

OFFICE OF ZONING ADMINISTRATION  
200 N. SPRING STREET, ROOM 763  
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  
OF CITY PLANNING**  
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DEPUTY DIRECTOR

LISA M. WEBBER, AICP  
DEPUTY DIRECTOR  
planning.lacity.org

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. Rodriguez 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 8<sup>th</sup> 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 8<sup>th</sup> letter and also in an email dated June 19<sup>th</sup>,

- 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 3<sup>rd</sup> 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 8<sup>th</sup> 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 8<sup>th</sup> letter and also in an email dated June 19<sup>th</sup>,
- 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 18<sup>th</sup> 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 began 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 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 1970, 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 barring 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	<p>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.</p> <p>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.</p>
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  
4<sup>th</sup> 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., 2<sup>nd</sup> 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