

Senate Bill 4 Progress Report to the Legislature

An Informational Hearing by the California State Senate's
Committee on Natural Resources and Water
February 11, 2015

Presentations by:

- California Department of Conservation
Division of Oil, Gas and Geothermal Resources
- California State Water Resources Control Board



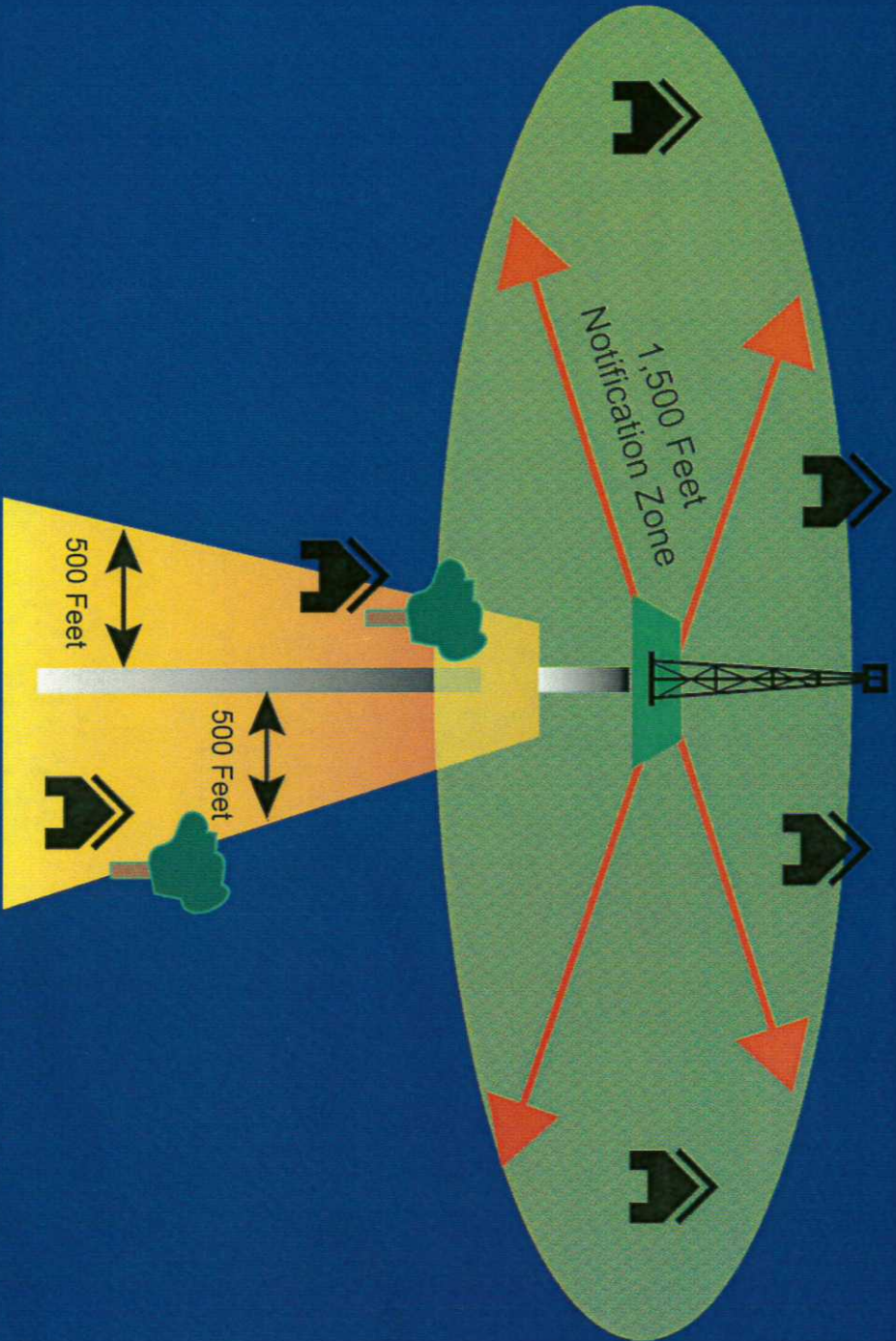
SB 4 Timeline

- Governor Brown signed SB 4 into law on September 20, 2013
- Interim regulations were adopted and became effective on January 1, 2014
- Final Regulations were completed on December 30, 2014 and will become effective on July 1, 2015
- Draft EIR released for public comment on January 14, 2015 (62 day comment period)

SB 4 Regulations

➤ <u>Before</u> WST Job	➤ <u>During</u> WST Job	➤ <u>After</u> WST Job
<ol style="list-style-type: none"> 1. Cement Evaluation 2. Pressure Testing 3. Well Stimulation Treatment Area Analysis 4. Well Stimulation Treatment Design 5. Neighbor Notification 6. GWMP 7. Chemical Disclosures 8. Acid Volume Threshold 9. Water Management Plans 10. Information sharing with other regulatory agencies 	<ol style="list-style-type: none"> 1. Monitor well pressure for indications that a breach may have occurred or that fluid is not confined to the intended zone 2. Seismic Monitoring <ol style="list-style-type: none"> a) Tracking of seismic activity b) Require specified evaluations if an earthquake larger than magnitude 2.7 occurs within the vicinity of WST 3. Operator must provide Division staff an opportunity to witness WST. (72 hour notice; 3hr confirmation) 	<ol style="list-style-type: none"> 1. Monitoring after WST <ol style="list-style-type: none"> a) Ongoing monitoring for any indication of well breach b) Production pressures every 2 days for the first 30 days and monthly thereafter c) Report annular pressures on an annual basis 2. Post-WST Disclosures <ol style="list-style-type: none"> a) Provided to the Division within 60 days after a WST b) Chemical disclosures posted on web (DOGGR and Frac Focus) c) Post WST Report 3. Monitoring Production Pressure

Who Receives a Notice?



Notices and Disclosures 2014-15

Notices 2013-2014

January 1, 2013 - December 31, 2014

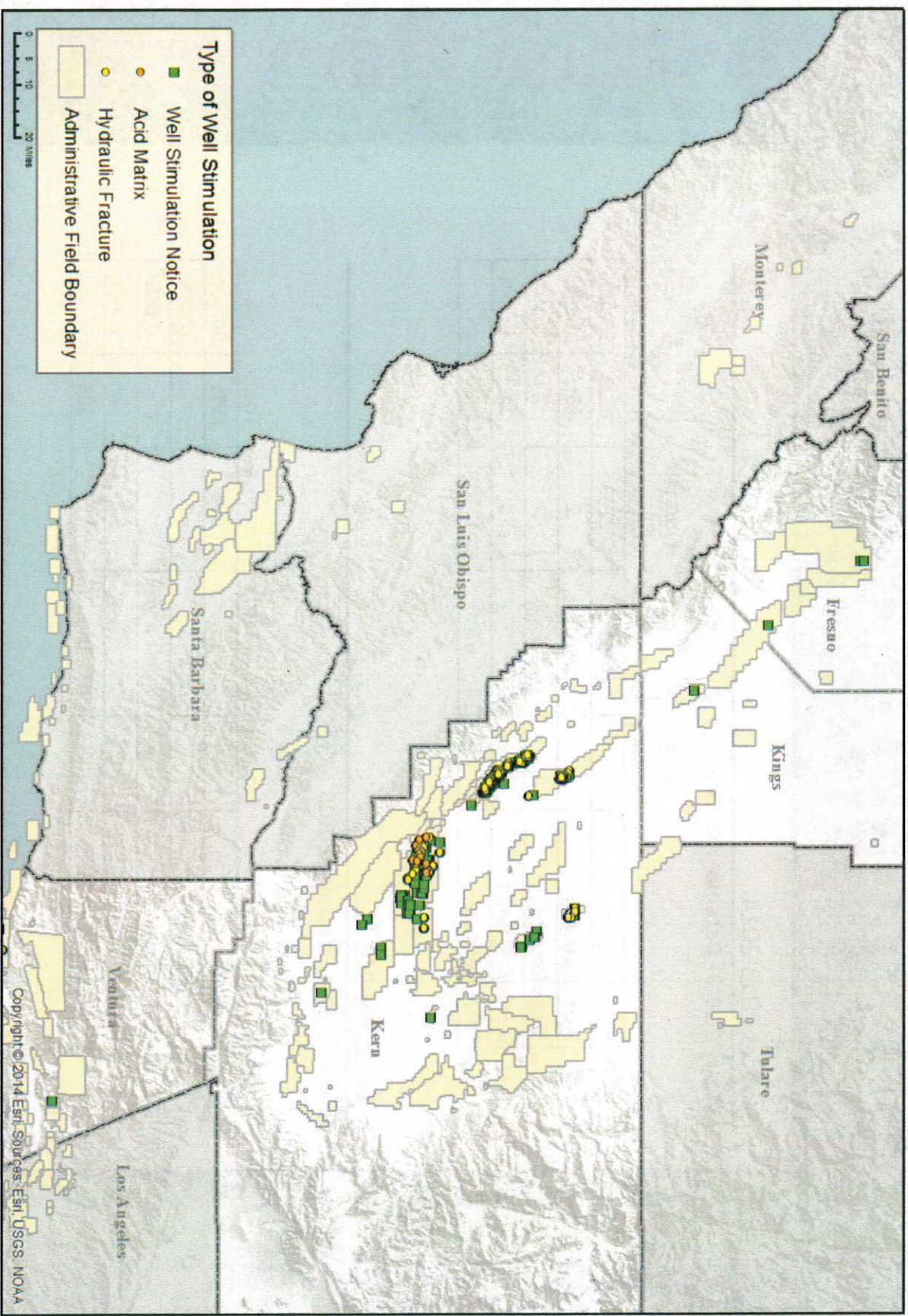
	Acid		Hydraulic		Total	%
	Fracture	Acid Matrix	Fracture			
Kern County		66	1263		1329	99.33%
Fresno County	1		2		3	0.22%
Kings County		1	1		2	0.15%
Ventura County			4		4	0.30%
Total Notices	1	67	1270		1338	

Disclosures 2014

January 1, 2014 - January 30, 2015

	Acid		Hydraulic		Total	%
	Fracture	Acid Matrix	Fracture			
Kern County		16	575		591	99.66%
Fresno County						0.00%
Kings County						0.00%
Ventura County			2		2	0.34%
Total Disclosures		16	577		593	

2014 Well Stimulation Treatment Activity



Copyright © 2014 Esri. Sources: Esri, USGS, NOAA

HOW MUCH WATER IS USED?

Water Volume per WST

January 1, 2014 - December 31, 2014

	Barrels	Gallons
High	59,645	2,505,090
Mean (Average)	2,211	92,862
Low	78	3,276
Median	1,901	79,842

The Draft EIR

- Objectives
 - Compliance with PRC Section 3161(b)(3)(A) and (B)
 - Inform regulatory agencies with authority over well stimulation treatment activities
 - Identify and develop impact avoidance and mitigation strategies
 - Facilitate on-going coordination between DOGGR and other regulatory agencies

Overview of the EIR's Technical Approach

- Programmatic analysis of the Project
 - Six Study Regions that coincide with DOGGR's six Administrative Districts
- Programmatic analysis of specific oil and gas fields
 - Wilmington Oil and Gas Field (Long Beach area)
 - Inglewood Oil and Gas Field (Los Angeles/Culver City)
 - Sespe Oil and Gas Field (Ventura County)
- *Complementary effort:* Kern County EIR on Zoning Amendment

EIR Schedule

Notice of Preparation Publication and Public/ Agency Scoping	November 18, 2013 – January 16, 2014 (60 Day Comment Period)
Draft EIR Publication and Public/ Agency Review and Comment	January 14 - March 16, 2015* (62 Day Comment Period)
Public Meetings on Draft EIR	February 2015
Final EIR Publication	June 2015
Final EIR Certification	By July 1, 2015

** All written comments on the Draft EIR must be received by the close of business day Monday, March 16, 2015.*

SB 4 Interagency Memoranda of Agreement (MOA)

Consistent with SB 4, the Division executed MOAs with the following agencies:

- State Water Resources Control Board and the nine regional water quality control boards
- California Air Resources Board and six local air districts (where WST likely to be used)
- California Department of Resources Recycling and Recovery
- California Department of Toxic Substances Control
- California Coastal Commission

Elements of the MOAs

- Well Stimulation Treatment Permitting
- Other-Agency Notification and Review
- Monitoring and Investigating
- Training and Enforcement Coordination
- Information Sharing
- Ongoing Review and Coordination

Questions?

