



State of California • Natural Resources Agency
Department of Conservation
Division of Oil, Gas, and Geothermal Resources
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State Water Resources Control Board

August 16, 2018

Mr. David Albright
United States Environmental Protection Agency—Region IX
75 Hawthorne Street
San Francisco, CA 94105-3901

AUGUST 2018 UPDATE ON COMPLIANCE REVIEW

Dear Mr. Albright:

On May 23, 2018 the Division of Oil, Gas, and Geothermal Resources (DOGGR) and the State Water Resources Control Board (State Water Board) (collectively, the State) provided the United States Environmental Protection Agency (US EPA) with an update on the State's compliance status on class II injection wells identified to be permitted for injection into potentially non-exempt underground sources of drinking water (USDW). The State will continue to provide US EPA with periodic updates on our review of aquifer exemption (AE) proposals.

DOGGR continues to work in coordination with the State Water Board and the appropriate regional water quality control boards (collectively, Water Boards) to develop AE proposals. In our previous update, we noted that there were 28 AE proposals the State had determined to have merit. This number has since increased to 30 because two of the packages were split into two, to better address the applicable aquifer exemption criteria. The following summarizes the current status of these 30 AE proposals.

- Nine proposals are complete and have been approved by the US EPA;
- Five proposals have been submitted to US EPA for approval (San Ardo and McCool Ranch, Kern Front Chanac, Cymric, McKittrick, and Arroyo Grande);
- One proposal is being readied for submission to US EPA (Lynch Canyon – Lanigan Sand);
- Three proposals have been made available to the public for comment and the State is in the process of responding to comments (Lost Hills Phase I, North Belridge, and Sespe);
- Two are currently being made available for public comment (Edison Phase 1 and Jacalitos-Coalinga);
- Three proposals are being prepared for public comment (Edison Phase 2, South Belridge, and Midway-Sunset (deeper formations)); and
- Seven proposals are under review by the Water Boards or being supplemented by DOGGR.

DOGGR and the Water Boards are in regular communication regarding the seven proposals under review. Estimated completion dates for these are noted in the attached table.

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DOGGR continues to address existing approvals for wells to inject into USDWs where data to support an aquifer exemption is not currently available, and has secured voluntary relinquishment from almost all the operators. While DOGGR is continuing to work on resolving the approval status of a few wells, no injection is occurring in any of these wells.

In mid-June, DOGGR invited the Ground Water Protection Council (GWPC) to conduct a peer review of its UIC program. The peer review is designed to provide DOGGR with recommendations for program improvement. The GWPC has completed its on-site portion of the peer review, and will be providing DOGGR with its findings and final recommendations next spring.

Also, in an effort to improve compliance of its rules, regulations, and statutes, DOGGR established an Enforcement Unit and joined with the Department of Conservation's Legal Office to establish the Office of Enforcement. This office is comprised of dedicated Legal and technical staff who will be working closely with DOGGR and the Districts to ensure compliance with the regulations and statutes and will be responsible for taking enforcement actions in a manner that is fair, firm, consistent, and transparent across the state.

We believe that our progress continues to demonstrate the State's commitment to protecting public health and the environment while avoiding unnecessary disruption of oil and gas production. If you have any questions or wish to discuss this matter further, please contact Mr. Ken Harris at (916) 323-1777, or Ken.Harris@conservation.ca.gov or Mr. Jonathan Bishop at (916) 341-5619 or Jonathan.Bishop@waterboards.ca.gov.

Sincerely



Kenneth A. Harris Jr.
State Oil and Gas Supervisor
Division of Oil, Gas, and Geothermal Resources



Jonathan Bishop
Chief Deputy Director
State Water Resources Control Board

Enclosure (1)