate activities on both halves of this site simultaneously.
  - Despite this, the City continues to rely on an improperly narrow focus on only the eastern portion of the Controlled Drill Site in the current Plan Approval review pending on appeal.
- The City's failure to conduct thorough and timely inspections is also a contributing factor in the current oil spill. Slip blinds are also called paddle blinds because they have a protruding handle, like a paddle, that is clearly visible. The protruding handle of the slip blind was a visible red flag that the City should have seen had it conducted a comprehensive inspection of the site at any point in the last 20 years.
  - The current site operators, who did not themselves install the slip blind, also should have easily recognized the slip blind's protruding handle as a sign of illegality and danger and fixed it as required by Federal and State law *before* an oil spill occurred.
- Had the City fully enforced conditions of approval from the 2000 ZA approval, the current spill could also have been prevented or the harms reduced.
  - The 2000 ZA approval has the following Conditions that the oil spill, and other incidents and failures we have previously documented, show have been violated for 20 years: 36) Spill Prevention Plans, 46) Avoidance of Nuisance, 47) Waste Disposal, 48) Conformance with Regulatory Oversight, 53) Good Oil Field Practices, 57) Odor Control, 61) Leak Detection and Odor Control.

- Condition 78 also required the ZA in the current case to contact all “monitoring agencies” and collect all documentation needed for a full review, but this was not done. The ZA did not collect a current Spill Prevention Plan as required by Conditions 36 and 78, nor other documents related to leak and odor prevention, nor did the ZA consult with LAFD CUPA and CalGEM about the status of SPCCP, PMP, and HMBP plans. Had that required action been taken, the ZA would have had clear evidence of these plans being late and incomplete.

### **III. Staff Report Rebuttal to NASE’s Appeal Repeats Errors that Led to Oil Spill.**

On December 2, 2021, the ZA submitted to the City Council a rebuttal to NASE’s appeal (“Appeal Rebuttal”). The oil spill and the City’s lack of oversight that has led to spill put in stark relief the issues NASE seeks to address with this appeal. Instead of addressing these issues, the Appeal Rebuttal continues the past mistakes by misrepresenting the ZA’s own mandate for conducting the underlying review as it pertains to CEQA, misrepresents basic facts, and contradicts City law and policy in ways that could be devastating to communities around all oil drill sites in the City and to the City as a whole.

- The Appeal Rebuttal claims ***“The Project does not include a specific review of the mitigation measures from the EIR (EIR 98-0149 PA [SCH #98091043]), but rather the conditions of approval imposed by the Planning cases identified.”*** This is demonstrably false.
  - NASE’s Settlement Agreement with the City requires this review to be conducted pursuant to the requirements of Condition 78. Condition 78 expressly mandates that the ZA ***“shall evaluate neighborhood impacts . . . and the efficacy of mitigation measures.”***
- The ZA’s refusal to abide by Condition 78’s requirements to “evaluate neighborhood impacts” and “the efficacy of mitigation measures” also contributed to the negligence that fostered the spill and further endangers the community.
  - The oil spill that surfaced on December 11, 2021 is an ongoing “neighborhood impact” rooted in negligence, noncompliance, and the inadequacy of existing conditions of approval and mitigation measures that Conditions 77 and 78 of the 2000 approval mandate must be evaluated and corrected if found to be ineffective.
- The Appeal Rebuttal incorrectly claims that well drilling, redrilling, and well conversions executed after 2000, and more such projects to be executed in the future, are covered by vested rights. This is a reversal in position from the ZA’s June 2, 2021 Letter of Determination, which states ***“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.***” In contrast, NASE has provided conclusive evidence there were never approvals for any of the oil well projects executed from 2000 onward and the current site operator agreed in writing to the ZA on June 19, 2020 and July 8, 2020.

- To allow this determination to stand would greenlight unlimited oil drilling on established drill sites without even the reviews and approvals required by City code since at least 1955, and without any enforcement action by the City.
- Moreover, claims in the Appeal Rebuttal that the City is essentially unable to do anything about these illegally drilled wells as part of the Plan Approval review are negated by Conditions 77 and 78, which allow the City to impose corrective conditions. These corrective conditions could and should include plugging of the illegal wells to prevent them from being included in the baseline conditions and to discourage illegal well drilling throughout the City.
- Contrary to City Council’s repeated unanimous votes and declarations in CF 17-0447, the Appeal Response denies that the proximity of the West Pico Drill Site to homes is an “unusual circumstance” and instead normalizes the proximity of oil wells to homes. This undermines City Council’s commitment to phase out oil wells near residences through amortization, a commitment premised on ***“proximity to active sites; with concern that the closer oil and gas wells and storage facilities are to sensitive land uses, the higher the risk that the health and safety of nearby residents could be threatened.”***

## Conclusion

For all of these reasons, as well as those previously provided in NASE’s original statement of appeal, this appeal seeks to overturn the complete lack of environmental review under CEQA due to improper reliance on a categorical exemption. The recent oil spill makes it all the more evident that proper implementation of CEQA is desperately required for the West Pico Controlled Drill Site. Failure to do so will vastly multiply the danger and risks to the local community and the City as a whole.

The only proper course for City Council is to grant NASE’s appeal and require CEQA environmental review that must be relied upon to inform the Plan Approval review.

Sincerely,



Amy Minter